
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): 10/02/2007

NORTHROP GRUMMAN CORPORATION

(Exact name of registrant as specified in its charter)

Commission File Number: 1-16411

Delaware
(State or other jurisdiction of
incorporation)

95-4840775
(IRS Employer
Identification No.)

1840 Century Park East, Los Angeles, CA 90067
(Address of principal executive offices, including zip code)

(310) 553-6262
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

(e) In connection with the retirement of Scott J. Seymour as the Corporate Vice President and President, Integrated Systems sector of Northrop Grumman Corporation (the "Company"), the Company entered into a Retirement Transition Agreement and a Consultant Contract with Mr. Seymour on October 2, 2007. As previously reported, Mr. Seymour will resign from his role as President, Integrated Systems sector, effective December 31, 2007, and will continue to hold his position as Corporate Vice President until February 29, 2008.

The Retirement Transition Agreement establishes a plan for Mr. Seymour to transition his responsibilities to his successor and provides for special vesting of his award of 15,000 Restricted Stock Rights granted under the Company's Long-Term Incentive Stock Plan on May 16, 2006 (the "2006 RSR Grant"), with 10,000 of those shares to vest on his termination date. The Retirement Transition Agreement also provides for continuation of his annual base salary through February 29, 2008, payment of his 2007 bonus under the Company's Incentive Compensation Plan, a pro-rata bonus for 2008, and equity grant vesting in accordance with the terms of each grant except for the 2006 RSR Grant.

Under the Consultant Contract, Mr. Seymour will advise the Company on issues relating to matters he was involved with while an employee of the Company, as well as issues relating to business development, new business proposals and business opportunity evaluations. The one-year term of the Consultant Contract commences April 1, 2008 and expires March 31, 2009. The term of the Consultant Contract may be renewed or extended for such time as the Company and Mr. Seymour may agree upon, and is terminable by either party upon 30 days' notice. The maximum compensation under the Consultant Contract is \$175,000 during the term of the Agreement, and the fee for each full or partial day of service is \$3,500.

The foregoing descriptions of the Retirement Transition Agreement and the Consultant Contract do not purport to be complete. For an understanding of their terms and provisions, reference should be made to the Retirement Transition Agreement and Consultant Contract attached as Exhibits 10.1 and 10.2, respectively, to this Report.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

Exhibit 10.1

Retirement Transition Agreement dated October 2, 2007 between Northrop Grumman Corporation and Scott J. Seymour

Exhibit 10.2

Consultant Contract dated October 2, 2007 between Northrop Grumman Corporation and Scott J. Seymour

Signature(s)

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NORTHROP GRUMMAN CORPORATION

Date: October 05, 2007

By: /s/ STEPHEN D. YSLAS

Stephen D. Yslas
Corporate Vice President, Secretary and Deputy General
Counsel

Exhibit Index

Exhibit No.	Description
EX-10.1	Retirement Transition Agreement dated October 2, 2007 between Northrop Grumman Corporation and Scott J. Seymour
EX-10.2	Consultant Contract dated October 2, 2007 between Northrop Grumman Corporation and Scott J. Seymour (Personal address information has been omitted. The Company will furnish the information to the Securities and Exchange Commission upon request.)

RETIREMENT TRANSITION AGREEMENT

- 1.0 PARTIES:** The parties to this Retirement Transition Agreement ("Agreement") are SCOTT J. SEYMOUR ("Mr. Seymour") and NORTHROP GRUMMAN CORPORATION ("Northrop Grumman" or the "Company").
- 2.0 RECITALS:** This Agreement is made with reference to the following facts:
- 2.1 Mr. Seymour, who is currently Corporate Vice President and President, Integrated Systems, has advised the Company of his wish to retire.
- 2.2 The Company wishes to establish a transition plan for Mr. Seymour to transition his responsibilities to his successor.
- 2.3 The Company also wishes to offer Mr. Seymour special vesting for one of his restricted stock grants in exchange for Mr. Seymour's agreement to all of the provisions of this Agreement.
- 2.4 Mr. Seymour wishes to accept the Company's offer and to enter into this Agreement.
- 3.0 RETIREMENT TRANSITION:** Mr. Seymour will continue to serve as Corporate Vice President and President, Integrated Systems, through December 31, 2007. During this period, he will assist in the orderly transition of his responsibilities and knowledge to his successor. For the period January 1 through February 29, 2008, Mr. Seymour will continue to serve as an elected officer of the Company performing such duties as may be assigned to him by the Chairman and Chief Executive Officer or the President and Chief Operating Officer. Mr. Seymour's last day as an employee shall be February 29, 2008 ("Termination Date"), and he will retire from employment effective March 1, 2008.
- 4.0 COMPENSATION:**
- 4.1 Base Salary: Mr. Seymour will continue to be paid his present annual base salary of \$620,000 through February 29, 2008.
- 4.2 Bonus:
- 4.2.1 2007 Bonus: Mr. Seymour will be paid a bonus for 2007 under the Incentive Compensation Plan ("ICP") in accordance with the terms of the ICP. This bonus will be paid at the same time that ICP bonuses are paid to other elected officers, in late February or early March of 2008.
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- 4.2.2 Pro-Rata Bonus for 2008: Mr. Seymour will be paid a pro-rata ICP bonus for 2008. This bonus will be calculated using the Unit Performance Factor for the Company's performance during 2008 and an Individual Performance Factor of 1.0. This amount will then be prorated by multiplying it by .167 (representing two months of employment during 2008 divided by 12.) This prorated bonus will be paid in late February or early March of 2009.
- 4.3 Equity Grants:
- 4.3.1 Stock Options: As of his Termination Date, Mr. Seymour will have unvested options from three separate option grants dated June 14, 2004, February 15, 2006 and February 28, 2007, respectively. Consistent with the terms of the grant certificates for each of these option grants, (i) the next succeeding vesting installment for each of these grants shall vest as of the Termination Date, (ii) the unvested portions of such options shall terminate and be forfeited on the Termination Date, and (iii) Mr. Seymour shall have the lesser of five years following his Termination Date or until the respective Expiration Date of each of his vested options to exercise those options (subject, in the case of a change of control of the Company, to earlier termination pursuant to the change in control provisions applicable to the options).
- 4.3.2 RPSRs: As of his Termination Date, Mr. Seymour will have unvested Restricted Performance Stock Rights (RPSRs) from two separate grants dated February 15, 2006 and February 28, 2007, respectively. In connection with his retirement on March 1, 2008, Mr. Seymour will be entitled to pro-rata treatment of these grants consistent with the retirement provisions of the respective grant certificates.
- Following his continued employment through December 31, 2007, Mr. Seymour will be fully vested in his RPSR grant of February 28, 2005 for 24,000 RPSRs. For purposes of clarity, in each case payout of the vested RPSRs remains subject to the performance-based conditions of the grant. Any unvested RPSRs will terminate and be forfeited not later than the Termination Date.

4.3.3 RSRs

- 4.3.3.1 2004 Grant: Following his continuous employment through February 17, 2008, Mr. Seymour will be fully vested in the 30,000 Restricted Stock Rights (RSRs) granted to him on February 17, 2004.
- 4.3.3.2 2006 Grant: On May 16, 2006, Mr. Seymour was granted 15,000 RSRs. By the terms of the grant, these RSRs will be forfeited if Mr. Seymour retires prior to May 17, 2009. However, in consideration of Mr. Seymour's agreement to all of the terms of this Agreement, and in recognition of the fact that Mr. Seymour will have served nearly two-thirds of the vesting period for this grant, the Company will provide for the accelerated vesting of 10,000 of these RSRs as of his Termination Date provided Mr.

Seymour satisfies his obligations to the Company under this Agreement through that date. Mr. Seymour acknowledges that he is not entitled to these RSRs other than by virtue of this Agreement. Any unvested portion of the RSRs subject to this grant that do not so vest on the Termination Date shall terminate and be forfeited on the Termination Date.

- 5.0 RESIGNATION FROM OFFICER AND DIRECTOR POSITIONS**: Effective February 29, 2008 Mr. Seymour will resign his positions as an officer and/or director of the Company and each of its subsidiaries.
- 6.0 COMPLETE RELEASE**: In exchange for the consideration described in Section 3, Mr. Seymour RELEASES the Company from liability for any claims, demands or causes of action (except as described in Section 6.5). This Release applies not only to the "Company" itself, but also to all Northrop Grumman subsidiaries, affiliates, related companies, predecessors, successors, its or their employee benefit plans, trustees, fiduciaries and administrators, and any and all of its and their respective past or present officers, directors, agents and employees ("Released Parties"). For purposes of this Release, the term "Mr. Seymour" includes not only Mr. Seymour himself, but also his heirs, spouses or former spouses, executors and agents. Except as described in Section 6.5, this Release extinguishes all of Mr. Seymour's claims, demands or causes of action, known or unknown, against the Company and the Released Parties, based on anything occurring on or before the date Mr. Seymour signs this Agreement.

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- 6.1 This Release includes, but is not limited to, claims relating to Mr. Seymour's employment or termination of employment from the Company or from any Released Party, any rights of continued employment, reinstatement or reemployment by the Company and any Released Party, claims relating to or arising under Company or Released Party dispute resolution procedures, claims for any costs or attorneys' fees incurred by Mr. Seymour, and claims for severance benefits under any severance plan, policy or agreement.
- 6.2 This Release includes, but is not limited to, claims arising under the Age Discrimination in Employment Act, the Employee Retirement Income Security Act, the False Claims Act, Executive Order No. 11246, the Civil Rights Act of 1991, and 42 U.S.C. § 1981. It also includes, but is not limited to, claims under Title VII of the Civil Rights Act of 1964, which prohibits discrimination in employment based on race, color, religion, sex or national origin, and retaliation; the Americans with Disabilities Act, which prohibits discrimination in employment based on disability, and retaliation; any applicable state human rights statutes including the California Fair Employment and Housing Act, which prohibits discrimination in employment based upon race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, gender, age or sexual orientation, and retaliation; and any other federal, state or local laws, ordinances, regulations and common law, to the fullest extent permitted by law.
- 6.3 This Release also includes, but is not limited to, any rights, claims, causes of action, demands, damages or costs arising under or in relation to the personnel policies or employee handbooks of the Company and any Released Party, or any oral or written representations or statements made by the Company and any Released Party, past and present, or any claim for wrongful discharge, breach of contract (including any employment agreement), breach of the implied covenant of good faith and fair dealing, intentional or negligent infliction of emotional distress, intentional or negligent misrepresentation, or defamation.
- 6.4 Mr. Seymour waives and gives up all rights provided by Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing release, which if known by him must have materially affected his settlement with the debtor.

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Notwithstanding the provisions of Section 1542, Mr. Seymour agrees that this Release includes claims which he did not know of or suspect to exist at the time he signs this Agreement, and that this Release extinguishes all known and unknown claims.

6.4 However, this Release does not include any rights Mr. Seymour may have: (1) to enforce this Agreement; (2) to any indemnification rights Mr. Seymour may have for expenses or losses incurred in the course and scope of his employment; (3) to test the knowing and voluntary nature of this Agreement under The Older Workers Benefit Protection Act; (4) to workers' compensation benefits; (5) to earned, banked or accrued but unused vacation pay; (6) to rights under minimum wage and overtime laws; (7) to vested benefits under any pension or savings plan; (8) to continued benefits in

accordance with COBRA; (9) to government-provided unemployment insurance; (10) to file a claim or charge with any government administrative agency (although Mr. Seymour is releasing any rights he may have to recover damages or other relief in connection with the filing of such a claim or charge); (11) to claims that cannot lawfully be released; or (12) to claims arising after the date Mr. Seymour signs this Agreement.

6.5 Mr. Seymour warrants and represents that he has not heretofore assigned or transferred to any person not a party to this Agreement any released matter or portion thereof.

7.0 **ARBITRATION:** If either the Company or Mr. Seymour decides to sue the other over the enforceability of this Agreement, or for violating this Agreement, all such claims will be determined through final and binding arbitration, rather than through litigation in court. The arbitration will take place in California, using the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association. If the Company or Mr. Seymour wants immediate relief, before the arbitration is finished, then either party may go to a court with jurisdiction over the dispute, and ask the court for provisional injunctive or other equitable relief until the arbitrator has issued an award or the dispute is otherwise resolved. Any court with jurisdiction over the dispute may enter judgment on the arbitrator's award. The Company and Mr. Seymour agree that the prevailing party in the arbitration shall be entitled to receive from the losing party reasonably incurred attorney's fees and costs incurred in enforcing this Agreement, except in any challenge by Mr. Seymour to the validity of this Agreement under the Age Discrimination in Employment Act and/or Older Workers Benefit Protection Act.

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8.0 **RETURN OF COMPANY PROPERTY:** Mr. Seymour agrees to return any and all property and equipment of the Company and any Released Party that he may have in his possession no later than his Termination Date, except to the extent this Agreement explicitly provides to the contrary.

9.0 **FULL DISCLOSURE:** Mr. Seymour acknowledges that he is not aware of, or has fully disclosed to the Company any matters for which he was responsible or came to his attention as an employee, which might give rise to any claim or cause of action against the Company and any Released Party. Mr. Seymour has reported to the Company all work-related injuries, if any, that he has suffered or sustained during his employment with the Company and any Released Party. Mr.

Seymour has properly reported all hours he worked and has been paid all wages, compensation, benefits or other amounts that the Company or any Released Party should have paid Mr. Seymour in the past.

10.0 **WITHHOLDING OF TAXES:** The Company shall be entitled to withhold from any amounts payable or pursuant to this Agreement all taxes as legally shall be required (including, without limitation, United States federal taxes, and any other state, city or local taxes). Other than as to such withholding right, Mr. Seymour will be solely responsible for any taxes due as a result of the payments and benefits received by him pursuant to this Agreement.

11.0 **NON-DISPARAGEMENT:** Mr. Seymour agrees that he shall not issue or communicate any statement that may be critical or disparaging of the Company, its products, services, officers, directors or employees; provided, however, that the foregoing shall not apply to truthful statements made in compliance with legal process or governmental inquiry.

12.0 **COOPERATION IN LITIGATION AND INVESTIGATIONS:** From March 1, 2008 through March 1, 2013, Mr. Seymour agrees that he will, to the extent reasonably requested by the Company, cooperate with the Company in any pending or future litigation or investigations in which the Company or any of its subsidiaries or affiliates is a party and regarding which Mr. Seymour, by virtue of his employment with the Company or any of its subsidiaries or affiliates, has knowledge or information relevant to the litigation or investigation. Mr. Seymour further agrees that, in any such litigation or investigation, he will, without the necessity of a subpoena, provide truthful testimony relevant to the litigation or investigation in any jurisdiction in which the Company requests.

The Company will reimburse Mr. Seymour for reasonable expenses incurred by him in complying with this Section 12 provided that the Company has authorized the incurrence of such expenses in advance.

13.0 NON-SOLICITATION: Mr. Seymour agrees that for a period of two years following February 29, 2008 he will not, except with the express prior written consent of the Company, induce or attempt to induce any person who is an employee of the Company to perform work or services for any entity other than the Company.

14.0 ADVICE OF COUNSEL; PERIOD FOR REVIEW AND

CONSIDERATION OF AGREEMENT: The Company encourages Mr. Seymour to seek and receive advice about this Agreement from an attorney of his choosing. Mr. Seymour has twenty-one (21) calendar days from his receipt of this Agreement to review and consider it. Mr. Seymour understands that he may use as much of this review period as he wishes before signing this Agreement.

15.0 RIGHT TO REVOKE AGREEMENT: Mr. Seymour may revoke this Agreement within seven (7) calendar days of signing it. To do so, Mr. Seymour must deliver a written revocation notice to Ian Ziskin, Corporate Vice President and Chief Human Resources and Administrative Officer, 1840 Century Park East, Los Angeles, CA 90067. Mr. Seymour must deliver the notice to Mr. Ziskin no later than 5:00 p.m. PT on the seventh (7th) calendar day after Mr. Seymour signs this Agreement. If Mr. Seymour revokes this Agreement, it shall not be effective or enforceable.

16.0 SEVERABILITY: The provisions of this Agreement are severable. If any part of this Agreement is found to be illegal or invalid and thereby unenforceable, then the unenforceable part shall be removed, and the rest of the Agreement shall remain valid and enforceable. The parties intend that any court order striking any portion of this Agreement shall modify the stricken term as narrowly as possible to give as much effect as possible to the intentions of the parties under this Agreement.

17.0 SOLE AND ENTIRE AGREEMENT: This Agreement expresses the entire understanding between the Company and Mr. Seymour on the matters it covers. It supersedes all prior discussions, agreements, understandings and negotiations between the parties on these matters, except that any agreement between the Company and Mr. Seymour relating to protection of the trade secrets, intellectual property, inventions or other confidential information of the Company or any of its affiliates shall remain in effect as to the protection of those trade secrets, property, information and inventions.

18.0 MODIFICATION; WAIVER: Once this Agreement takes effect, it may not be cancelled or changed, unless done so in a document signed by both Mr. Seymour and an authorized Company representative. No waiver of any breach of any term or provision of this Agreement shall be construed to be, nor shall it be, a waiver of any other breach of this Agreement. No waiver shall be binding unless in writing and signed by both parties waiving the breach.

19.0 GOVERNING LAW: This Agreement shall be interpreted and enforced in accordance with the law of the State of California without regard to rules regarding conflicts of law.

20.0 CONSTRUCTION OF AGREEMENT: This Agreement shall not be construed against either party on the basis of that party being the drafter of the language being interpreted.

21.0 ADVICE OF COUNSEL; VOLUNTARY AGREEMENT:

MR. SEYMOUR ACKNOWLEDGES THAT HE HAS HAD AN OPPORTUNITY TO ASK QUESTIONS, CONFER WITH COUNSEL, AND CONSIDER ALL OF THE PROVISIONS OF THIS AGREEMENT BEFORE SIGNING IT. HE FURTHER AGREES THAT HE HAS READ THIS AGREEMENT **CAREFULLY**, THAT HE UNDERSTANDS IT, AND THAT HE IS VOLUNTARILY ENTERING INTO IT. MR. SEYMOUR UNDERSTANDS AND ACKNOWLEDGES THAT THIS AGREEMENT CONTAINS HIS RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

DATE: 10/2/07

BY: /s/ S J Seymour

SCOTT J. SEYMOUR

DATE: 10/2/07

BY: /s/ Ian Ziskin

NORTHROP GRUMMAN CORPORATION

TITLE: CVP, Chief HR&A Officer

CONSULTANT CONTRACT

This Agreement for consulting services is between Northrop Grumman Corporation, a Delaware corporation, whose principal place of business is located at 1840 Century Park East, Los Angeles, California 90067 ("NGC") and Scott J. Seymour of [personal address deleted] ("Consultant").

I. ENGAGEMENT

NGC hereby retains Consultant to provide the services described in Attachment A hereto. Consultant shall serve at NGC's call but shall have the right to decline any request by NGC to perform services provided such declination is provided in a timely fashion after the request is made. Consultant's principal point of contact at NGC with respect to the specific nature and scope of the services to be provided hereunder shall be NGC's Chairman and Chief Executive Officer. Consultant shall submit monthly written reports to NGC, in the format described in Attachment B hereto, setting forth the actions taken on behalf of NGC and provide such other reports as NGC may reasonably require.

The parties do not expect that Consultant's services to NGC hereunder will exceed 20% of the average level of bona fide services performed by Consultant (whether as an employee or an independent contractor) over the 36-month period immediately preceding the commencement of the term of this Agreement.

II. PLACE OF ENGAGEMENT

Consultant shall perform the services called for under this Agreement in Los Angeles County and Orange County California and in such other places as are mutually agreed to by NGC and Consultant.

III. TERM OF ENGAGEMENT

The term of this Agreement shall be for a period of one year commencing on April 1, 2008 and expiring on March 31, 2009. This Agreement may be renewed or extended for such time as NGC and the Consultant may agree upon in writing.

IV. COMPENSATION

A. Fee. NGC shall pay Consultant and Consultant shall accept from NGC in full

payment for services hereunder, compensation at the rate of three thousand five hundred dollars per day (\$3500/day) for each full or partial day of service performed. Payment shall be made only upon submittal of a proper invoice and only to the extent that Consultant satisfactorily performs services pursuant to this Agreement and substantiates such performance in the monthly activity report required by Attachment B. In the event services are not required or performed in a given month, NGC shall be under no obligation to pay any compensation for that month except as otherwise provided herein. If Consultant fails to substantiate any invoice for services, NGC shall have no obligation to compensate Consultant for such claimed services.

B. Expenses. NGC shall reimburse Consultant for all reasonable and necessary business expenses incurred by Consultant in connection with the rendering of services hereunder provided that all such expenses are approved in advance by the Northrop Grumman Chief Executive Officer or his designee. Claims for expenses must be in accordance with NGC's established policies and limitations pertaining to allowable expenses and documented pursuant to the procedures applicable to NGC's employees.

C. Maximum Compensation. Notwithstanding any other provisions of this Agreement to the contrary, NGC shall not be obligated to request or to pay Consultant for any minimum amount of services, and in no event shall NGC be obligated during the term of this Agreement for consulting fees and expenses of more than one hundred seventy-five thousand dollars (\$175,000.00).

D. Full Extent Of Compensation. Unless otherwise specifically stated in writing, this Section IV describes the full extent of compensation Consultant shall receive under this Agreement and Consultant shall not be entitled by virtue of this Agreement to be paid a commission or to participate in any insurance, saving, retirement or other benefit programs, including, without limitation, stock ownership plans offered by NGC to its employees, nor shall this Agreement in any way modify any other Agreement that Consultant may have with NGC.

E. Warranty. Consultant certifies and warrants that in the course of performing services under this Agreement, no payments will be made to government officials or customer representatives, that no government official or customer representative has any direct or indirect

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investment interest or interest in the revenues or profits of Consultant, and that no expenditure for other than lawful purposes will be made.

F. Exclusion Of Lobbying Costs From Overhead Rates. NGC is prohibited from charging directly or indirectly, costs associated with lobbying activities to its contracts with the United States Government. Unallowable costs associated with lobbying activities are defined at Federal Acquisition Regulations (FAR) 31.205-22, effective as of the date of this Agreement. Consultant

agrees that in the event that consultant performs lobbying activities under this Agreement, Consultant shall provide NGC with a detailed accounting of time expended, individual agency/congressional employees contacted, and NGC programs discussed in the required activity report.

V. TRADE SECRETS AND PROPRIETARY INFORMATION

A. Disclosure To Third Parties Prohibited. Consultant shall not divulge, disclose

or communicate any information concerning any matters affecting or relating to the business of NGC without the express written consent of NGC. The terms of this section shall remain in full force and effect after the termination or expiration of this Agreement.

B. Ideas, Improvements and Inventions. Any and all ideas, improvements and inventions conceived of, developed, or first reduced to practice in the performance of work hereunder for NGC shall become the exclusive property of NGC and ideas and developments accruing therefrom shall all be fully disclosed to NGC and shall be the exclusive property of NGC and may be treated and dealt with by NGC as such without payment of further consideration than is hereinabove specified. Consultant shall preserve such ideas, improvements and inventions as confidential during the term of the contract and thereafter and will execute all papers and documents necessary to vest title to such ideas, developments, information, data, improvements and inventions in NGC and to enable NGC to apply for and obtain letters patent on such ideas, developments, information, data, improvements and inventions in any and all countries and to assign to NGC the entire right, title and interest thereto.

C. Notes, Memoranda, Reports and Data. Consultant agrees that the original and all copies of notes, memoranda, reports, findings or other data prepared by Consultant in connection with the services performed hereunder shall become the sole and exclusive property of NGC.

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D. Disclosure of Confidential or Proprietary Information of Third Parties Prohibited. Consultant will not disclose to NGC or induce NGC to use any secret process, trade secret, or other confidential or proprietary knowledge or information belonging to others, including but not limited to the United States. Such information includes but is not limited to information relating to bids, offers, technical proposals, responses to requests for procurement, rankings of competitors and other similar procurement sensitive information.

VI. PRESERVATION OF TRADE NAMES, TRADE MARKS AND PATENT RIGHTS

All trade names, trade marks and patent rights of NGC pertaining to NGC products, including the names "Northrop," "Grumman" and "Northrop Grumman Corporation" shall remain the sole property of NGC and Consultant agrees to do all things necessary to protect and preserve such trade names, trade marks and patent rights from claims by other persons or entities.

VII. COOPERATION WITH NGC

During and after the expiration of this Agreement, Consultant shall cooperate with NGC in regard to any matter, dispute or controversy in which NGC is involved, or may become involved and of which Consultant may have knowledge. Such cooperation shall be subject to further agreement providing for legally appropriate compensation.

VIII. INDEMNIFICATION

Consultant shall indemnify, defend and hold NGC harmless from any and all claims of third parties for loss or damage arising out of or relating to Consultant's activities or operations or omissions, including those of the Consultant's employees, pursuant to this Agreement. Such indemnification shall survive the expiration or termination of this Agreement.

IX. INDEPENDENT CONTRACTOR

Consultant shall render all services hereunder as an independent contractor and shall not hold out himself or herself as an agent of NGC. Nothing herein shall be construed to create or confer upon Consultant the right to make contracts or commitments for or on behalf of NGC.

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X. TAXES

Consultant shall pay all taxes due with respect to the compensation paid hereunder.

XI. OBSERVANCE OF APPLICABLE LAWS AND REGULATIONS

A. United States Laws. Consultant shall comply with and do all things necessary

for NGC to comply with United States laws and regulations and express policies of the United States Government, including but not limited to the requirements of the Foreign Corrupt Practices Act, 15 U.S.C. Section 78 dd-1 et seq., the Federal Acquisition Regulations, 48 CFR section 1.101 et seq., (“FAR”), the International Traffic in Arms Regulations, 22 CFR Parts 120 through 130 and applicable regulations; the Byrd Amendment (31 U.S.C. Section 1352) and applicable regulations; the Office of Federal Procurement Policy Act (41 U.S.C. Section 423) and applicable regulations; and the DoD Joint Ethics Regulation (DoD 5500.7-R). No part of any compensation or fee paid by NGC will be used directly or indirectly to make any kickbacks to any person or entity, or to make payments, gratuities, emoluments or to confer any other benefit to an official of any government or any political party. Consultant shall not seek, nor relay to NGC, any classified, proprietary or source selection information not generally available to the public. Consultant shall also comply with and do all things necessary for NGC to comply with provisions of contracts between agencies of the United States Government or their contractors and NGC that relate either to patent rights or the safeguarding of information pertaining to the security of the United States. This entire Agreement and/or the contents thereof may be disclosed to the United States Government.

B. No Selling Agency Employed. Consultant further represents and warrants that no person or selling agency has been or will be employed or retained to solicit or secure any contract, including but not limited to a United States Government contract, upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Consultant for the purpose of receiving business. In the event of a breach or violation of this warranty, NGC shall have the right to annul this Agreement without liability or in its discretion to deduct from the fee or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

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C. State Law And Regulations. Consultant shall comply with and do all things necessary for Consultant and NGC each to comply with all laws and regulations of the State of California and any other state, in which services hereunder are or may be rendered.

D. Maintenance Of Time And Expense Records. Consultant shall maintain appropriate time and expense records pertaining to the services performed under this Agreement. Said records shall be subject to examination and audit by NGC and the United States Government until notified by NGC in writing, that the records no longer need to be maintained.

E. Certification. This Agreement is made in material reliance upon the representations and warranties made by Consultant. The effectiveness of this Agreement is contingent upon and will not commence until receipt by NGC of the certifications set forth in Attachment C hereto. In the event that NGC has reason to believe that these certifications are incorrect, NGC may treat this Agreement as being null and void or may terminate this Agreement pursuant to Section XVI.

F. Standards of Business Conduct. Consultant hereby acknowledges that he has received a copy of the NGC Standards of Business Conduct (or amendment thereof) and agrees to conduct his activities for or on behalf of NGC in accordance with such principles as a condition of this Agreement.

XII. ASSIGNMENT OF RIGHTS

This Agreement and the rights, benefits, duties and obligations contained herein may not be assigned or otherwise transferred in any manner to third parties without the express written approval of NGC. Any such assignment or transfer without prior approval of NGC will be null, void and without effect.

XIII. MODIFICATION

No waiver or modification of this Agreement or of any covenant, condition, or limitation herein shall be valid and enforceable unless such waiver or modification is in writing.

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XIV. USE OR EMPLOYMENT OF THIRD PARTIES

Consultant shall not utilize or employ any third party, individual or entity, in connection with Consultant’s performance of services under this Agreement without the express written approval of NGC.

XV. CONFLICTS OF INTEREST

No business or legal conflicts of interest shall exist between services performed or to be performed by Consultant on behalf of NGC and by Consultant on behalf of any other client. The identity of Consultant’s directorships, other employment and clients shall be fully disclosed in the Certification, Attachment D.

XVI. TERMINATION

A. Thirty Days Notice. Either party may terminate this Agreement upon thirty days

written notice to the other. Except as otherwise provided herein, in the event of termination, Consultant shall be entitled to compensation until the expiration of the stated notice period.

B. Violation Of Term Or Condition. Notwithstanding the foregoing, in the event of a violation by Consultant of any term or condition, express or implied, of this Agreement or of any federal or state law or regulation pertaining to or arising from Consultant's performance of services under this Agreement, NGC may, in its discretion, terminate this Agreement immediately, without notice and in such event, Consultant shall only be entitled to compensation up to the time of such violation.

C. Bankruptcy. Notwithstanding the foregoing, in the event that Consultant is adjudicated a bankrupt or petitions for relief under bankruptcy, reorganization, receivership, liquidation, compromise or other arrangement or attempts to make an assignment for the benefit of creditors, this Agreement shall be deemed terminated automatically, without requirement of notice, without further liability or obligation to NGC.

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XVII. SEVERABILITY OF PROVISIONS

All provisions contained herein are severable and in the event any of them are held to be invalid by any competent court, this Agreement shall be interpreted as if such invalid provision was not contained herein.

XVIII. AVAILABILITY OF EQUITABLE REMEDIES

Consultant understands and agrees that any breach or evasion of any of the terms of this Agreement will result in immediate and irreparable injury to NGC and will entitle NGC to all legal and equitable remedies including, without limitation, injunction or specific performance.

XIX. GOVERNING LAW

This Agreement and the performance hereunder shall be governed by and construed in accordance with the laws of the State of California (excluding any conflicts of laws provisions) which shall be the exclusive applicable law.

XX. SETTLEMENT OF DISPUTES

A. NGC and Consultant hereby consent to the resolution by arbitration of all dis-

putes, issues, claims or controversies arising out of or in connection with this Agreement, that NGC may have against Consultant, or that Consultant may have against NGC, or against its officers, directors, employees or agents acting in their capacity as such. Each party's promise to resolve all such claims, issues, or disputes by arbitration in accordance with this Agreement rather than through the courts, is consideration for the other party's like promise. It is further agreed that the decision of an arbitrator on any issue, dispute, claim or controversy submitted for arbitration, shall be final and binding upon the NGC and Consultant and that judgment may be entered on the award of the arbitrator in any court having proper jurisdiction.

B. Except as otherwise provided herein or by mutual agreement of the parties, any arbitration shall be administered in accordance with the then-current Model Arbitration Procedures of the American Arbitration Association (AAA) before an arbitrator who is licensed to practice law in the state in which the arbitration is convened. The arbitration shall be held in Los Angeles, CA or at any other location mutually agreed upon by the parties.

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C. The parties shall attempt to agree upon the arbitrator. If the parties cannot agree on the arbitrator, the AAA shall then provide the names of nine (9) arbitrators experienced in business employment matters along with their resumes and fee schedules. Each party may strike all names on the list it deems unacceptable. If more than one common name remains on the list of all parties, the parties shall strike names alternately until only one remains. The party who did not initiate the claim shall strike first. If no common name remains on the lists of the parties, the

AAA shall furnish an additional list until an arbitrator is selected.

D. The arbitrator shall interpret this Agreement, and any applicable NGC policy or

rules and regulations, any applicable substantive law (and the law of remedies, if applicable) of the state of California, or applicable federal law. In reaching his or her decision, the arbitrator shall have no authority to change or modify any lawful NGC policy, rule or regulation, or this Agreement. The arbitrator, and not any federal, state or local court or agency, shall have exclusive and broad authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Agreement, including, but not limited to, any claim that all or any part of this Agreement is voidable.

XXI. NOTICE

Any notice to be given hereunder shall be in writing, mailed by certified or registered mail with return receipt requested addressed to NGC: Northrop Grumman Corporation 1840 Century Park East Los Angeles, CA 90067 Attn.: Fritz Baskett

or to Consultant:

Scott J. Seymour
[Personal address deleted]

or to such other address as may have been furnished at the date of mailing either by NGC or Consultant in writing.

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XXII. COMPLETE AGREEMENT

This Agreement constitutes the entire agreement of the parties with respect to the engagement of Consultant by NGC and supersedes any and all other agreements between the parties. The parties stipulate and agree that neither of them has made any representation with respect to this Agreement except that such representations are specifically set forth herein. The parties acknowledge that any other payments or representations that may have been made are of no effect and that neither party has relied on such payments or representations in connection with this Agreement or the performance of services contemplated herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be entered into and executed as set forth below.

NORTHROP GRUMMAN CORPORATION

By: /s/ Ian Ziskin

Date: 10/2/07

CONSULTANT

/s/ S J Seymour
Scott J. Seymour

Date: 10/3/07

TIN:

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ATTACHMENT A STATEMENT OF WORK

Scott J. Seymour

When requested, Consultant shall advise NGC on issues relating to matters he was involved with while an employee of NGC, as well as issues relating to business development, new business proposals and business opportunity evaluations.

ATTACHMENT B

MONTHLY ACTIVITY REPORT FORMAT Scott J. Seymour

As a Consultant, you are required to submit a written activity report each month directly to the Northrop Grumman Corporation ("NGC") employee identified in Article I of the Agreement. Each activity report must include the following information:

1. A detailed accounting of the amount of time spent by you on behalf of NGC since your last Activity Report, itemized each hour or by fraction of an hour worked, reflecting the work performed during each periodic segment and the individual who performed it.
2. The identity of all persons with whom you met or discussed business on behalf of NGC, including a description of the business or government affiliation of the individual, as well as the specific position or rank of each person.
3. A statement of the subject matter of all meetings and discussions in which you participated on behalf of NGC, including all NGC programs discussed in connection with any activities performed.

4. An invoice, on a separate page, clearly identifying the Agreement, specifying the time period covered, summarizing the fees and expenses claimed for that time period, and enclosing the original receipts for all claimed expenses. Consultant must certify on each invoice that the charges for the period covered by it do not include any charges for assignments not authorized by the Agreement. A suggested certification is as follows:

"The undersigned certifies that the payment requested herein is correct and just, and that payment has not been received. The undersigned certifies that this invoice does not include any charges for services not authorized by the Agreement and, specifically, that no services have been performed involving the influence or attempt to influence any Federal agency officer

or employee, any Member of Congress, officer or employee of Congress, or employee of a Member of Congress, in connection with any Federal action as defined in the Byrd Amendment (including the awarding, extension, continuation, renewal, amendment, or modification of any Federal contract); and that no services have been performed regarding advice, information, direction or assistance to NGC for a Federal contract."

Unless your services are fully described and accurately recorded in this fashion, your fees will not be paid by NGC. You are not authorized to engage in any activity covered by the Byrd Amendment (31 U.S.C. Section 1352), but if you do so you must clearly identify it as such in your activity report, and the activity you describe shall be treated as a material representation of fact upon which NGC shall rely in preparing any certifications and/or disclosures required by the Byrd Amendment, 31 USC Section 1352. Any and all liability arising from an erroneous representation shall be borne solely by you.

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ATTACHMENT C

CERTIFICATION

Scott J. Seymour

The undersigned, Scott J. Seymour ("Consultant"), hereby certifies, represents and warrants the following:

1. In past dealings with Northrop Grumman Corporation ("NGC") or other clients, Consultant has complied with all applicable laws, rules, regulations and express policies of the United States and the State or territory in which services were performed.
 2. In performing the services under this Agreement, Consultant will comply with all applicable laws, rules, regulations and express policies of the United States and the State or territory in which services will be performed.
 3. There have been no kick-backs or other payments made, either directly or indirectly, to any NGC director, employee or consultant or to the family of any NGC director, employee or consultant.
 4. No kick-backs or other payments will be made, either directly or indirectly, to any NGC director, employee or consultant or to the family of any NGC director, employee or consultant.
 5. Consultant has not used and will not use any part of the compensation paid by NGC to make payments, gratuities, emoluments or to confer any other benefit to an official of any government, or any political party, or official of any political party.
 6. No person or selling agency has been or will be employed or retained to solicit or secure any contract, including but not limited to a United States government contract, upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial selling agencies maintained by the Consultant for the purpose of receiving business.
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7. No classified, proprietary, source selection or procurement sensitive information has been or will be solicited on behalf of or conveyed to NGC.
 8. Consultant has not influenced or attempted to influence and will not influence or attempt to influence any United States government official or employee in connection with the award, extension, continuation, renewal, amendment or modification of a federal contract or otherwise engage in "non-exempt services" within the meaning of the Byrd Amendment, 31 U.S.C. Section 1352.
 9. Consultant has not utilized or employed and will not utilize or employ any third party, individual or entity, in connection with the performance of services on behalf of NGC, except as follows: **(if none, state "None")**.
 10. No business or legal conflicts of interest exist between services performed or to be performed by Consultant on behalf of NGC and by Consultant on behalf of any other client, the identities of which Consultant has fully disclosed to NGC.

The person whose signature appears below is authorized by Consultant to certify that the foregoing is true and correct.

I declare under penalty of perjury that the foregoing certificate is true and correct

Date:

Scott J. Seymour

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ATTACHMENT D

CERTIFICATION OF DIRECTORSHIPS, EMPLOYMENT AND CLIENTS

Scott J. Seymour

The following is a complete list of Consultant’s directorships, employment and consulting clients (if none, state “None”):

I. Directorships and Employment

Name of Company Responsibilities/Duties

II. CLIENTS

<u>Name of Company</u>	<u>Services/Duties</u>
_____	_____

Signature:
Scott J. Seymour

Date: _____