



U.S. SMALL BUSINESS ADMINISTRATION  
WASHINGTON, DC 20416

February 7, 2005

Mr. Ray Herrera  
The Valve Shop  
1862 Blue Bonnet Place  
Encinitas, California 92024-1963

Dear Mr. Herrera:

Congratulations! Your firm has been certified as a Participant in the U.S. Small Business Administration's (SBA) 8(a) BD program. Your nine (9) year program term begins on the date of this letter.

Additionally, your firm has been certified as a Small Disadvantaged Business (SDB) in the Federal Government's SDB program. Your term of participation in the SDB program is concurrent with your 8(a) BD certification.

During participation in the 8(a) program, you will receive business development assistance from an assigned Business Opportunity Specialist in the San Diego District Office located at 550 West C Street, Suite 550, San Diego, California 92101. The phone number is 619/557-7250. The District office will also be able to provide you with information on the SDB program and its benefits.

Your firm will become eligible to receive 8(a) contracts after you submit a business plan using SBA Form 1010C and receive SBA's approval of the plan. We are sending a copy of this certification letter to the SBA San Diego District Office. That office will send you the business plan form.

SBA requires that the President or Chief Executive Officer sign a Participation Agreement to show that he or she understands the conditions of 8(a) program participation. Please read the Agreement carefully, sign and date one copy and return it to the SBA San Diego District Office at the address shown in the third paragraph above. The second copy is for you.

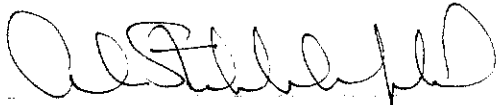
Even though your firm's approved North American Industry Classification System (NAICS) Code is 423860, your firm may be awarded contracts under other NAICS Codes, as long as the firm is qualified to perform. In this regard, please note that contracts awarded under 8(a) BD program authority generally result from the self-marketing efforts of the 8(a) firm. While your firm's acceptance into the 8(a) BD program is not a guarantee of contract support, SBA

will make every effort to provide you with assistance in your marketing efforts.

If you have not already done so, we strongly suggest that you acquire access to e-mail to enhance your communication abilities with public and private sector buyers. Also, you should consider setting up a merchant account with a credit card company, which will give you the ability to accept credit card orders for your goods and services from over 1,000 Federal buying offices. Finally, please contact your local SBA District Office to update your enrollment in PRO-Net, an SBA online procurement listing of small businesses utilized by public and private sector buyers.

We welcome you as an 8(a) program participant and look forward to working with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Al Stubblefield". The signature is fluid and cursive, written over a horizontal line.

Al Stubblefield  
Associate Administrator  
Office of Business Development

Enclosures