

U.S. SMALL BUSINESS ADMINISTRATION

WASHINGTON, DC 20416

Original Certification Date:09/13/2017

Danilo Begovic - President DELFLO INDUSTRIES, INC. 1364 Gwenzell Ave, Delray beach, FL, 33444-1298

Dear Danilo Begovic:

Congratulations! . . . Welcome to the HUBZone Program!

I am pleased to advise you that effective this date, DELFLO INDUSTRIES, INC. has been approved for certification as a "qualified HUBZone small business concern (SBC)". The firm is now eligible for HUBZone opportunities and will be included on the list of qualified HUBZone small business concerns found at <a href="http://dsbs.sba.gov/dsbs/search/dsp_s

The Firm's Responsibilities as a HUBZone certified concern

As a HUBZone certified concern, the program benefits the firm may receive come with important responsibilities, including:

Keeping up-to-date on the HUBZone geographical designations by visiting the HUBZone website at http://www.sba.gov/content/hubzone-maps.

Check SBA's HUBZone mapping pages to determine whether changes in HUBZone area designations impact, or will impact, the firm's eligibility. Note that changes in geographical designations may critically affect the firm's compliance with Program requirements that its principal office be located in a HUBZone, and/or that at least 35% of its employees reside in a HUBZONE.

Sign up to receive HUBZone News Updates by entering your email address at https://public.govdelivery.com/accounts/USSBA/subscriber/new. Once there, expand the "SBA Initiatives" subscription topic, select HUBZone News, and click "Next." This is the simplest single step you can take to keep current on key program changes that may affect the firm's eligibility

- Remaining in compliance at all times and staying updated on Program changes. It is the firm's responsibility to continually ensure that it meets the requirements of the Program. This includes, for example, continuously meeting the 35% HUBZone residency requirement. The firm can make good faith efforts to "attempt to maintain" (see definition at <u>13 C.F.R. § 126.103</u>) having 35% of its employees reside in a HUBZone during the performance of a HUBZone contract it received (as a prime, not as a subcontractor). But, the business must meet this residency requirement anytime it submits an offer on and receives a new HUBZone contract. This also includes complying with contract performance requirements in connection with any HUBZone contracts awarded to the firm as a qualified HUBZone SBC (e.g., the subcontracting limitations requirements set forth in <u>13 C.F.R. § 126.000</u>, and/or the non-manufacturer rule set forth in <u>13 C.F.R. § 126.001(e)</u>).
- Informing the HUBZone Program of any material changes to the concern. If there are material changes to the concern that may affect its continued eligibility, you must notify the HUBZone Program by sending an e-mail to <u>HZMCN@sba.gov</u>. Material changes include a change in name, size, ownership, business structure, or principal office location, in addition to falling below the 35% employee HUBZone residency requirement when the firm is not performing on a HUBZone contract. Failure to notify the HUBZone Program of material changes may result in decertification from the program. If at any time the concern no longer qualifies for the HUBZone Program, the individual authorized to represent the firm can complete the "Voluntary Decertification Agreement" available at http://www.sba.gov/content/maintaining-hubzone-certification.

<u>Note</u>: The HUBZone Program sends notices regarding program examinations, proposed decertifications, and re-certifications to the firm's physical and email addresses of record. If the firm fails to respond to these notices because the firm relocated without updating its SAM and DSBS profiles and informing the HUBZone Program, SBA will propose the firm for decertification and may subsequently decertify it from the Program. Therefore, it is critical that you check your email's SPAM folder to make sure that you are receiving emails from SBA, notify us of any change in the physical address and keep the firm's SAM and DSBS profiles current.

- Participating in SBA eligibility monitoring initiatives. In order to ensure the integrity of the Program, firms will be required to recertify their status and may be subject to program examinations, proposed decertifications, or protests designed to verify eligibility, including:
 - SBA requiring the concern to certify in writing under penalty of perjury that it continues to meet all the eligibility criteria of the HUBZone Program or voluntarily decertify
 - SBA requiring the concern to submit updated documentation, similar to the information and documents you provided for the firm to obtain initial certification, in order to verify that it remains eligible for the program.
 - SBA requiring the concern to demonstrate that it was eligible for the Program both at the time of its initial offer and award of a HUBZone contract.
 - SBA making unannounced site visits to any or all of the concern's locations to verify the accuracy of any information provided to SBA.
- Keeping the firm's System for Award Management (SAM) and Dynamic Small Business Search (DSBS) records up-to-date. To apply for HUBZone Program certification, the firm had to be registered in SAM and DSBS. For the firm to receive benefits from the HUBZone Program (i.e., to be identified by contracting officers as eligible to receive HUBZone contracts and to be paid under any such contracts), these records must remain up-to-date. You must validate the firm's information at least annually or its SAM registration will become inactive. If you need assistance in updating the firm's SAM or DSBS information, please go to the SAM Help Desk at <u>https://fsd.gov/fsd-gov/home.do</u>.
- Misrepresentation: By bidding on any Federal solicitation that is set-aside or reserved only for HUBZone SBCs or for which a HUBZone preference will be applied, the firm's submission of that offer is deemed to be a representation to the United States that the company is fully in compliance with the HUBZone regulatory requirements, and that there have been no material changes since it received the HUBZone certification. ANY SBC FOUND TO MISREPRESENT ITS HUBZONE STATUS IN OBTAINING SUCH AN AWARD MAY BE SUBJECT TO A RANGE OF CIVIL OR CRIMINAL PENALTIES, TREBLE DAMAGES UNDER THE FALSE CLAIMS ACT, AND/OR SUSPENSION OR DEBARMENT FROM FEDERAL CONTRACTING.

How to get the most out of the Program

Although the firm's status as a certified HUBZone SBC greatly improves its access to Federal awards, this certification does not guarantee contract awards. Your ability to research opportunities and competitively bid on them will be the key to your success in this program. I recommend you utilize the following additional web resources designed to help you maximize the Program's benefits:

- SBA's Government Contracting Classroom website at (<u>http://www.sba.gov/gcclassroom</u>) provides valuable information on Federal contracting. Please
 note that while your concern was approved under the primary North American Industry Classification System (NAICS) Code found in your firm's SAM
 and DSBS profiles, you may be awarded contracts under other NAICS Codes. You may benefit from researching and identifying potential HUBZone
 contracting opportunities outside your profile's NAICS code.
- Federal Business Opportunities (<u>https://www.fbo.gov/</u>) serves as a central listing for Federal procurement solicitations to the public. The <u>Federal</u> <u>Procurement Data System</u> is a database accessible to the public at no cost and you may use it to learn about contract awards to businesses in various socioeconomic categories, including HUBZone.
- <u>www.USAspending.gov</u> is a single searchable website, accessible to the public at no cost, which includes for each Federal award: the name of the entity receiving the award; the amount of the award; information on the award including transaction type, funding agency, etc.; and the location of the entity receiving the award.
- SBA's Surety Bond Guarantee program (SBG) website (<u>www.sba.gov/osg</u>) provides information on how to apply for an SBA surety bond guarantee and a listing of participating sureties and agents. For immediate questions, please call 202-205-6540. The SBG program guarantees bid, performance and payment bonds for individual private or public contracts up to \$6.5 million, and up to \$10 million with a federal contracting officer's certification that the bond guarantee is necessary, for small and emerging contractors having difficulties obtaining surety bonds through regular commercial channels.

Thank you for contributing to US economic development

We wish you the best of luck as a HUBZone certified concern - your success will help improve the economic future of the HUBZone(s) in which the firm operates. If at any time you have any questions about the Program or how the SBA may be able to support your business objectives, the HUBZone Office offers assistance via an interactive conference call where we can respond to general questions and concerns in real-time. Visit our website at http://www.sba.gov (hubzone, for additional information or contact the HUBZone Help Desk at HUBZone@sba.gov

Sincerely,

Mariana Pardo Director

Office of HUBZone Program

HUBZone Certification Number: 58592

Ref: IAF-19L

Office of the HUBZone Program, U.S. Small Business Administration, 409 Third Street, SW, Washington, DC 20416