

(1) The Authority may not:

(i) 1. Own securities representing more than 45 percent of the voting stock of any [franchisee] FRANCHISE OR TECHNOLOGY-BASED BUSINESS; or

2. [own] 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. [Exceed] \$100,000 for any franchise [and may not exceed];  
OR

2. 45 percent of the total initial investment in the franchise;  
[or]

(ii) 1. [Exceed] \$500,000 for any enterprise acquiring an existing business [and may not exceed]; OR

2. 25 percent of the total investment in the enterprise acquiring an existing business; OR

(III) \$500,000 FOR A TECHNOLOGY-BASED BUSINESS.

(3) The total amount of equity participation financing disbursed may not exceed \$3,000,000 for a calendar year.

(4) (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[, and the].

(II) THE Authority's investment shall be recoverable within:

1. 7 years of the equity participation financing in a franchise [and within];

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

3. 10 YEARS OF THE EQUITY PARTICIPATION FINANCING IN A TECHNOLOGY-BASED BUSINESS.

(5) 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.