PrivateTechShares

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The Equity *Starter Kit*

A plain-English orientation for founders and employees thinking about turning private startup shares or vested options into cash — without waiting for an exit.

What it does: gets you oriented, names the stakes, and helps you ask the right questions.
What it isn't: financial, tax or legal advice.

01 The 60-second map

Selling a slice of private equity follows the same six steps almost every time. Here's the whole path on one page — so you always know where you are.

1. **Can I sell?**
   Are your shares vested? Are there restrictions (a right of first refusal, board approval) on transferring them? Options usually must be exercised into real shares first.

2. **What's it worth?**
   Private shares have no live price. You anchor to your last funding round, then expect a discount for a quick, private, all-cash sale.

3. **Clear the path**
   Most shareholder agreements need company approval and give existing holders first refusal. You clear these directly — usually routine, but do it before you market the shares.

4. **Find the buyer**
   A private investor who wants early access. They stay masked until they sign an NDA; you stay masked until you choose to reveal.

5. **Deal direct**
   You negotiate price and terms, sign the transfer (often via a notary), and the buyer pays you. You stay in control throughout.

6. **Transfer & tax**
   The shares move, the money reaches you — and there may be tax on the sale (and on exercising options). Plan it before you sign, not after.

> **Where this kit helps:** steps 1 and 2 you can do yourself with the pages that follow. Steps 3–6 — clearing ROFR, the board conversation, pricing and tax — are the messy middle, where most people want a proper playbook.

02 Plain-English glossary

The words that come up in every one of these conversations. Learn these and you'll never feel lost in the room.

WHAT YOU HOLD

Shares	Ownership you already hold in the company. These you can sell (subject to any restrictions).
Options (ESOP)	The right to buy shares later at a fixed price. Not shares yet — you usually must exercise them first.
Vesting / cliff	The schedule by which your equity becomes truly yours. Only vested equity is sellable.
Exercise / strike price	Exercising = paying the strike price to turn options into real shares you own.

VALUE

Last-round price / 409A	The per-share value set at the last funding round (or a formal US valuation). Your starting anchor.
Secondary	Selling existing shares to a buyer — the cash goes to you, not the company.
Primary	New shares the company issues to raise money — the cash goes to the company.
Discount	How much below the last round a private, quick sale typically clears. Normal, not a red flag.
Dilution	How your ownership percentage shrinks as the company issues more shares over time.
Cap table	The register of who owns what. Your entry proves your holding.

RESTRICTIONS & THE DEAL

ROFR (right of first refusal)	The company or existing holders can buy your shares first, on the same terms, before an outside buyer.
Board / company approval	Many transfers need a formal sign-off. Usually routine — but required.
Drag-along / tag-along	Rules on being pulled into (or joining) a sale led by bigger shareholders.
NDA	The mutual confidentiality agreement signed before any identifying detail is shared.
Notary / transfer deed	The formal step that legally moves the shares to the buyer (common in the EU).
Escrow	A neutral hold of money or shares until both sides have done their part.

03 Are you ready? A two-minute check

Tick what you can answer with confidence. Every box you **can't** tick is simply something to find out next — not a problem, just a gap.

What you hold

- [ ] I know whether I hold shares, or options that still need exercising.
- [ ] I know roughly how many shares / options I have.

Vesting

- [ ] I know how much of my equity has actually vested.
- [ ] If I've left (or plan to), I know my exercise deadline.

Restrictions

- [ ] I know whether a right of first refusal or board approval applies to my shares.
- [ ] I have (or can get) my share/option agreement and the company's transfer rules.

Your number

- [ ] I know my last-round price per share.
- [ ] I have a rough idea how much of my stake I'd want to sell.

Couldn't tick one? The letter on the next-but-one page pulls most of these facts from your company in a single request. When you're ready to actually resolve each gap — verify the cap table, clear the ROFR, set a defensible price, plan the tax — the Equity Toolkit walks you through it step by step.

04 Who's across the table — and what they want

A sale touches a few people beyond you and the buyer. You don't need to manage them — you just need to understand what each one actually cares about, so nothing surprises you.

CARES ABOUT

The board

Control and precedent. Their instinct is to make sure a transfer doesn't hand shares to someone unwelcome, and doesn't set an awkward price marker for the next round. Approvals are usually routine once they see it's a clean, small, private sale.

CARES ABOUT

HR / People & the company secretary

Process and paperwork. They hold your grant letter, vesting record and cap-table entry. They're the fastest route to the documents you need — and they deal with these requests more often than you'd think.

CARES ABOUT

Existing investors

Their own position. A right of first refusal exists so they can buy before an outsider does. Sometimes they'll waive it quickly; sometimes they'll want the shares themselves — which is simply another buyer.

CARES ABOUT

The buyer

Getting in early, cleanly. A private investor wants access to a company they believe in, confidence the shares are transferable, and a straightforward close. Meet those and price is a conversation, not a battle.

> Understanding the room is half the confidence. **Exactly what to send each one** — the board-reassurance one-pager, and the ready-to-send emails that get a clean yes — is inside the Toolkit.

05 The real deadlines nobody warns you about

There's no manufactured urgency here — but there are real clocks already ticking in the background. Losing money to one you didn't know about is the avoidable mistake.

⏱ **The ~90-day exercise window**

Leave a company with vested options and you often have a short window (frequently around 90 days) to exercise them — pay to turn them into shares — or they can lapse entirely. Check your own plan the day you think about leaving, not later.

📅 **Tax-year timing**

Exercising and selling can each be taxable events, and which tax year they fall in can change what you owe. The date you sign can matter. Confirm the treatment locally before you commit.

📈 **A round about to close**

A new funding round resets the price and dilutes existing shares. Selling just before or just after a round can meaningfully change your number — know where the company is in its cycle.

⌛ **Option expiry**

Options don't last forever — grants expire (often 10 years from grant, sooner if you've left). Vested-but-unexercised options you forget about can quietly become worthless.

> **These are situation-specific** and interact with tax rules that vary by country and plan. This page is a heads-up to check, not advice on what to do — confirm your own dates with your grant documents and a local adviser.

06 The one letter that unlocks everything

Most of the facts you need sit with your company. This single request pulls them together. Copy it, fill the highlighted parts, and send it to HR, People Ops or the company secretary.

SUBJECT: REQUEST FOR MY EQUITY DOCUMENTS

Hi **[name]**,

I'd like to get a clear picture of my equity position. Could you please share the following, or point me to where I can find them:

- My current entry on the cap table (share/option count and class)
- My share or option grant agreement(s) and any amendments
- My vesting schedule and how much has vested to date
- For options: my strike price and the exercise deadline that applies if I leave
- Any transfer restrictions on my shares — in particular any right of first refusal or board-approval requirement
- The current or most recent price per share (last round or latest valuation)

This is for my own planning at this stage. I'd appreciate having it in writing when convenient. Thank you very much.

Best regards,
[your name]

Tip: keep it friendly and low-key. You're entitled to this information, and asking for it is completely normal — it signals you're organised, not that you're leaving or unhappy.

07 Keep reading – free guides

Go deeper on any step. All free, no sign-up, at privatetechshares.com.

Start here

How to get liquidity from startup equity in Europe `/how-to-get-liquidity-from-startup-equity-europe.html`
The full guide: selling shares or vested options `/guide.html`

What's it worth?

How much are my startup shares worth? `/how-much-are-my-startup-shares-worth.html`
What discount is fair when you sell? `/what-discount-is-fair-selling-startup-shares.html`

Can I even sell?

Can I sell my shares before an exit? `/can-i-sell-startup-shares-before-exit.html`
Can I still sell if I've left the company? `/can-an-ex-employee-sell-startup-shares.html`
Stuck with shares you can't sell? `/stuck-with-startup-shares-cant-sell.html`

Buyers, process & tools

Who actually buys private startup shares? `/who-buys-private-startup-shares.html`
Using AI to sell your shares — safely `/how-to-use-ai-to-sell-startup-shares-safely.html`

08 When you're ready to actually do it

What the Equity Toolkit adds

This kit gets you oriented and ready to ask. The Toolkit is the working version — it answers the questions this kit only raises, and hands you the documents:

+ The full pre-sale readiness audit
+ Document drafts your company signs (ROFR waiver, board consent, vesting confirmation)
+ Board-reassurance one-pager
+ Negotiation playbook
+ Pricing walk-through & how to set a floor
+ Tax notes for your situation
+ Ready-to-send emails for every step
+ How to use AI safely — expert prompts + guardrails

"So you negotiate on eye level with the board, HR and the buyer – not from behind."

Equity Toolkit — €29, one-off, instant download. A Europe edition and a US edition. Free Starter Kit stays free — try before you buy at **privatetechshares.com/#toolkit**.
