

(1) ~~ROYALTIES FROM ENTERPRISES, AS A MULTIPLE OF THE AMOUNT INVESTED, TO BE INITIALLY SET AT 5 PERCENT OF SALES AND TO BE RENEGOTIATED BASED ON THE RATE OF RETURN ON THE ORIGINAL INVESTMENT~~ FRANCHISES IN AMOUNTS TO BE DETERMINED BY THE AUTHORITY; AND

(2) IF A DEBT SECURITY IS USED, INTEREST PAYMENTS.

~~(C)~~ (D) THE AUTHORITY MAY, FROM TIME TO TIME AS NEEDED FOR THE PROGRAM, WITHDRAW AMOUNTS FROM THE SMALL BUSINESS DEVELOPMENT GUARANTY FUND, NOT TO EXCEED A TOTAL OF \$1,000,000, AND DEPOSIT THESE AMOUNTS INTO THE EQUITY PARTICIPATION INVESTMENT PROGRAM FUND.

~~(C)~~ ~~(D)~~ (E) THE AUTHORITY SHALL USE THE FUND AND INCOME FROM THE THE FUND:

(1) IN THE PURCHASE OF QUALIFIED SECURITIES ISSUED BY AN ~~ENTERPRISE~~ A FRANCHISE FOR THE PURPOSE OF PROVIDING VENTURE CAPITAL EQUITY PARTICIPATION FINANCING AS PERMITTED UNDER THE PROGRAM;

(2) TO PROVIDE ~~DIRECT LOANS AND~~ GUARANTEES OF LOANS AND INVESTMENTS TO EXPAND THE CAPITAL RESOURCES OF QUALIFIED ~~SMALL-BUSINESS-FINANCING COMPANIES, AND~~ FRANCHISES;

(3) IN THE PURCHASE OF ADVISORY SERVICES AND TECHNICAL ASSISTANCE ~~TO STRENGTHEN AND GUIDE THE SELECTION AND MANAGEMENT OF THE BUSINESS ENTERPRISE, AND~~ CONSISTENT WITH THE PROGRAM;

(4) IN THE PURCHASE OF ANY SECURITIES THAT MAY BE A LAWFUL INVESTMENT FOR A FIDUCIARY OF THE STATE--; AND

(5) TO PROVIDE EQUITY PARTICIPATION FINANCING AS PERMITTED UNDER THE PROGRAM.

~~(D)~~ ~~(E)~~ (F) (1) THE STATE TREASURER SHALL HOLD AND THE STATE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO THE FUND.

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~~(A) THE STATE BOND COMMISSION MAY AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE STATE IN 1 OR MORE SERIES AND IN PRINCIPAL AMOUNTS OF NOT MORE THAN \$10,000,000 IN THE AGGREGATE TO CARRY OUT THE PURPOSES OF THIS ACT.~~

~~(B) AFTER DEDUCTING THE EXPENSES OF ISSUANCE AND SALE, THE PROCEEDS FROM THE SALE OF BONDS UNDER THIS SECTION SHALL BE PAID TO THE MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY VENTURE CAPITAL FUND.~~