

§701.34 Designation of low income status; Acceptance of secondary capital accounts by low-income designated credit unions.

(4) If NCUA determines a low-income designated federal credit union no longer meets the criteria for the designation, NCUA will notify the federal credit union in writing, and the federal credit union must, within five years, meet the criteria for the designation or come into compliance with the regulatory requirements applicable to federal credit unions that do not have a low-income designation. The designation will remain in effect during the five-year period. If a federal credit union does not requalify and has secondary capital or nonmember deposit accounts with a maturity beyond the five-year period, NCUA may extend the time for a federal credit union to come into compliance with regulatory requirements to allow the federal credit union to satisfy the terms of any account agreements. A federal credit union may appeal NCUA's determination that the credit union no longer meets the criteria for a low-income designation to the Board within 60 days of the date of the notice from NCUA. An appeal must be submitted through NCUA.