

Northrop Grumman Health Plan Summary of Material Modifications 2021

Changes to Flexible Spending Accounts

The following changes were made to the health care and dependent day care flexible spending accounts under the Northrop Grumman Health Plan (the “Plan”), effective Jan. 1, 2021:

- Participants may set aside \$52 to \$2,750 in pre-tax dollars annually to a health care flexible spending account.
- Any amounts that remain credited to a participant’s 2020 health care flexible spending account will be carried over to the 2021 plan year and thus be available for eligible expenses incurred in 2021 (as long as the participant remains eligible). Likewise, any unused amounts left credited at the end of the 2021 plan year will be carried over to the 2022 plan year and thus be available for eligible expenses incurred in 2022 (again, as long as the participant remains eligible). The carryover amounts will not impact the \$2,750 annual limit on pre-tax reductions to a health care flexible spending account described in the first bullet.
- Any amounts that remain credited to a participant’s 2020 dependent day care flexible spending account will be carried over to the 2021 plan year and thus be available for eligible expenses incurred in 2021 (as long as the participant remains eligible). Likewise, any unused amounts left credited at the end of the 2021 plan year will be carried over to the 2022 plan year and thus be available for eligible expenses incurred in 2022 (again, as long as the participant remains eligible). The carryover amounts will not impact the \$5,000 annual limit on pre-tax reductions to a dependent day care flexible spending account.
- Participants may make a prospective change to their 2021 plan year health care or dependent day care flexible spending account, even in the absence of a qualified life event. However, a participant may not reduce his/her health care flexible spending account election below the amount reimbursed as of the date of the election. No changes will be allowed in the month of December.

Changes to Plan Deadlines

The Plan will extend various Plan deadlines in accordance with guidance issued by the Department of Labor and Department of the Treasury in light of the COVID-19 National Emergency. In general, the Plan deadlines set forth below that fall within the Outbreak Period will be extended until the earlier of: (i) one year from the original Plan deadline and (ii) the day after the end of the Outbreak Period. For this purpose, the “Outbreak Period” is a period that begins on March 1, 2020 and ends on the 60th day following the day on which there is an announced end to the COVID-19 National Emergency.

However, any COBRA and Special Enrollment Plan deadlines that originally fell in March 2020 are extended to March 31, 2021.

COBRA Deadlines

- The 60-day period to elect continuation coverage that begins upon the later of (i) when an individual would otherwise lose coverage due to a qualifying event; or (ii) when the Northrop Grumman Benefits Center (NGBC) notifies the individual of the right to purchase continuation coverage
- The 60-day deadline in which a covered employee or the employee's spouse has in which to notify the NGBC that the employee and a covered spouse are divorced, or a covered dependent child ceased to qualify as a dependent
- The 60-day deadline by which an employee or former employee who is on continuation coverage must notify the NGBC of (i) a divorce with a covered spouse; (ii) a covered dependent child ceasing to qualify as a dependent; or (iii) a Social Security disability determination of anyone on continuation coverage
- The 45-day period within which an initial payment for continuation coverage must be made and the 30-day grace period within which subsequent payments for continuation coverage must be made

Special Enrollment Deadlines

- The 31-day period in which to contact the NGBC to enroll yourself, a spouse, or dependent in medical coverage due to marriage, birth, adoption, or placement for adoption
- The 31-day period in which to contact the NGBC to enroll in medical coverage due to a loss of coverage under another group health plan or health insurance
- The 60-day period in which to contact the NGBC to enroll in medical coverage due to termination of your or your dependent's Medicaid or Children's Health Insurance Program (CHIP) coverage as a result of loss of eligibility

Claims and Appeals Deadlines

- Deadlines to submit a claim for benefits¹
- Deadlines to submit an appeal of a benefit claim denial
- The four-month period in which to request an external review of a denied medical appeal
- In those cases where a request for an external review is not complete, the date by which additional information or materials may be filed to perfect the external review request

COVID-19 Related Leave of Absence

If you take a leave of absence for personal circumstances related to COVID-19 pursuant to the temporary modification to the Northrop Grumman Personal Leaves of Absence Company Manual provision (USHR 3-56 (Temp)), your benefits may continue

¹ This means that the deadline to submit health care FSA claims incurred in 2019 has been extended from March 31, 2020 to March 31, 2021.

as described below, provided your leave of absence commences between June 1, 2020 and May 31, 2021. Eligibility for this temporary Extended COVID-Related Leave is determined in accordance with the Manual. Extended COVID-Related Leave may be approved for up to three months. Extended COVID-Related Leave is not available to employees in Aeronautics Systems' Scaled Composites and Space Systems' Strategic Business Units, and applies to represented employees consistent with the terms of their collective bargaining agreement. If you are receiving a paycheck from Northrop Grumman, your regular contributions will continue. If you are not receiving a paycheck, you will be directly billed for your required contributions.

Here is how your benefits will be affected:

Benefit Option	What Happens During a COVID-19 Leave of Absence
Medical, Dental, Vision	Coverage continues during the approved Extended COVID-Related Leave, for up to three months, provided you make any required contributions. When coverage ends, you may choose COBRA until you return to work (subject to the maximums and other rules explained in the "General Plan Administration: COBRA" section).
Health Care Flexible Spending Account (FSA)	<p>If you are receiving a paycheck from Northrop Grumman during your leave, your contributions continue on a pre-tax basis during the approved Extended COVID-Related Leave, for up to three months. You may continue your FSA after that point by making after-tax contributions through COBRA for the remainder of the plan year.</p> <p>If you are on an unpaid leave, your contributions stop. You can be reimbursed for eligible expenses incurred only during the time you made contributions. Expenses that you incur after the last day of the last pay period in which you made contributions are not eligible for reimbursement. Once you no longer receive a paycheck, if you wish to continue your FSA, you can choose to continue with after-tax contributions through COBRA for the remainder of the plan year.</p>
Dependent Day Care Flexible Spending Account (FSA)	<p>If you are receiving a paycheck from Northrop Grumman during your leave, your contributions continue on a pre-tax basis during the approved Extended COVID-Related Leave, for up to three months.</p> <p>If you are on an unpaid leave, your contributions stop. You can be reimbursed for eligible expenses during the plan year.</p>
Health Savings Account (HSA)* *you own the HSA. It is not part of the Northrop Grumman Health Plan	Your contributions continue as long as you are receiving a paycheck from Northrop Grumman.
Basic and Optional Long-Term Disability (LTD)	Coverage continues during the approved Extended COVID-Related Leave, for up to three months, provided any required premiums are paid.
Short-Term Disability (STD)	Coverage continues during the approved Extended COVID-Related Leave, for up to three months.
Basic Life Insurance	Coverage continues during the approved Extended COVID-Related Leave, for up to three months. When coverage ends, you may choose conversion or portability within 31 days.
Optional Life Insurance (employee, spouse, child)	Coverage continues during the approved Extended COVID-Related Leave, for up to three months, provided you make required contributions. When
Basic Accidental Death and Dismemberment (AD&D)	Coverage continues during the approved Extended COVID-Related Leave, for up to three months. When coverage ends, you may choose portability within 31 days.

Optional Accidental Death and Dismemberment (AD&D)	Coverage continues during the approved Extended COVID-Related Leave, for up to three months, provided you make required contributions. When coverage ends, you may choose portability within 31 days.
Group Legal	<p>If you are receiving a paycheck from Northrop Grumman during your leave, coverage continues on an after-tax basis during the approved Extended COVID-Related Leave, for up to three months.</p> <p>If you are on unpaid leave, coverage continues during the approved Extended COVID-Related Leave, for up to three months provided you make any required contributions.</p> <p>You may be able to continue coverage thereafter by making payments directly to the carrier. You must contact MetLife Legal Plans within 31 days of your coverage end date.</p>