VENDOR QUALIFICATION CRITERIA

All LMI contract workers who operate an independent business/practice must engage through an outside vendor (MBO Partners) as either independent subcontractors or employees payrolled through MBO.

If you wish to engage as a subcontractor, your business must meet LMI's vendor qualification criteria below. If you do not operate an independent business or do not meet the vendor criteria, you may discuss other engagement alternatives with MBO.

Requirement 1: Complete a qualification questionnaire and submit supporting documentation.

MBO will direct you to an online questionnaire that explores your business's characteristics and supporting documentation (see below) to ensure that you meet LMI's vendor criteria.

Example Characteristics

- Your business delivers similar services to other clients.
- You have made a significant financial investment in your business.
- Your business has established a legal entity.
- Your business has agreed in writing with your client to clearly defined deliverables and timeframes for milestones or project completion.
- You expect to complete your project without your client's supervision, training, direction, or control.
- Your business is at risk of reduced payment or non-payment if your client does not accept your work.

Example Supporting Documentation

- Invoices, proof of payments, POs, etc. from the last 12 months demonstrating revenue sources outside of the LMI.
- Samples of marketing materials; rental agreement for office space, etc.
- A copy of your Articles of Incorporation / Organization if applicable.
- W-2s for shareholder-employees representing reasonable compensation for services rendered (for S-Corps and LLCs electing corporate tax status).
- A copy of your documented Statement of Work, work order, contract, etc. to which you agreed with your client.

NOTE: Businesses that meet most, but not all, of the characteristics above may still qualify to work as subcontractors if their overall business characteristics indicate vendor qualification. In addition, other 1099 workers must also go through the vendor qualification process.

Requirement 2: Carry the following LMI-defined business insurances at the levels indicated.

After MBO verifies that you have met the above criteria, you must submit a Certificate of Insurance (COI) representing coverage that meets these levels (listing MBO Partners as a certificate holder). If you do not currently hold insurances at these levels, do not purchase them. An MBO representative will provide instructions on how to proceed.

Insurance	Level
Commercial General Liability (1)	$500,000
Commercial Auto	$500,000 bodily injury per occurrence, $200,000 per person, $20,000 property damage
Workers Compensation	Statutory limits, or as required by law
Employer's Liability	$100,000

(1) Blanket Additional Insured Required

MBO reviews your questionnaire responses with you during a phone consultation and validates your supporting documentation and insurance coverage. If this analysis supports vendor qualification based on the LMI's criteria, you may engage as a subcontractor through MBO.

If you have any questions about these criteria, or how to engage on a contract with the LMI, please direct them to your MBO representative during your consultation call.