

(2) Enter into agreements with the participating investors setting forth the terms governing the investment of money in the Trust by the participating investors;

(3) By preparing and publishing requests for proposals, solicit offerings by venture capitalists and venture capital funds that meet the purposes and requirements of the Trust, which shall be set forth in the requests for proposals;

(4) Select certain venture capital funds in which to invest money from the Trust, subject to the requirements set forth in [§ 5-1A-06] § 5-306 of this subtitle;

(5) Invest in any venture capital funds selected by the Trust in amounts deemed appropriate by the Board of Trustees;

(6) Retain investment earnings in excess of investment earnings the Trust is required to pay the participating investors; and

(7) Do all things necessary and lawful to carry out the powers expressly granted to the Trust by this subtitle.

(b) The Trust may not hold or accept from any single investor a cumulative total in principal investments in excess of \$5,000,000.

(c) The Trust may not accept more than a cumulative investment of \$15 million from the State Retirement and Pension System.

[5-1A-06.] 5-306.

(a) The trustees shall give preference to venture capital fund proposals that:

(1) Provide financing predominantly to business enterprises that conduct a substantial amount of business in the State;

(2) Require venture capital funds to match the money invested by the Trust with money invested by private investors on at least a 1 to 3 ratio; and

(3) Ensure that a majority of the money invested by the Trust be for seed capital financing in Maryland.

(b) Seed capital investments shall not exceed more than \$1 million for any one business.

[5-1A-07.] 5-307.

(a) The books and records of the Trust shall be subject to audit by the State at its discretion and annually by an independent auditor approved by the State, at the expense of the Trust.

(b) (1) The Trust shall report to the Governor, THE MARYLAND ECONOMIC DEVELOPMENT COMMISSION, and, subject to §2-1312 of the State Government Article, to the General Assembly, within the first 90 days of each fiscal year.

(2) The report shall set forth the complete operating and financial statement covering the Trust's operations and summarize the Trust's activities during the preceding fiscal year.