

Vendor Qualification Criteria

All non-employees seeking work on Northrop Grumman Corporation (NGC) assignments as an independent contractor (IC) and/or non-tier one supplier must engage through our preferred independent workforce specialist, MBO Partners.

NGC has established the qualification criteria below for non-employees wishing to engage as vendors (a.k.a. contractors, ICs, freelancers, 1099s, corp-to-corps, etc.).

Requirement 1: Questionnaire and Documentation

MBO will direct you to an online questionnaire about your business and collect supporting documentation to validate your responses. Some examples of characteristics MBO evaluates include whether your business:

- has established a legal entity
- expects to complete the project without NGC's supervision, training, direction, control, or resources
- has delivered similar services to other clients within last 12 months
- markets its services
- has a defined Statement of Work for its NGC project with clearly defined deliverables and timeframes
- has made a significant financial investment in itself
- is at risk of reduced payment or non-payment if NGC does not accept its work
- has paid employees and S corp owners as required by the IRS

Requirement 2: Business Insurance Coverage

You must submit a Certificate of Insurance representing coverage that meets the levels below. List MBO Partners as a certificate holder and include a 30-day notice of cancellation.

If you do not currently hold insurances at these levels, do not purchase them until MBO has confirmed that you meet all the terms of Requirement 1. MBO will advise you once you can proceed.

Required Insurance and Level Commercial General Liability ⁽¹⁾ ⁽²⁾

\$1,000,000 per occurrence, \$2,000,000 aggregate

Automobile Liability ⁽¹⁾ ⁽²⁾

\$1,000,000

Workers' Compensation, including Employers Liability ⁽¹⁾ ⁽³⁾

Statutory limits, or as required by law

Commercial Crime

\$1,000,000 per occurrence

Professional Liability (Errors and Omissions)

\$5,000,000 per claim, \$5,000,000 aggregate

(1) Waiver of Subrogation required

(2) Blanket Additional Insured required

(3) Coverage must include EL of not less than \$1,000,000 or an equivalent "stop gap" endorsement to Supplier's commercial General Liability insurance.

Achieving Qualification

MBO reviews your questionnaire responses and validates your supporting documentation and insurance coverage. Businesses that meet most, but not all, of the requirements above may still qualify to engage as vendors if their overall business characteristics indicate vendor qualification. If your business does not meet these criteria, MBO offers other engagement alternatives through which you may work.

NOTE: This qualification process applies to all subcontractors of your business who work on NGC projects.

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