

VENDOR QUALIFICATION CRITERIA

Contract workers who operate an independent business/practice must engage through an outside vendor (MBO Partners) as either independent contractors or employees payrolled through MBO.

If you wish to engage as a contractor, your business must meet Warner Music'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 your MBO representative.

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 Warner Music'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 Warner Music to clearly defined deliverables and timeframes for milestones or project completion.
- You expect to complete your project without Warner Music's supervision, training, direction, or control.
- Your business is at risk of reduced payment or non-payment if Warner Music does not accept your work.

EXAMPLE SUPPORTING DOCUMENTATION

- Invoices, proof of payments, POs, etc. from the last 12 months demonstrating revenue sources outside of Warner Music.
- 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 Warner Music.

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

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

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 until MBO has confirmed that you meet all the terms of Requirement 1. An MBO representative will advise you once you can proceed.

INSURANCE

- Commercial General Liability ⁽¹⁾
- Professional Liability / Error & Omissions
- Workers Compensation

LEVEL

- \$1,000,000
- \$1,000,000
- Statutory Limits*

(1) Blanket Additional Insured Required

* Only required if required by the contractor's state

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 Warner Music's criteria, you may engage as a contractor through MBO. If this analysis does not support vendor qualification as a contractor, alternative arrangements may be possible.

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

