

c. Remove the first two sentences of paragraph (c)(3)(i) and add one sentence in their place;

and

d. Revise the first sentence of paragraph (c)(4).

The additions and revisions read as follows:

**§ 124.104 Who is economically disadvantaged?**

\* \* \* \* \*

(c) \* \* \*

(2) \* \* \* The net worth of an individual claiming disadvantage must be less than \$750,000. \*

\* \*

\* \* \* \* \*

(ii) Funds invested in an Individual Retirement Account (IRA) or other official retirement account will not be considered in determining an individual's net worth. \* \* \*

\* \* \* \* \*

(3) \* \* \* (i) SBA will presume that an individual is not economically disadvantaged if his or her adjusted gross income averaged over the three preceding years exceeds \$350,000. \* \* \*

\* \* \* \* \*

(4) \* \* \* An individual will generally not be considered economically disadvantaged if the fair market value of all his or her assets (including his or her primary residence and the value of the applicant/Participant firm) exceeds \$6 million. \* \* \*

3. Amend § 124.1015 by adding a sentence at the end of paragraph (f)(2) to read as follows:

**§ 124.1015 What are the requirements for representing SDB status, and what are the penalties for misrepresentation?**