(3) (i) The Authority shall find that there is a reasonable probability that the Authority will recover its initial investment and an adequate return on investment.

(ii) The Authority's investment shall be recoverable within:

1. 7 years of the equity participation financing in a franchise;

2. 7 years of the equity participation financing in an enterprise acquiring an existing business;

3. 10 years of the equity participation financing in a technology–based business; or

4. 7 years of the equity participation financing in any other type of business.

(4) The Authority's recovery shall be the greater of the current value of the percentage of the equity investment in the enterprise or the amount of the initial investment in the enterprise.

(5) The value of the business entity at the time of recovery shall be determined after obtaining at least 1 independent appraisal of the value from an appraiser selected from a list of at least 3 appraisers supplied by the Authority.

(c) The liability of the State and of the Authority in providing equity participation financing is limited to its investments under the Program.

(d) When [applying] **AN ENTERPRISE APPLIES** to the Authority to acquire an existing business, [an] **THE** enterprise **OR ITS PRINCIPALS** shall [have] **MEET** the following minimum qualifications:

(1) The enterprise or its principals shall have[:

(i) A minimum net worth of at least $75,000 pledged as security;

(ii) At least $75,000 in equity investment; or

(iii) A combination of a minimum net worth pledged as security and] an equity investment[, totaling at least $75,000] **EQUAL TO AT LEAST 5 PERCENT OF THE TOTAL COST OF THE ACQUISITION**; and