PALMER JAMES F Form 4 April 04, 2011

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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Section 16. Form 4 or Form 5 obligations may continue.

See Instruction

Check this box

if no longer

subject to

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person * PALMER JAMES F

2. Issuer Name and Ticker or Trading

Symbol

NORTHROP GRUMMAN CORP

/DE/ [NOC]

(Check all applicable)

5. Relationship of Reporting Person(s) to

(Middle) 3. Date of Earliest Transaction

(Month/Day/Year)

03/31/2011

Filed(Month/Day/Year)

Director 10% Owner X_ Officer (give title Other (specify

below) Corp. VP & CFO

1840 CENTURY PARK EAST

(First)

(Street)

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

Issuer

LOS ANGELES, CA 90067

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3) (Month/Day/Year)

3. 4. Securities Acquired Transaction(A) or Disposed of Code (D) (Instr. 8) (Instr. 3, 4 and 5)

5. Amount of 6. Ownership 7. Nature of Securities Form: Direct Indirect Beneficially (D) or Beneficial Indirect (I) Ownership Owned Following (Instr. 4) (Instr. 4) Reported

(A) Code V Amount (D) Price

Transaction(s) (Instr. 3 and 4)

Common 03/31/2011 Stock

188,932 (1) (2) A 12,413 Α \$0

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of or Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amo Underlying Secu (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	An Nu Sha
Stock Option (Right-to-Buy)	\$ 67.5	03/31/2011		A(2)	43,750	<u>(4)</u>	03/12/2017	Common Stock	4
Stock Option (Right-to-Buy)	\$ 73.9	03/31/2011		A(2)	89,524	<u>(4)</u>	02/27/2015	Common Stock	8
Stock Option (Right-to-Buy)	\$ 41.14	03/31/2011		A(2)	176,150	<u>(6)</u>	02/17/2016	Common Stock	17
Stock Option (Right-to-Buy)	\$ 54.46	03/31/2011		A(2)	283,066	<u>(7)</u>	02/16/2017	Common Stock	28
Stock Option (Right-to-Buy)	\$ 54.46	03/31/2011		A(2)	146,126	(8)	02/16/2017	Common Stock	14
Stock Option (Right-to-Buy)	\$ 63.22	03/31/2011		A(2)	71,715	<u>(9)</u>	02/15/2018	Common Stock	7

Reporting Owners

Reporting Owner Name / Address	Relationships						
1 8	Director	10% Owner	Officer	Other			
PALMER JAMES F							
1840 CENTURY PARK EAST			Corp. VP & CFO				

Signatures

LOS ANGELES, CA 90067

/s/ Kathleen M. Salmas, Attorney-in-Fact for James F.

Palmer 04/04/2011

**Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

On March 30, 2011, New P, Inc., now renamed "Northrop Grumman Corporation" ("Issuer"), became the successor issuer of
Northrop Grumman Corporation ("Old Northrop Grumman"), now renamed "Titan II Inc.", pursuant to a merger. As a result of
the merger, each holder of Old Northrop Grumman common stock received the identical number and percentage of the
outstanding shares of common stock of Issuer as they owned of Old Northrop Grumman prior to the merger.

Pursuant to anti-dilution provisions of this grant, the number of shares subject to it (and for options, the exercise price) was adjusted in conjunction with the Issuer's spin-off of Huntington Ingalls Industries, Inc. The terms of the adjustment were approved by the Issuer's Board of Directors.

(3)

Reporting Owners 2

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Total amount includes 30,625 unvested Restricted Performance Stock Rights ("RPSRs") granted under the 2001 Long-Term Incentive Stock Plan ("LTISP") on 2/17/09, with a valuation of performance measurement period ("measurement period") ending on 12/31/11; 34,562 unvested RPSRs granted under the LTISP on 2/16/10, with the measurement period ending on 12/31/12; 16,853 unvested RPSRs granted under the LTISP on 2/15/11, with the measurement period ending on 12/31/13; 45,938 Restricted Stock Rights ("RSRs") granted pursuant to the LTISP on 2/16/10 and cliff vests four years from date of grant on 2/16/14; and 16,853 RSRs granted under the LTISP on 2/15/11 and cliff vests 100% on the fourth anniversary from the grant date on 2/15/15. Grants awarded pursuant to Rule 16b-3(d).

- (4) The option is fully exercisable.
- (5) Granted without payment by grantee.
- The option vests over a period of three years to the extent of one-third (33%) annual equal installments on 2/17/10, 2/17/11 and 2/17/12.
- (7) The option vests 50% in year three (2/16/13) and year four (2/16/14) of grant.
- The option vests over a period of three years to the extent of one-third (33%) annual equal installments on 2/16/11, 2/16/12 and 2/16/13.
- (9) The option vests over a period of three years to the extent of one-third (33%) annual equal installments on 2/15/12, 2/15/13 and 2/15/14.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.