



## 8(a) ANNUAL UPDATE

Pursuant to 15 United States Code (U.S.C.) §§ 636(j) and 637(a), each 8(a) Program Participant must annually certify that it meets the eligibility requirements of the 8(a) Business Development Program, provide specific documentation to support its continued program eligibility, and review its currently approved business plan. To ensure compliance with these statutory requirements and confirm eligibility for participation in the 8(a) Business Development Program, SBA collects information on the "8(a) Annual Update" in accordance with the requirements of 13 Code of Federal Regulations (C.F.R) § 124.112. This document should be sent to Program Participant's assigned Business Opportunity Specialist located at the servicing SBA District office.

**REVIEW YOUR RESPONSES CAREFULLY. BY SIGNING BELOW, YOU ARE CERTIFYING TO THE ACCURACY AND TRUTHFULNESS OF THIS INFORMATION. FALSE STATEMENTS ARE SUBJECT TO CRIMINAL AND/OR CIVIL PROSECUTION.**

All information collected will be protected to the extent permitted by law, including the Freedom of Information Act, (5 U.S.C. 522), Privacy Act (5 U.S.C. 555a) and the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401).

### 1. BUSINESS INFORMATION:

\_\_\_\_\_  
Month/Day/Year

The following fields have been filled with information from SBA records. Please review and correct the pre-filled data and enter missing data as appropriate.

Case no.: \_\_\_\_\_ CCR/DSBS/SAM Last Updated: \_\_\_\_\_

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State: \_\_\_\_\_

Email Address: \_\_\_\_\_ Phone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

### 2. CERTIFICATIONS-ELIGIBILITY:

- a) I, \_\_\_\_\_, hereby certify that I, the individual upon whom eligibility is based, still unconditionally own the Participant firm, directly control the Participant firm, and meet the requirements of economic disadvantage as set forth in 13 C.F.R. § 124.104.
- b) I, \_\_\_\_\_, hereby certify that there have been no changed circumstances which could adversely affect the Participant firm's 8(a) program eligibility. I understand that changes which could adversely affect the firm's 8(a) eligibility include, but are not limited to:
  - i. Changes to the Participant's ownership, management, business structure, primary NAICS code designation, Articles of Incorporation, Articles of Organization, Partnership Agreement, By-Laws, Operating Agreement or stock issues since the Participant firm was certified as an 8(a) Participant and which have not been previously reported to SBA;
  - ii. Conduct by the firm, or any of its principals, indicating a lack of business integrity or good character, which has amounted to an arrest, criminal indictment, guilty plea or criminal conviction, or a judgment or settlement in a civil lawsuit since the firm's previous annual review;
  - iii. Pending adverse actions (such as lawsuits, delinquent taxes, bankruptcy filings, creditor problems, contract disputes, etc.) which may affect the firm's business operation.

*(NOTE: If any changed circumstances exist, please submit an explanation of such changes.)*

### 3. BUSINESS PLAN:

- a) Have you made any changes or updates to the firm's business plan?  
 No (Skip to next question)       Yes (See below)

If Yes, provide the modifications/amendments to the original business plan.

- b) Have you reviewed and made any changes or updates to the firm's capability statement?  
 No (Skip to next question)       Yes (See below)

If Yes, provide an updated capability statement.

c) Contract Forecast: Each Participant must annually forecast its needs for contract awards for the next program year. The forecast must include the aggregate dollar value of 8(a) contracts broken down by sole source and competitive opportunities where possible; the aggregate dollar value of non-8(a) contracts (to include subcontracting opportunities); and the types of contract opportunities identified by product or service. 13 C.F.R. § 124.403(b).

	8(a) Forecast	Non-8(a) Forecast
Sole-Source	\$ _____	\$ _____
Competitive	\$ _____	\$ _____
Total	\$ _____	\$ _____
Total Forecast to include 8(a) and Non-8(a) Forecasts: \$ _____		

d) Is your firm in the Transition Stage (Program Years 5 through 9)?  
 No (Skip to next question)       Yes (See below)

If Yes, answer the below questions:

i) How do you plan to meet the applicable non-8(a) business activity targets, imposed by 13 C.F.R. § 124.509 during the transitional stage of participation. 13 C.F.R. § 124.403(c)(1).

\_\_\_\_\_

\_\_\_\_\_

ii) Indicate the specific steps you intend to take to continue business growth and promote profitable business operations after the expiration of your program term. 13 C.F.R. § 124.403(c)(2).

\_\_\_\_\_

\_\_\_\_\_

**4. WITHDRAWALS, PAYMENTS & LOANS:**

a) Representatives Used: Did you hire any agents, representatives, attorneys, accountants, consultants, and other parties (other than employees) to assist in obtaining a Federal contract?  
 No (Skip to next question)       Yes (See below)

If Yes, complete SBA Form 1790.

b) Record of Payments and Excessive Withdrawals:

i) Has the Participant firm made payments, distributions and/or provided compensation during the most recent calendar year (including any loans, advances, salaries, bonus or dividends) to any of its owners, officers or directors, or to any person or entity affiliated with such individuals<sup>1</sup>?  
 No (Skip to next question)       Yes (Complete below)

If Yes, complete the below information for each of its owners, officers or directors or to any person or entity affiliated with such individuals:

Name	Title	Equity Interest	Total Payments

ii) Has the Participant firm made any outstanding loan(s) to any owners, officers, directors or shareholders owning more than 10% of the Participant firm's stock or to any person or entity affiliated with such individuals?  
 No (Skip to next question)       Yes (Complete below)

If Yes, provide copies of all promissory notes.

iii) Has the Participant firm made payments, in the aggregate, to its owners, officers or directors, or to any person or entity affiliated with such individuals that exceed the excessive withdrawal thresholds<sup>2</sup>?

<sup>1</sup> The term "entity affiliated with such individuals" includes all companies or organizations of which an owner, officer or director of the Participant firm is an officer, partner or director or holds a 10% percent or greater ownership interest.  
<sup>2</sup> Withdrawals are excessive if in the aggregate during any fiscal year of the Participant they exceed (i) \$250,000 for firms with sales up to \$1,000,000; (ii) \$300,000 for firms with sales between \$1,000,000 and \$2,000,000; and (iii) \$400,000 for firms with sales exceeding \$2,000,000.

No (Skip to next question)                       Yes (Complete below)

If Yes, provide an explanation.

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iv) Does someone receive greater compensation than the highest officer and individual upon whom eligibility is based? (*Note: Not Applicable to Entity-Owned Firms*)

No (Skip to next question)                       Yes (Complete below)

If Yes, provide a waiver request explaining how this arrangement is in the best interest of the Participant firm.

**-5. CHANGES IN ASSETS, REVENUE, CONTRACTS, & AFFILIATES:**

a) Transferred Assets: (*Note: Not Applicable to Entity-Owned Firms*)

Have any personal assets of the individual(s) upon whom eligibility is based been transferred since the last annual review? Please note: a record must be completed from each individual claiming disadvantaged status regarding the transfer of assets for less than fair market value to any immediate family member or to any trust where the beneficiary is an immediate family member, within two years of the date of the this annual review. The record must provide the name of the recipient(s) and family relationship, and the difference between the fair market value of the asset transferred and the value received by the disadvantaged individual. 13 C.F.R. § 124.112 (b)(4).

No (Skip to next question)                       Yes (See below)

If Yes, explain this personal transfer on a separate page.

b) Business Activity Report: Indicate below the total of **ALL** non-8(a) revenue and 8(a) revenue earned during the last **program year**. 13 C.F.R. § 124.509(c)(i). This report is made for the program year starting on \_\_\_\_\_ and ending on \_\_\_\_\_, and includes contracts awarded to the 8(a) firm and any JVs.

Non-8(a) Sales:    \$ \_\_\_\_\_ ( \_\_\_ %)

8(a) Sales:    \$ \_\_\_\_\_ ( \_\_\_ %)

Total Sales (program year)                              \$ \_\_\_\_\_ ( \_\_\_ %)

c) New 8(a) Contracts: Indicate below, any new 8(a) contracts, sole source and/or competitive awarded to the 8(a) firm during the above reported program year. Do not include any JV contract awards in this section.

8(a) Contract Number	Date Signed	Contracting Agency	NAICS Code Assigned to Contract	Total Contract Amount	Percentage of Contract Work Performed By 8(a) Participant	Percentage of Contract Work Performed by Subcontractors (include subcontractor names)	Sole Source or Competitive

d) Have there been any changes to the list of known affiliates or sister subsidiaries (in the case of Entity-Owned Firms)?

No (Skip to next question)                       Yes (See below)

If Yes, provide updated list of known affiliates.

**6. MENTOR PROTÉGÉ PROGRAM:**

a) For the program year being reviewed, were you a participant in an SBA-approved Mentor/Protégé Program? 13 C.F.R. § 124.520.

No (Skip to next question)                       Yes (Complete below)

If Yes, complete *Attachment, "Mentor/Protégé Worksheet"*.

b) Joint Venture: For the program year being reviewed, did you have any new approved joint venture (JV) agreements? 13 C.F.R. § 124.513.

- No (Skip to next question)                       Yes (Complete below)

If Yes, complete the below information for each JV agreement: (Use separate sheet if needed.)

JV Partner	JV Name	JV between Mentor and Protégé (Y/N)

c) Do any of the above JVs have contracts?

- No (Skip to next question)                       Yes (Complete below)

If Yes, complete the below information for each JV that has contracts: (Use separate sheet if needed.)

Contract Number	Total Contract Amount	Name of JV (if JV is result of MPA, identify by adding [MPA] after JV's name)	Percentage of Contract Work Performed by 8(a) Participant Firm	Percentage of Contract Work Performed by the JV Partner	Name of Any Subcontractors to the JV (if applicable)	Percentage of Contract Work Performed by Subcontractor to the JV (if applicable)

**7. REQUIRED DOCUMENTS:**

**Personal Financial Information** (*Note: Not applicable to Entity-Owned Firms*): A Personal Financial Statement, SBA Form 413, must be completed/updated and submitted for each disadvantaged owner upon whom 8(a) certification was based. (A separate form should be completed for the spouse of such owner. For jointly held assets and liabilities in which ownership is held equally by both spouses, one-half of the value should be listed on each form. Property that is legally in the name of one spouse would be considered wholly-owned by that spouse regardless of whether or not the couple lives in a community property state. For other shared assets, the value of the percentage of ownership held by each individual should be listed on each person's form. Each individual reporting must also include his/her most recent tax return, including all schedules, attachments and supporting 1099 forms.)

**Tax Returns:**

- a) **Personal** (*Note: Not applicable to Entity-Owned Firms*): A copy of the Individual Income Tax Return most recently filed with the Internal Revenue Service, including all schedules and attachments (for each disadvantaged owner upon whom 8(a) certification was based).
- b) **Business** (*Note: For Entity-Owned Firms, only provide if not previously submitted to SBA as consolidated corporate tax returns*): A copy of the Participant firm's Income Tax Return most recently filed with the Internal Revenue Service, including all schedules and attachments.

**Business Financials** (*Note: For Entity-Owned Firms, only provide if not previously submitted to SBA for the current fiscal year*): A copy of Participant firm's latest Balance Sheet and Income Statements with a breakout of 8(a) and non-8(a) revenue. 13 C.F.R. § 124.602.

**Benefits Report** (*Note: Applicable only to Entity-Owned Firms. Only provide if not previously submitted to SBA for the current fiscal year*): A report showing how the Tribe, ANC, NHO, or CDC has provided benefits to the Tribal or native members and/or the Tribal, native or other community as a result of the firm's participation in the 8(a) program. Please use SBA Form Benefit Report. 13 C.F.R. § 124.604.

**MENTOR-PROTÉGÉ WORKSHEET**  
(Only Applicable if answer “Yes” to Question 6(d))

Name of Mentor: \_\_\_\_\_  
(NOTE: If your firm has two Mentors, you will need to complete two Mentor-Protégé Worksheets)

Date this agreement was approved: \_\_\_\_\_ Period of agreement: \_\_\_\_\_

**To be completed by the 8(a) Participant firm/Protégé:**

(i) List all assistance by category provided by the mentor to the protégé. What type of assistance was received? Number of training hours? When and how was training provided? Who was provided training and what position do they have in the protégé company?

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(ii) List all loans to and/or equity investments made by the mentor to the protégé. Dates and dollar amounts of each loan/equity investment from the Mentor to the Protégé? Terms of the loan?

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(iii) List all subcontracts awarded to the protégé by the mentor including the value of each subcontract:

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(iv) List all federal contracts awarded to the mentor/protégé relationship as a joint venture (designating each as an 8(a), small business set-aside, other set-aside or unrestricted procurement as applicable) including the value of each contract and the percentage of revenue accruing to each party to the joint venture:

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(v) Provide a narrative describing the benefits the protégé has received from the mentor/protégé relationship, the success such assistance has had in addressing the developmental needs of the protégé and addressing any problems encountered. 13 C.F.R. §§ 124.112(b)(6) and 124.520(g)(1)(v).

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(vi) Facilities:

- a. Did the Protégé increase or decrease the size of their facility during the current program year?  Yes or No
- b. Did the Protégé move to another facility during the current program year? Yes or No
- c. Were these changes a result of your participation in the SBA Mentor/Protégé Program?  Yes or No or N/A

(vi) Equipment:

- a. Did the Protégé lease or buy new equipment during this program year?  Yes or No
- b. If yes, were these changes a result of your participation in the SBA Mentor/Protégé Program?  Yes or No or N/A

(vii) Bonding Limits (if applicable; if not, go to question #11)

- a. Has the Protégé firm increased its bonding limit as a result of its Mentor/Protégé Agreement?  Yes or No
- b. What is this program year's aggregate bonding level? \$ \_\_\_\_\_
- c. What was last year's aggregate bonding level? \$ \_\_\_\_\_

(viii) New Industries:

- a. Did the Protégé expand into new business areas or industries during this program year?  Yes or No
- b. If yes, what was the NAICS code(s) that you expanded into? \_\_\_\_\_
- c. Did the Mentor assist the firm in expanding into any new business area or industry? Yes or No
- d. If yes, how? \_\_\_\_\_
- e. What role has the Protégé played in this new business area of industry?  Prime contractor or Subcontractor

(ix) Process Improvements:

- a. Did the Protégé improve any processes during this program year?  Yes or No
- b. If yes, which processes and what was the efficiency change (e.g., number of hours, number of days, number of employees, etc.)?

(x) Number of full time employees the Protégé currently has at the end of the program year being reviewed date : \_\_\_\_\_

**To be completed by the Mentor:**

Are there any pending adverse actions (such as lawsuits, delinquent taxes, bankruptcy filings, creditor problems, contract disputes, suspension/debarment from federal contracting of the firm, etc.) which may affect your business operation, good character, and/or favorable financial position?: 13 C.F.R. § 124.520(b)(4).

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, please explain below or on a separate page if needed.

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BY SIGNING BELOW, I CERTIFY THAT THERE HAVE BEEN NO CHANGES TO THE TERMS OF THE APPROVED MENTOR/PROTÉGÉ AGREEMENT AND THAT ALL INFORMATION SUBMITTED IN THIS MENTOR/PROTÉGÉ WORKSHEET AND ANY ATTACHMENTS IS TRUE, CORRECT AND ACCURATE. I UNDERSTAND THAT FALSE STATEMENTS CAN BE SUBJECT TO PROSECUTION UNDER 18 U.S.C. § 1001 AND OTHER STATUTES, CAN SUBJECT ME OR MY COMPANY TO TREBLE DAMAGES UNDER THE FALSE CLAIMS ACT, 31 U.S.C. §§ 3729-3733 OR SUSPENSION OR DEBARMENT, AND CAN RESULT IN THE TERMINATION OF MY COMPANY FROM THE 8(A) PROGRAM.

For the Protégé:

\_\_\_\_\_  
Signature of President, Partner or Proprietor

\_\_\_\_\_  
Date

For the Mentor:

\_\_\_\_\_  
Signature of President, Officer or Authorized Official

\_\_\_\_\_  
Date

## CERTIFICATIONS

BY SIGNING BELOW, THE PARTICIPANT FIRM CERTIFIES THAT IT HAS REVIEWED THE RELEVANT REGULATIONS AND THAT IT REMAINS ELIGIBLE FOR THE 8(A) BUSINESS DEVELOPMENT PROGRAM. FIRMS OWNED BY INDIAN TRIBES, ALASKA NATIVE CORPORATIONS (ANCs), NATIVE HAWAIIAN ORGANIZATIONS (NHOs) OR COMMUNITY DEVELOPMENT CORPORATIONS (CDCs) ARE SUBJECT TO THE 8(a) PROGRAM ELIGIBILITY REQUIREMENTS AS SET FORTH IN 13 C.F.R. §§ 124.101 THROUGH 124.108 TO THE EXTENT THAT THESE REGULATIONS ARE NOT INCONSISTENT WITH 13 C.F.R. §§ 124.109, 124.110 AND 124.111. FIRMS NOT OWNED BY INDIAN TRIBES, ANCs, NHOs, OR CDCs ARE SUBJECT TO THE ELIGIBILITY REQUIREMENTS OF 13 C.F.R. §§ 124.101 THROUGH 124.108.

BY SIGNING BELOW, THE PARTICIPANT FIRM CERTIFIES THAT THERE HAVE BEEN NO CHANGES TO ANY INFORMATION SUBMITTED IN ITS APPLICATION FOR ADMISSION, OR IN CONNECTION WITH ITS APPLICATION FOR ADMISSION, THAT MAY AFFECT THE FIRM'S ELIGIBILITY TO PARTICIPATE IN THE 8(a) PROGRAM. IF, AFTER BEING ADMITTED TO THE PROGRAM, THE PARTICIPANT FIRM PROVIDED SUPPLEMENTAL INFORMATION TO SBA REGARDING SUCH CHANGES AND SBA HAS PROVIDED WRITTEN NOTICE THAT THE CHANGES DO NOT AFFECT PROGRAM ELIGIBILITY, THE PARTICIPANT FIRM ALSO CERTIFIES THAT THERE HAVE BEEN NO SUBSEQUENT CHANGES TO THE SUPPLEMENTAL INFORMATION. ANY QUESTIONS REGARDING THE PARTICIPANT FIRM'S CONTINUING ELIGIBILITY SHOULD BE DIRECTED TO THE SERVICING SBA OFFICE.

BY SIGNING BELOW, I CERTIFY THAT ALL INFORMATION SUBMITTED IN THIS 8(a) ANNUAL UPDATE, ATTACHMENTS, AND THE PERSONAL FINANCIAL STATEMENT IS TRUE, CORRECT AND ACCURATE. I UNDERSTAND THAT FALSE STATEMENTS CAN BE SUBJECT TO PROSECUTION UNDER 18 U.S.C. § 1001 AND OTHER STATUTES, CAN SUBJECT ME OR MY COMPANY TO TREBLE DAMAGES UNDER THE FALSE CLAIMS ACT, 31 U.S.C. §§ 3729-3733 OR SUSPENSION OR DEBARMENT, AND CAN RESULT IN THE TERMINATION OF MY COMPANY FROM THE 8(a) PROGRAM.

\_\_\_\_\_  
Signature of President, Partner or Proprietor

\_\_\_\_\_  
Date

PLEASE NOTE: The estimate burden for completing this form is 1.5 hours. You are not required to respond to any collection of information unless it displays a currently valid OMB approval number (3245-0205). Comments on the burden should be sent to U.S. Small Business Administration, Chief AIB, 409 3<sup>rd</sup> St., S.W., Washington, D.C. 20416 and Desk Officer of the U.S. Small Business Administration, Office of Management and Budget, New Executive Office Building, Room 10202, Washington, D.C. 20503. **PLEASE DO NOT SEND FORMS TO OMB.**