

(c) If the applicant is other than a sole proprietorship, at least 70 percent of the business enterprise shall be owned by individuals who meet the qualifications for applicants under subsection (b) of this section.

5-1046.

(a) Under the Program, the Authority may provide equity participation financing, including the purchase of qualified securities issued by a franchise, by a technology-based business, or by an enterprise acquiring an existing business, only after the enterprise has submitted an application that contains a business plan, including:

- (1) A description of the franchisor, technology-based business, or existing business and its management, product, and market;
- (2) A statement of the amount, immediacy of need, and projected use of the capital required;
- (3) A statement of the potential economic impact of the purchase;
- (4) Information that relates to the satisfaction of the applicant's requirements of [§ 5-1025] SUBSECTIONS (F) AND (G) of this [subtitle] SECTION; and
- (5) Any other information the Authority requires.

(b) Under the Program, any equity participation financing shall satisfy the following requirements:

- (1) The Authority may not:
 - (i) 1. Own securities representing more than 45 percent of the voting stock of any franchise or technology-based business; or
 2. Own an interest greater than 45 percent in any franchise or technology-based business; or
 - (ii) 1. Own securities representing more than 25 percent of the voting stock of any enterprise acquiring an existing business; or
 2. Own an interest greater than 25 percent in any enterprise acquiring an existing business.
- (2) The amount of the Authority's equity participation financing may not exceed:
 - (i) 1. [\$100,000] \$500,000 for any franchise; or
 2. 45 percent of the total initial investment in the franchise;
 - (ii) 1. \$500,000 for any enterprise acquiring an existing business; or
 2. 25 percent of the total investment in the enterprise acquiring an existing business; or
 - (iii) \$500,000 for a technology-based business.