

**MB6-896.exam.50q**

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**Microsoft MB6-896**

**Distribution and Trade in Microsoft Dynamics 365 for Finance and Operations**



**Exam A****QUESTION 1**

You need to flag an item for direct delivery.

Which two actions should you perform? Each correct answer presents part of the solution.

- A. Select a Direct delivery warehouse for the product.
- B. Enable the Direct delivery slider on the product.
- C. Select a default vendor for the product.
- D. Select a Direct delivery site for the product.

**Correct Answer:** BC

**Section:** (none)

**Explanation**

**Explanation/Reference:**

**QUESTION 2**

You are creating a sales agreement.

The sales agreement must affect the unit price, price unit, and discount amount for a sales order after the sales order is linked to a sales agreement.

Which commitment type should you use?

- A. Value
- B. Product value
- C. Product category value
- D. Product quantity

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/sales-marketing/sales-agreements>

**QUESTION 3**

You have two warehouses that are positioned next to each other on the same city block.

Transfer orders are generated automatically according to a master plan for moving inventory between warehouses.

You need ensure that the system supports the movement of inventory from one warehouse to the other.

What should you configure?

- A. Movement journals
- B. A quarantine warehouse
- C. Inventory adjustment journals
- D. A transit warehouse

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**



#### QUESTION 4

A customer places weekly orders. The items and quantities purchased each week rarely vary.

You need to make order entry for the customer as quick and easy as possible.

Which feature should you use?

- A. Trade agreements
- B. Pro formas
- C. Item lists
- D. Purchase agreements

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/procurement/purchase-agreements>

**QUESTION 5**

A company has two sales groups. A member of the Eastern sales group creates a new sales order for a customer.

The sales order line is calculating the commission for the Central sales group instead of the Eastern sales group.

You need to generate the commission for the Eastern sales group.

What should you use?

- A. The sales journal
- B. The Commission calculation page
- C. The Commission posting page
- D. The line details for the sales order

**Correct Answer:** C

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/sales-marketing/tasks/set-up-sales-commission-rules>

**QUESTION 6**

You need to group various delivery modes together in order to calculate and apply automatic charges to sales orders.

What should you create?

- A. Customer group
- B. Item charge group
- C. Mode of delivery
- D. Delivery charges group

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://technet.microsoft.com/en-us/library/jj683227.aspx>

**QUESTION 7**

Each time you sell a specific product, an installation charge must be added to the sales order.

You need to configure Microsoft Dynamics 365 for Finance and Operations to automatically add the installation charge to sales orders.

Which three actions should you perform? Each correct answer presents part of the solution.

- A. Set up an auto charge.
- B. Set up a customer charge group.
- C. Set up an item charge group.
- D. Set up a supplementary item.
- E. Set up a charges code.

**Correct Answer:** ACE

**Section:** (none)

**Explanation**

**Explanation/Reference:**

**QUESTION 8**

You plan to submit a quotation to a prospect to sell them equipment.

The selling prices that you list on the quotation must generate a contribution ratio of at least 30 percent.

You need to create the sales quotation.

Which sales quotation option should you use?

- A. Find prices
- B. Total discount
- C. Price simulation
- D. Multiple discount

**Correct Answer:** C

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/sales-marketing/price-simulation>

### QUESTION 9

You are configuring a new legal entity.

You need to map the main accounts for inventory posting.

What should you configure?

- A. Item model groups
- B. Product dimension groups
- C. Tracking dimension groups
- D. Item groups

**Correct Answer:** A

**Section:** (none)

**Explanation**

**Explanation/Reference:**



### QUESTION 10

You create 10 new product masters and release them to a legal entity.

You need to validate that the product setup is complete.

Which three fields does the Validate function check to ensure that a value is populated? Each correct answer presents part of the solution.

- A. Charges group
- B. Item model group
- C. Cost group
- D. Item group
- E. Product dimension group

**Correct Answer:** BDE

**Section:** (none)

**Explanation**

**Explanation/Reference:****QUESTION 11**

You add a new product to the system. You plan to add attributes for the product.

You need to ensure that a user can select from an alphabetical list of specifications.

Which type of attribute should you create?

- A. Boolean
- B. Reference
- C. Integer
- D. Text

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**

**QUESTION 12**

You add a new product to the system.

You need to assign attributes to the product.

Where should you assign the attributes?

- A. In the Product form
- B. In the category hierarchy
- C. In the category assigned to a product
- D. In the item group

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**

**QUESTION 13**

You are implementing Microsoft Dynamics 365 for Finance and Operations for a new customer.

You need to use a weighted average for all items as the costing methodology.

Which type of group should you configure?

- A. Tracking dimension group
- B. Item group
- C. Item model group
- D. Product dimension group

**Correct Answer:** C

**Section:** (none)

**Explanation**

**Explanation/Reference:**

**QUESTION 14**

You need to set up boxing logic to support the packaging requirements for a specific product.

Which two fields need to be populated with values? Each correct answer presents part of the solution.

- A. Weight limit
- B. Gross weight
- C. Net weight
- D. Tare weight

**Correct Answer:** CD

**Section:** (none)

**Explanation**

**Explanation/Reference:**

**QUESTION 15**

You observe that the small boxes of a specific product are not selling well compared to the large boxes of the same product.

You need to know how many of the small boxes of the product you have on hand and where the boxes are located.

Which report should you use?

- A. Location label
- B. On-hand inventory
- C. Inventory by inventory dimension aging
- D. Physical inventory by inventory dimension

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 16**

You need to define the dimensions for one of your packing boxes.

What will be automatically calculated based on entering the dimensions of the packing box?

- A. Weight limit
- B. Height
- C. Weight
- D. Volume

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 17**

You are a warehouse manager for an office supply retail company.

There is concern that the on-hand inventory for staplers in your warehouse is incorrect.

You need to correct the current on-hand inventory for your items.

Which two journal types will allow you to count on-hand inventory? Each correct answer is part of the solution.

- A. Tag counting
- B. Production input
- C. Counting
- D. Bill of materials (BOM)

**Correct Answer:** AC

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-tag-counting>

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/tasks/count-inventory-warehouse>

#### **QUESTION 18**

You use standard costing as the costing methodology for all products.

You need to run a report that shoes all inventory that is over 60 days old or over 90 days old.

Which report should you use?

- A. Vendor aging
- B. Inventory aging
- C. Materials in process
- D. Standard cost transactions

**Correct Answer:** B

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 19**

Your company's human resources department has purchased a new computer and the expenses need to be assigned to the IT department.

You need to create an inventory journal to expense an item against a different department.

Which type of inventory journal should you use?

- A. Bill of materials (BOM)
- B. Inventory adjustment
- C. Movement
- D. Transfer

**Correct Answer:** C

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 20**

You are setting up the inventory locations for a warehouse.

Which two inventory locations could a rack contain? Each correct answer presents a complete solution.

- A. Bin
- B. Aisle
- C. Site
- D. Shelf



**Correct Answer:** AD

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 21**

You have a small production facility that does not use production routes.

You need to consume items in production and reduce stock.

Which type of journal would you use?

- A. Inventory adjustment

- B. Item arrival
- C. Counting
- D. Bill of materials (BOM)

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://community.dynamics.com/ax/b/abhijeethelestheaxeffect/archive/2017/03/28/bills-of-materials-journal-in-ax-2012-r3>

#### **QUESTION 22**

What happens when you accept a request for quotation? Each correct answer presents a complete solution.

- A. The request for quotation status is set to Accepted.
- B. The request for quotation status is set to Sent.
- C. A purchase order is created.
- D. A purchase agreement is created.

**Correct Answer:** AC

**Section:** (none)

**Explanation**

**Explanation/Reference:**



#### **QUESTION 23**

Which two activities occur as part of a purchase requisition workflow? Each correct answer presents part of the solution.

- A. Approval of the purchase requisition
- B. Submit the purchase order to the vendor
- C. Create a purchase order
- D. Submit a purchase requisition

**Correct Answer:** AD

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/procurement/purchase-requisitions-workflow>

**QUESTION 24**

An employee reports concerns about the quality of a specific item.

You need to create a nonconformance record for the item.

Which nonconformance type should you use?

- A. Customer
- B. Service request
- C. Vendor
- D. Internal

**Correct Answer: D****Section: (none)****Explanation****Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/quality-management-processes>

**QUESTION 25**

You are the quality manager for a company. You need to set up a test for specific components of an item.

You need to configure the system to indicate whether tests pass or fail.

What should you configure?

- A. Item quality group
- B. Quality group
- C. Test outcomes
- D. Item sampling

**Correct Answer: C****Section: (none)****Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/enable-quality-management>

**QUESTION 26**

You are an accounts payable manager. You have an agreement with a vendor that defective items will be returned with a reference to the original purchase order.

You need to create a vendor credit note.

Which three methods can be used to create a vendor credit note? Each answer presents a complete solution.

- A. Create a purchase order with the purchase type set to journal.
- B. Create a purchase order line for a negative quantity.
- C. Create credit notes on the PO header.
- D. Create a purchase order with the purchase type set to returned order.
- E. Create a purchase order with the purchase type set to blanket order.

**Correct Answer:** BCD

**Section:** (none)

**Explanation**



**Explanation/Reference:**

**QUESTION 27**

Your company received a shipment of nonstocked items from a supplier.

You need to receive the items into inventory.

What should you do?

- A. Register the item and create an item arrival journal.
- B. Register the item and create a product receipt.
- C. Create a receipts list from the purchase order.
- D. Create a stock movement journal for the item.

**Correct Answer:** A

**Section:** (none)

**Explanation****Explanation/Reference:****QUESTION 28**

You are a consultant implementing Microsoft Dynamics 365 for Finance and Operations.

You need to explain the various types of invoice matching that are available.

Which three should you select? Each correct answer presents a complete solution.

- A. Terms of payment
- B. Three-way
- C. Invoices totals
- D. Two-way
- E. Cash discount

**Correct Answer:** BCD

**Section:** (none)

**Explanation****Explanation/Reference:**

References:

<https://technet.microsoft.com/en-gb/library/hh242852.aspx>

**QUESTION 29**

You are a purchasing agent.

You have agreed on a purchase price with a supplier and create a purchase agreement.

Which two tasks can you perform with the purchase agreement. Each correct answer presents part of the solution.

- A. Create a release order when no commitment is defined for quantity of a product.
- B. Create purchase agreement lines based on quality or weight.
- C. Define a validity period for the purchase agreement.
- D. Place purchase agreements on hold during the ordering process.

**Correct Answer:** CD

**Section: (none)**

**Explanation**

**Explanation/Reference:**

**QUESTION 30**

You are the purchasing agent for a company.

You need to create a request for quotation for a product that has not been added to Microsoft Dynamics 365 for Finance and Operations.

What should you use?

- A. Item
- B. Open
- C. Category
- D. Solicitation

**Correct Answer: C**

**Section: (none)**

**Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/procurement/tasks/create-request-quotation>

**QUESTION 31**

You need to apply an additional 15 percent freight charge for all purchase orders that you procure from specific vendors.

Which two groups should you create? Each correct answer is part of the solution.

- A. Vendor charges group
- B. Item charges groups
- C. Delivery charges groups
- D. Automatic charges group

**Correct Answer: AD**

**Section: (none)**

**Explanation**

**Explanation/Reference:****QUESTION 32**

You need to apply freight costs to purchase orders automatically.

What type of group should you create?

- A. Item charges group
- B. Delivery charges group
- C. Vendor charges group
- D. Trade agreement

**Correct Answer:** B

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://technet.microsoft.com/en-us/library/jj683227.aspx>

**QUESTION 33**

You enter an order into Microsoft Dynamics 365 for Finance and Operations for a customer.

Your company payment terms require the customer to prepay for all shipments. The customer does not have the payment information available when you enter the order into the system.

You need to prevent the sales order from being processed.

What should you do?

- A. Create an order event.
- B. Change the reservation method on the order.
- C. Add a note to the order.
- D. Place the order on hold.

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:****QUESTION 34**

A customer reports that the representative who took their order earlier in the day incorrectly entered the order.

You need to determine which customer service representative entered the order if any modifications to the order have been made.

What are two possible ways to achieve the goal? Each correct answer presents a complete solution.

- A. Run the Order holds report.
- B. View the Order scripts pages.
- C. View the Order hold page.
- D. View the Order events history inquiry page.
- E. Run the Order events report.

**Correct Answer:** DE

**Section:** (none)

**Explanation**

**Explanation/Reference:**

**QUESTION 35**

You need to create a pro forma invoice to estimate the actual invoice amounts for a customer without posting the amounts.

Which two types of invoices can you use as the basis for the pro forma invoices? Each correct answer presents a complete solution.

- A. Free text
- B. Prepayment invoice
- C. Sales order
- D. General journal

**Correct Answer:** AC

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<http://dynamicsteaching.com/difference-between-customer-invoice-free-text-invoice-and-pro-forma-invoice-in-ax-2012/>

### QUESTION 36

You create a sales quotation for a new prospect. The prospect agrees to the terms of the quotation.

You attempt to confirm the quotation. The Confirm option for the quotation is not enabled.

You need to confirm the quote.

What should you do?

- A. Save the quotation.
- B. Convert the prospect to a customer.
- C. Accept the quotation.
- D. Change the status of the quotation.

**Correct Answer:** B

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://www.tech.alirazazaidi.com/sales-quotations-in-dynamics-ax-2012-r3/>



### QUESTION 37

You need to create a group to organize customers that share similar sales commission attributes.

Which group should you use?

- A. Vendor group
- B. Customer group
- C. Customer groups for commissions
- D. Commission group

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**

**QUESTION 38**

You need to add a flat fee of \$500.00 for freight to any sales order that includes item number A0001.

What should you configure?

- A. Charge codes
- B. Change management
- C. Delivery schedules
- D. Direct delivery

**Correct Answer:** A

**Section:** (none)

**Explanation**

**Explanation/Reference:**

**QUESTION 39**

You plan to set up order entry deadlines to reflect specific shipping dates for all sales orders.

What is the purpose of the order entry deadline?

- A. It is a warehouse-specific time. Orders that are received by that time are always shipped out the same day.
- B. It is a site-specific time. The processing time clock starts for all orders that are processed by that time.
- C. It is a warehouse-specific time. The processing time clock starts for all orders that are processed by that time.
- D. It is a site-specific time. Orders that are received by that time are always shipped out the same day.

**Correct Answer:** A

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/sales-marketing/order-entry-deadlines>

**QUESTION 40**

Which two choices are required to confirm a quotation? Each correct answer presents part of the solution.

- A. Quotation must be set to a status of Sent.
- B. Prospect must be converted to a customer.
- C. Prospect must contain a contact.
- D. Quotation must be set to a status of Approved.

**Correct Answer:** AB

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 41**

You establish a new installment plan for purchases greater than \$2,500.00 that allows customers to pay the balance due over 12 months.

You need to set up the new payment method.

Which two parameters should you configure? Each correct answer presents part of the solution.

- A. Payment term
- B. Adjustment method
- C. Payment schedule
- D. Payment day



**Correct Answer:** AD

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/financials/general-ledger/tasks/establish-customer-payment-terms>

#### **QUESTION 42**

You need to ensure that products can be purchased from vendors if there is a trade agreement for the vendor.

What should you do?

- A. Create a new procurement policy.
- B. In the procurement and sourcing module, configure parameters on the Activate price/discount page.

- C. Create a new trade agreement journal name.
- D. In the Procurement and sourcing module, configure the trade agreement parameters.

**Correct Answer:** A

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 43**

You are setting up a new customer in Microsoft Dynamics 365 to Finance and Operations.

You need to assign the customer to a customer group.

Which three pieces of information should you include in the customer group? Each correct answer presents part of the solution.

- A. Credit limit
- B. Default tax group
- C. Terms of payment
- D. Price group
- E. Default write off reason



**Correct Answer:** BCD

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 44**

What is the function of ABC classifications for products?

- A. To configure the quantity of on hand inventory that should be kept for an item
- B. To determine the sequence in which an item should be received
- C. To configure the amount safety stock that should be kept for an item
- D. To determine the importance of an item

**Correct Answer:** D

**Section: (none)**

**Explanation**

**Explanation/Reference:**

**QUESTION 45**

You are creating new attributes for an apparel company. You create three new attributes that are related to the Shirts category.

You need to assign the three new attributes to the Shirts category.

What should you create?

- A. Attribute types
- B. Batch attributes
- C. Attribute groups
- D. Batch attribute groups

**Correct Answer: C**

**Section: (none)**

**Explanation**

**Explanation/Reference:**



**QUESTION 46**

You work for a dairy company.

Raw milk is purchased by the liters but is consumed in the bill of materials (BOMs) and formulas by the gram. Each finished milk product is tracked in the inventory system by the physical quantity of milk containers that were produced.

You need to configure a unit of measure conversion based on liters and grams.

How should you configure this conversion?

- A. Create one item number that uses grams as the unit of measure. Create a second item number that uses liters as the unit of measure. Create transfers between the items when you need to purchase or consume the items.
- B. Create one item number. Create an intra-unit conversion on the product to convert the grams to liters.
- C. Create one item number with two different configurations. Set one configuration to grams and the other to liters. Then, create transfers between the configurations when you need to purchase or consume the items.

D. Create an inter-unit conversion on the product to convert the grams to liters.

**Correct Answer:** D

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 47**

A supplier reports that some of the product that they are shipping to you was damaged during transit.

You need to block the damaged items from being received into the warehouse.

Which three methods can you use? Each correct answer presents a complete solution.

- A. Create a quality order.
- B. Place the supplier on hold.
- C. Use manual blocking.
- D. Place the item on hold for purchase.
- E. Use inventory status blocking.



**Correct Answer:** ACE

**Section:** (none)

**Explanation**

**Explanation/Reference:**

References:

<https://docs.microsoft.com/en-us/dynamics365/unified-operations/supply-chain/inventory/inventory-blocking>

#### **QUESTION 48**

You are setting up product attributes and attribute types.

You need to create a new product attribute type to track if a product has a warranty or not.

Which type should you assign to it?

- A. Enumeration
- B. Text

- C. Boolean
- D. Reference

**Correct Answer:** C

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 49**

You are setting up policies for tracking inventory throughout its lifecycle.

You need to configure a tracking dimension group so that each item has a unique serial number.

Which two settings should you configure. Each correct answer presents part of the solution.

- A. Primary stocking
- B. Active
- C. Serial number control
- D. Coverage plan by dimension



**Correct Answer:** AC

**Section:** (none)

**Explanation**

**Explanation/Reference:**

#### **QUESTION 50**

Which two processes will result in an inventory revaluation before month end? Each correct answer presents part of the solution.

- A. General ledger adjustment
- B. Item receipt
- C. Inventory transfer
- D. Inventory adjustment
- E. Cycle count

**Correct Answer:** DE

**Section: (none)**  
**Explanation**

**Explanation/Reference:**

