PAID TOOLKIT · EUROPE

Equity Toolkit — Europe

Everything you need to prepare, request and clear a small European secondary sale (€10k–€750k).

- Five plain-English explainers (mechanics, permissions, pricing, tax)
- Three ready-to-adapt DRAFT documents your company signs
- A readiness audit and a board reassurance one-pager
- A full set of ready-to-send emails for every step
- Selling by country — seven European markets, each with a source
- Demystifying AI: expert prompts to use ChatGPT or Claude safely for your sale
- The universal glossary, plus a sourced references page

> PrivateTechShares is an equity education and tools service. This toolkit is the preparation side of that: understand your equity, get your paperwork in order, and approach your company and advisers with confidence. We are not a broker or marketplace — we don't introduce buyers and sellers, hold money or securities, or take any transaction fee.

What's inside

How selling works in Europe

Five short explainers covering the mechanics, the permissions, the pricing and the tax — in plain language.

How a small European secondary actually works

A secondary sale means you sell existing shares you already own to a private buyer. No new shares are created and the company raises no money — ownership simply moves from you to the buyer and is recorded on the cap table. For tickets of roughly €10k–€750k, this is almost always a direct, private transaction between two people, not an auction or a public process.

The usual sequence: you confirm what you hold and check your restrictions; you agree a price with a buyer; you clear any right of first refusal and get company approval; you sign a short transfer agreement; and the company records the transfer. This toolkit gives you the pieces for each of those steps.

Exercising vested options before you sell

If what you hold is options rather than shares, you generally cannot sell the options themselves. You first exercise them — pay the strike price — so they become real shares, and then you sell those shares. Budget for the exercise cost, and remember that exercising can itself have tax consequences in some countries even before you sell.

If you have left, or are leaving, the company, watch your post-termination exercise window (often around 90 days, but it varies). Vested options that are not exercised in time can simply expire. This deadline is frequently the single most urgent item, so check it early.

Right of first refusal and company approval (EU SHAs)

Most European shareholders' agreements restrict transfers. The two you will meet most often are a right of first refusal (ROFR) — the company, and sometimes existing investors, get to buy your shares first on the same terms — and a board or shareholder approval requirement for any new owner.

Neither blocks a sale. They mean you usually have to offer the shares internally first (or have the ROFR formally waived), and get the transfer approved, before you can complete with your buyer. Founders and senior people sometimes have different terms from ordinary option holders, so rely on your own grant letter and the SHA, not on what a colleague did.

Pricing: last round, minus a discount

Small private secondaries are usually priced off the company's most recent funding round price per share, then discounted. The discount reflects that the buyer is taking a minority, illiquid, private stake with no guarantee of an exit — and that you want a quick, all-cash deal. The size of the discount is a negotiation; knowing the last-round price is your anchor.

Watch share class. If investors hold preferred shares with a liquidation preference and you hold ordinary shares, your shares can reasonably be worth less per share than the headline round price. That is normal, not a trick — just factor it in.

Tax when you sell (check your own country)

In most European countries, selling shares at a gain is a taxable event — you typically pay capital gains tax on the difference between what you receive and your cost (your strike price and/or what you paid). Rates, allowances and rules differ substantially from country to country, and some countries tax option exercise as employment income separately from the later sale.

This toolkit does not and cannot tell you your tax bill. Before you complete, get a short confirmation from a local tax adviser on: whether exercise is taxed, how the sale gain is taxed, and any reporting you must do. It is usually a small cost that prevents an expensive surprise.

Ready-to-adapt documents (DRAFTS)

The documents a clean secondary usually needs — written in plain English for the company to review and sign. Each one explains why it matters before the draft itself.

DRAFT — for review. This is a starting-point **DRAFT** to adapt, not a finished legal instrument or legal advice. The company (its board or authorised signatory) is the party that signs it. Have it reviewed by a qualified lawyer in the relevant jurisdiction before anyone relies on or signs it.

How to use these: read the plain-English purpose, then hand the draft to whoever administers your company's cap table (founder, CFO, COO or company secretary). Offer to use the company's own template instead — the point is to make it easy to say yes, not to insist on your wording. Each document below starts on its own page so you can print or forward it on its own.

1. Right of First Refusal – Waiver and Consent to Transfer (DRAFT)

Why it may be needed: most shareholders' agreements give the company (and sometimes investors) the right to buy your shares first before you can sell to an outside buyer. Before you can complete, that right usually has to be either exercised or formally waived. This draft is the document the company signs to confirm it will not exercise its right of first refusal and consents to your sale — the single piece of paper that most often unblocks a secondary.

This waiver and consent is given by [Company name] (the "Company") in respect of a proposed transfer of shares by [Seller name] (the "Seller").

1. Background

The Seller holds [number] [share class] shares in the Company (the "Sale Shares"). The Seller wishes to transfer the Sale Shares to [Buyer name] (the "Buyer") at a price of €[amount] per share. Under the [shareholders' agreement dated [date] / articles of association], the Company [and/or certain shareholders] hold a right of first refusal over the Sale Shares.

2. Waiver

The Company confirms that it has been offered the Sale Shares in accordance with the [shareholders' agreement / articles] and that it does not intend to exercise, and hereby waives, its right of first refusal (and, to the extent it is able, procures the waiver of any corresponding right held by other shareholders) in respect of the transfer of the Sale Shares to the Buyer on the terms described above.

3. Consent to transfer

Subject to completion of the Company's customary transfer formalities, the Company consents to the transfer of the Sale Shares from the Seller to the Buyer and shall procure that the transfer is registered and the register of members / cap table updated accordingly.

4. Limits of this waiver

This waiver relates only to the specific transfer described above and to no other transfer. It is not a waiver of any other right, and does not amend the [shareholders' agreement / articles].

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For and on behalf of [Company name] ([Company number])

Name: […] Title: […] Date: […]

2. Board / Shareholder Consent to Share Transfer (DRAFT resolution)

> Why it may be needed: even once any right of first refusal is cleared, most companies require the board (or shareholders) to formally approve the incoming owner before the transfer is registered. This draft is a short written resolution recording that approval — the paperwork that makes the transfer official on the company's books.

Written resolution of the [board of directors / shareholders] of [Company name] (the “Company”), dated [date].

Recitals

It was noted that [Seller name] (the “Seller”) proposes to transfer [number] [share class] shares in the Company (the “Sale Shares”) to [Buyer name] (the “Buyer”), and that any applicable right of first refusal has been waived or has lapsed.

Resolutions

1. The transfer of the Sale Shares from the Seller to the Buyer be and is hereby approved.

2. The Buyer be and is hereby approved as a holder of shares in the Company [and, where required, agrees to adhere to the shareholders' agreement by executing a deed of adherence].

3. Any director or authorised officer be authorised to complete the stock transfer form / instrument of transfer, update the register of members / cap table, and issue a new share certificate to the Buyer.

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Signed for and on behalf of the [board / shareholders] of [Company name]

Name: […] Title: […] Date: […]

3. Vesting & Shareholding Confirmation (DRAFT – company to complete)

> Why it may be needed: buyers, and you, need a clear, company-confirmed statement of exactly what you hold and on what terms. This draft is a short letter the company completes and signs to confirm your position — it turns ‘I think I have about this much’ into something a buyer can rely on, and it is the natural, low-drama first thing to ask the company for.

[Company name] (the “Company”) confirms the following in respect of [Holder name] (the “Holder”) as at [date]:

- Instrument held: [options / shares], class […], under grant/agreement dated […]
- Total granted: [number]
- Vested to date: [number] · Unvested: [number]
- Vesting schedule: [e.g. 4 years, 1-year cliff, then monthly] · Cliff met: [yes/no]
- Strike / exercise price: €[amount] per share (if options)
- Post-termination exercise window (if applicable): [e.g. 90 days from leaving]
- Most recent price per share / valuation: €[amount], dated […]
- Transfer restrictions: [ROFR yes/no] · [board approval required yes/no] · [other]

This confirmation is provided for the Holder’s information and is accurate to the best of the Company’s records as at the date above.

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For and on behalf of [Company name] ([Company number])

Name: […] Title: […] Date: […]

Checklist to go with the confirmation

- You have your original grant letter / share certificate.
- You know whether you hold options or shares (and the class).
- You know your total granted, and vested vs unvested today.
- You know your strike / exercise price per share (if options).
- You know your vesting schedule and whether the cliff is met.
- If you have left or are leaving: you know your exercise-window deadline.
- You know the most recent price per share (last round / valuation).
- You know whether a right of first refusal applies to your shares.
- You know whether board or shareholder approval is needed to transfer.

■ You have the relevant section(s) of the shareholders’ agreement / plan.

Secondary Sale Readiness Audit

Run down this list before you approach a buyer or your company. If you can tick most of it, you're ready; the gaps are your to-do list.

A. What you hold

- ■ Instrument: options or shares? Which class?
- ■ How many, vested vs unvested, strike price if options.
- ■ Grant documents located and readable.

B. Deadlines

- ■ Any leaver / exercise-window deadline in the next 3–12 months?
- ■ Any company events (round, sale) that could change your position?

C. Permissions

- ■ Right of first refusal: applies? cleared or waived?
- ■ Board / shareholder approval: required? requested?
- ■ Any co-sale / tag-along that affects how much you can sell?

D. Price

- ■ Last round / valuation price per share known.
- ■ Realistic discount range understood for a private minority sale.
- ■ Your minimum acceptable price and ideal ticket size (€) set.

E. Tax & advice

- ■ You know whether exercise and/or sale is taxable in your country.
- ■ A local tax adviser lined up for a short pre-completion check.

F. The counterparty

- ■ Buyer identity and funds understood; mutual NDA in place before details shared.
- ■ Short transfer agreement drafted / to be drafted for signature.

Board reassurance one-pager

This one-pager is for you to adapt and hand (or email) to your board or founder when you ask them to approve a small secondary sale. Its job is to make approval easy by showing the transaction is small, normal and low-risk to the company. Keep it short and factual.

✓ It raises no money from and costs the company nothing.

This is a transfer of existing shares between me and a private buyer — not a fundraise. The company issues no new shares and pays nothing.

✓ It is small and partial.

I am proposing to sell [number] shares (about [x]% of my holding), a minority stake that does not change control or the cap table in any material way.

✓ The buyer will follow the company's rules.

The buyer will sign whatever the company requires — mutual NDA, deed of adherence to the shareholders' agreement, and the standard transfer documents — and be approved by the board like any new holder.

✓ I will clear the formalities properly.

I will respect any right of first refusal and any approval requirement, and complete only once the company has consented. I am asking for cooperation, not shortcuts.

✓ It is discreet.

The process is private and NDA-gated; company information is shared with the buyer only after approval and signature.

> **The ask:** What I'm asking for: a short confirmation of my holding, clearance or waiver of any right of first refusal, and board approval of the transfer to the buyer. I've prepared draft documents to make each step quick. Thank you for considering it.

Ready-to-send messages

Short, human emails for each step — copy, fill the [brackets], send. Keep them friendly and specific; you're asking for cooperation, not making demands.

1. Ask about transfer restrictions (ROFR / approval)

Subject: Quick question on transferring some of my shares

Hi [Name],

I'm looking into selling a small part of my vested [shares/options] privately. Before I take it any further, could you tell me what the rules are — is there a right of first refusal, and does a transfer need board or shareholder approval?

I want to do this properly and by the book, so just trying to understand the steps. Thanks!

[Your name]

2. Notify the company of an intended sale

Subject: Heads-up — proposed small secondary sale of my shares

Hi [Name],

A quick, formal heads-up: I'd like to sell [number] of my [share class] shares (a minority part of my holding) to a private buyer at [€amount] per share, subject to the company's approval and any right of first refusal.

Could you let me know the process from here and what you'd need from me and the buyer? I've prepared draft paperwork to make it easy.

Thanks,
[Your name]

3. Request a right-of-first-refusal waiver / consent

Subject: Request — ROFR waiver and consent for my share transfer

Hi [Name],

Following on from the sale I flagged: would the company be willing to waive its right of first refusal and consent to the transfer to [Buyer]? I've attached a short draft waiver and consent you're welcome to adapt — happy to use the company's own template instead if you prefer.

Let me know what else you need to move it along. Thank you!

[Your name]

4. Request a vesting / shareholding confirmation

Subject: Could you confirm my current holding in writing?

Hi [Name],

For my own records and for the buyer's due diligence, could you confirm my current position in writing — how many [shares/options] I hold, vested vs unvested, strike price, class, and any transfer restrictions? I've attached a one-page template to make it quick to fill in.

Really appreciate it.

[Your name]

5. Ask about your exercise window and cost (leaver)

Subject: My option exercise deadline and cost

Hi [Name],

As I'm [leaving / have left], could you confirm my deadline to exercise my vested options and the total cost to exercise them? I want to make sure I don't miss the window.

Also, is there anything I should know about how exercising is treated for tax or reporting? Thanks for your help.

[Your name]

6. Ask about tax / employer reporting on sale

Subject: Anything the company needs to report when I sell?

Hi [Name],

When I sell my shares, is there anything the company needs to report, or anything on your side I should coordinate with (e.g. payroll or tax reporting)? I'll handle my own tax with an adviser — just want to make sure nothing falls between us.

Thanks,
[Your name]

7. Introduce the buyer to the company for approval

Subject: Introducing [Buyer] for approval of the transfer

Hi [Name],

As discussed, this is [Buyer], who's buying [number] of my shares subject to your approval. [Buyer] is happy to sign the mutual NDA, a deed of adherence, and whatever transfer documents you use.

Could we get the board's approval moving? I've got draft documents ready if useful. Thanks both.

[Your name]

8. Friendly follow-up / nudge

Subject: Re: my share transfer — anything you need from me?

Hi [Name],

Just a gentle nudge on this — is there anything outstanding you need from me or the buyer to move the approval along? Happy to jump on a quick call if that's easier.

Thanks for your help with it.

[Your name]

9. Thank-you and next steps after approval

Subject: Thank you — next steps on the transfer

Hi [Name],

Thank you for approving this. To close it out cleanly: I'll get the transfer form and buyer's signatures sorted — could you confirm who updates the register / cap table and issues the new certificate, and whether you need anything else from me?

Appreciate your help getting it done properly.

[Your name]

Selling by country

How a small secondary transfers, and how the gain is taxed, across seven European markets. Figures are current for 2026 and change every year — check the linked source or take local advice before you rely on a number.

Germany

How it transfers: Real GmbH shares (Geschaeftsanteile) transfer by notarised deed; virtual shares (VSOP) are usually cash-settled and can't be sold on a secondary. Check your shareholders' agreement for approval and pre-emption.

Tax on the gain: Below a 1% holding, a share-sale gain is generally taxed under the flat Abgeltungsteuer of about 26.4% (incl. the solidarity surcharge). At 1% or more (at any point in the prior five years), the Teileinkuenfteverfahren applies instead, taxing 60% of the gain at your personal income-tax rate.

Source: PwC Tax Summaries — Germany

United Kingdom

How it transfers: EMI and other options are exercised into shares first; the Articles usually set pre-emption rights and sometimes board approval before a transfer.

Tax on the gain: A share-sale gain is subject to Capital Gains Tax at 18% or 24%. Qualifying EMI shares can attract Business Asset Disposal Relief — 18% from 6 April 2026 (it was 10%, then 14% from April 2025) on gains up to a 1m pound lifetime limit.

Source: GOV.UK — Business Asset Disposal Relief

France

How it transfers: In an SAS, shares transfer subject to the statuts and pacte d'associes (an agrement approval clause and a droit de preemption); BSPCE are exercised into shares first.

Tax on the gain: Capital gains are taxed under the flat tax (PFU) at 31.4% for gains realised from 2026 (12.8% income tax + 18.6% social levies; it was 30% through 2025). A 2025 reform splits BSPCE gains: the gain at exercise is employment-type income (a favourable flat rate with 3+ years' seniority, higher below that), and any further gain up to the sale is an ordinary capital gain.

Source: impots.gouv.fr — plus-values mobilieres

Spain

How it transfers: SL participaciones transfer before a notary and carry a legal right of first refusal; SA acciones are freer. Options are exercised into shares first.

Tax on the gain: A gain is taxed in the savings base (base del ahorro) at progressive rates — 19% / 21% / 23% / 27% / 30% (the top band above 300,000 euros rose to 30% in 2025). The 2022 Startup Law can defer and relieve qualifying employee option gains.

Source: PwC Tax Summaries — Spain

Netherlands

How it transfers: STAK depositary receipts (certificaten) transfer under the STAK's terms and usually board approval; direct shares transfer via a notary. Since 2023 employees can often elect when option gains are taxed.

Tax on the gain: A substantial interest (broadly 5% or more) is taxed in Box 2 at 24.5% up to about 68,800 euros of Box 2 income and 31% above (2026) — so most share sales fall largely in the 31% band.

Source: PwC Tax Summaries — Netherlands

Italy

How it transfers: Share transfers are formalised (typically through a notary or authorised intermediary); innovative-startup rules can affect equity awarded to the team.

Tax on the gain: A capital gain on shares is generally taxed at a flat 26% substitute tax (imposta sostitutiva), for a holding of any size.

Source: PwC Tax Summaries — Italy

Poland

How it transfers: A sp. z o.o. udzialy transfer needs notarised signatures, plus any company consent and right of first refusal in the articles.

Tax on the gain: The gain is taxed at a flat 19% PIT, declared on a PIT-38 return. The buyer separately pays 1% PCC on a private transfer (filed on a PCC-3 within 14 days).

Source: podatki.gov.pl — PIT

Demystifying AI in private share sales

What you should know — and how to make AI work for your sale, safely.

You don't need us to tell you that everyone now asks AI first. That's fine — used well, ChatGPT or Claude will get you to a first draft in seconds. Used blindly, it will hand you a confidently wrong answer about a five- or six-figure decision. This short section is the part AI can't give you: how to point it at your sale safely, and where to stop and use the templates and judgment in the rest of this toolkit instead.

Think of AI as a fast, tireless junior assistant — great for explaining jargon, drafting and spotting what to ask about, and never the one who signs off. The prompts below are written to get useful output; the guardrails keep you out of trouble.

Three rules before you paste anything into ChatGPT or Claude

- **Redact before you paste.** Never put your real name, the company name, account numbers or anything private into a public AI tool. Use placeholders like [COMPANY], [MY NAME], [BUYER] — you'll get the same quality answer without handing your deal to a third party.
- **Verify against this toolkit.** Every AI output here has a matching template, checklist or explainer. Ours is the source of truth; AI just gets you to a draft faster.
- **The big calls need a human.** Tax treatment, whether a clause binds, the final number — confirm with an accountant or lawyer. AI gets you ~80% of the way; the last 20% is where the money and the risk live.

Expert prompts for your sale

Copy, swap in your (redacted) details, and use the result as a draft — not a decision.

Understand your own paperwork

Use when: you're staring at an option or shareholder agreement and half of it is jargon.

> You are helping me understand a startup equity document in plain English. I will paste sections of it. For each: (1) what it means in one sentence, (2) whether it affects my ability to sell my shares, and (3) any deadline or action it implies. Flag anything unusual. Do not guess about my specific tax or legal position — tell me where to get professional advice. Text: [PASTE, names redacted]

Then: Check whatever it flags against this toolkit's explainers on restrictions and what can be sold.

Get to a realistic value fast

Use when: you want a sanity range before talking to a buyer.

> Help me estimate a realistic sale price for shares in a private company. Last round price per share = [X]; shares I hold = [Y]; type = [common / preferred / unexercised options]; last round date = [DATE]. Walk me through (1) my rough paper value, (2) why a private secondary sells at a discount to that, and (3) a sensible discount range for a small, minority, all-cash sale. Show your reasoning and remind me it's an estimate.

Then: Cross-check the number against the pricing explainer and the estimator on the website.

Find the restrictions before they surprise you

Use when: you want to know what stands between you and a sale.

> Based on typical startup shareholder agreements, give me a checklist of restrictions that commonly control or block a share sale (rights of first refusal, board approval, permitted-transferee rules, lock-ups). For each: what it is, how a seller normally clears it, and the question I should ask the company to confirm it applies. Keep it general.

Then: Match against this toolkit's readiness audit, then use our email templates to ask the company.

Draft the notice / ROFR letter

Use when: you need to formally offer your shares or start the process.

> Draft a short, professional letter from a shareholder to a private company's board, notifying them of an intended share sale and inviting them to exercise any right of first refusal. Neutral and factual. Use clear placeholders for [MY NAME], [COMPANY], [NUMBER OF SHARES], [PRICE PER SHARE], [BUYER DESCRIPTION], [DATE]. Do not invent terms I haven't given you.

Then: Compare line by line against this toolkit's ready-made ROFR / notice draft — ours is the one to send.

Pressure-test a buyer's offer

Use when: you've received a number and don't know if it's fair.

> I've been offered [OFFER] per share; last round price was [X] ([common/preferred], [DATE]). Act as a sceptical but fair adviser: is this reasonable for a private secondary? What would justify a bigger or smaller discount? What should I ask the buyer before deciding? Give me a short list of negotiation points, and note you don't know my full situation.

Then: Set your walk-away number with this toolkit's pricing section before you reply.

Prepare questions for your accountant

Use when: you may exercise options or face a tax event — AI is NOT your tax adviser.

> I may exercise vested startup options and later sell the shares, in [COUNTRY]. I am NOT asking for tax advice — give me a checklist of the right questions to bring to a qualified local accountant so I don't miss anything: cost to exercise, tax at exercise vs at sale, timing, and post-leaving deadlines.

Then: Take that list to a real accountant; this toolkit's tax explainer tells you what to watch for.

> **The point:** AI will keep getting better, and that's good for you — the better it gets, the faster you reach a first draft. What it can't do is know your paperwork, carry the judgment, or stand behind the result. That's what this toolkit is for. Use both.

Plain-English glossary

The words you'll meet when selling equity — what each means, and why it matters to you as a seller.

Equity

Ownership in a company, held as shares (or as options that can become shares).

Why it matters: It is the thing you may be selling. Knowing exactly what you own — shares, or options that still need exercising — is the first step.

Shares (stock)

Units of real ownership in the company. If you hold shares, you already own part of the company today.

Why it matters: Shares can usually be sold in a secondary, subject to company approval. Options generally cannot be sold until they are exercised into shares.

Share options (ESOP)

A right to buy shares later at a fixed price (the strike/exercise price), usually earned over time. Common for employees.

Why it matters: Options are not shares yet. To sell, you normally have to exercise them (pay the strike price) so they turn into real shares first.

ESOP / option pool

The Employee Stock Option Plan — the pool of options a company sets aside for its team.

Why it matters: Your grant letter and the plan rules define your rights: how much you have, your strike price, and your deadlines.

Vesting

The schedule by which your equity is earned over time — typically over four years.

Why it matters: Only vested equity is yours. Unvested equity is not something you can sell (or usually keep if you leave).

Cliff

An initial period (often one year) you must complete before any equity vests at all.

Why it matters: Leave before the cliff and you typically walk away with nothing. After it, a first chunk vests at once, then the rest vests gradually.

Strike / exercise price

The fixed price you pay per share to turn an option into a share.

Why it matters: Your profit is roughly (sale price – strike price) per share, before tax and costs. A low strike from an early grant is valuable.

Exercise window

The limited time after you leave a company to exercise vested options — often around 90 days.

Why it matters: Miss it and vested options can simply expire. If you have left or are leaving, this deadline is often the most urgent thing on the page.

Cap table (capitalisation table)

The company's ownership register — who owns what: founders, investors, employees.

Why it matters: Also called the shareholder register or ownership ledger. It is the source of truth for how many shares you hold and what class they are.

Share class

The category of your shares — commonly Ordinary/Common (usually employees and founders) or Preferred (usually investors).

Why it matters: Class affects price and rights. Preferred shares often carry a liquidation preference, so ordinary shares can be worth less per share.

Secondary sale

Selling existing shares from one shareholder to a buyer — no new shares are created and the company raises no money.

Why it matters: This is what this whole toolkit is about: turning existing equity into cash without waiting for an exit or IPO.

Primary vs secondary

Primary = the company issues new shares to raise money. Secondary = an existing holder sells their shares to a buyer.

Why it matters: You are doing a secondary. It is a private transfer between you and a buyer; the company's role is mainly to approve it.

Liquidity

The ability to turn equity into cash.

Why it matters: Startups are famously illiquid — value on paper you cannot spend. A secondary is one of the few ways to get partial liquidity early.

Right of First Refusal (ROFR)

A common contract right letting the company (and sometimes existing investors) buy your shares first, on the same terms, before an outside buyer can.

Why it matters: It does not block a sale — it means you usually must formally offer the shares internally first, or get that right waived, before you sell to your buyer.

Co-sale / tag-along

A right that lets certain investors sell some of their shares alongside yours, on the same terms.

Why it matters: It can reduce how much of your own stake actually gets sold in a given deal. Check whether it applies to your share class.

Board / company approval

Most share transfers need the company's board (or shareholders) to formally approve the new owner.

Why it matters: This is normal and expected. A clean, well-prepared request makes approval faster and less awkward — a big part of what this toolkit helps with.

Shareholders' Agreement (SHA)

The master contract among shareholders setting the rules: transfer restrictions, ROFR, approvals, drag/tag rights.

Why it matters: Founders and key people sometimes have different terms from ordinary employees. Your rights and restrictions live here — read it before you sell.

Articles of Association / Bylaws

The company's constitutional document, which can also restrict share transfers.

Why it matters: Along with the SHA, it can require approvals or set who may hold shares. Worth checking alongside your grant documents.

Drag-along

A right allowing a majority to force minority holders to join a sale of the whole company.

Why it matters: Not usually relevant to a small secondary, but good to know it exists and to check it is not triggered by your transaction.

Valuation / last round price

The price per share set at the company's most recent funding round.

Why it matters: Secondaries are usually priced off this, often at a discount for a quick, private, all-cash deal. It is your main reference point.

Discount

The reduction from the last-round price a buyer expects for taking on a private, minority, illiquid stake.

Why it matters: Common in small secondaries. Knowing a typical range keeps your expectations — and your ask — realistic.

Transfer / share transfer

The legal act of moving shares from your name to the buyer's, recorded on the cap table.

Why it matters: The deal is only truly done when the transfer is recorded. Everything before that (price, NDA, approval) leads up to this step.

Founder vs employee treatment

Founders and senior people sometimes negotiate different transfer rights, information rights, or approvals than ordinary option holders.

Why it matters: Do not assume your terms match a colleague's. Your own grant letter and the SHA govern what you specifically can do.

Sources & further reading

Authoritative references for the specific tax figures in this toolkit. Tax rules change every year — confirm the current position with the source or a qualified local adviser before you rely on a number. As of 2026.

- Germany — capital-gains treatment (Abgeltungsteuer, §17) — PwC Tax Summaries
- United Kingdom — Business Asset Disposal Relief & CGT rates — GOV.UK
- France — flat tax (PFU) on securities gains — impots.gouv.fr
- Spain — savings-base rates (base del ahorro) — PwC Tax Summaries
- Netherlands — Box 2 substantial-interest rates — PwC Tax Summaries
- Italy — 26% substitute tax on financial gains — PwC Tax Summaries
- Poland — 19% PIT and 1% PCC on share transfers — podatki.gov.pl

Important — please read