PAID TOOLKIT · US

Equity Toolkit — US

The step-by-step workflow to prepare a small US secondary sale ($10k–$800k) — with clear stop-points where a lawyer, accountant or notary takes over.

- An 8-phase A–Z deal map — from “I might sell” to “done and paid”
- Clear STOP boxes marking every point a lawyer, tax adviser or notary takes over
- A “what you actually net” sale bridge, and a who-to-ask-what professional map
- A tax self-triage, a readiness audit and a board reassurance one-pager
- The company-side preparation drafts, plus ready-to-send emails for every step

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.

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Reviewed and current as of October 2026. Tax figures and company terms change — confirm specifics against the sources cited and a qualified adviser.

The A–Z deal map: how a secondary sale runs

This is the spine of the toolkit. Eight phases take you from “I might sell” to “done and paid”, in order. At each phase you’ll see what **you** do, which part of this toolkit helps, and — where it matters — a clearly marked **STOP**: the point where a lawyer, tax adviser or notary takes over. Running the process is your job and ours; the regulated calls are theirs. Knowing exactly where that line falls is the single most valuable thing in this document.

How to read a phase — **You:** the action to take. **In the toolkit:** the page, draft or email that does the work. **STOP:** stop and get a professional before you go further.

A Know exactly what you hold

You: Pin down the instrument (options or shares), the class, how many, vested vs unvested, your strike price, and find your original grant documents. Turn “I think I have about this much” into facts.

In the toolkit: The *Vesting & Shareholding Confirmation* draft (your company fills it in) and section A of the Readiness Audit.

B Check your clocks — before anything else

You: Find every deadline that could bite: a leaver / post-termination exercise window (often ~90 days), an 83(b) election window (30 days, US early exercise), and any company event (a round, a tender, a sale) on the horizon that changes your position.

In the toolkit: The options explainer (next section) and email #5 to the company.

STOP — time-sensitive and taxable. Exercising options can itself be a taxable event, and in the US an ISO exercise can trigger AMT while an 83(b) election is a hard 30-day deadline. If a window is close or an election might apply, the timing and tax consequences are a qualified tax adviser’s call — don’t let the clock run while you research it yourself.

C Find out whether you can sell, and on what terms

You: Read your stockholders’ agreement and grant for the transfer rules: a right of first refusal (ROFR), co-sale / tag-along, board or shareholder approval, permitted-transferee rules and any lock-up. List which apply to you.

In the toolkit: The restrictions explainer, section C of the Readiness Audit, and email #1 to confirm the rules with the company.

STOP — this is a legal reading. Whether a specific clause binds you — and what it actually requires — is a legal reading. If the wording is ambiguous, unusual, or different from what a colleague describes, have a lawyer confirm it before you rely on your own interpretation.

D Work out a realistic price

You: Anchor on the last round / 409A price per share, apply a discount for a small, minority, illiquid, all-cash private sale, and adjust for your share class (common can be worth less per share than preferred). Record the minimum proceeds at which you would personally consider the sale worthwhile.

In the toolkit: The pricing explainer, the *"What you actually net"* bridge on the next pages, and the free estimator and exit-waterfall tools on the website.

No hard stop here — but a formal valuation (for example for a tax filing) is a professional's job, not an estimate.

E Understand who buys — and make the first approach

You: Work out who realistically buys: existing shareholders, an incoming round's investor, a secondary buyer or platform. Make an initial, redacted enquiry to gauge interest.

In the toolkit: Emails #10 and #11, and the "who buys private shares" and "how to find a buyer" guides on the website.

Our boundary: PrivateTechShares does not introduce buyers and sellers, hold money or securities, or take any transaction fee. Finding and dealing with your buyer is your step to run — we give you the knowledge and the scripts, not an introduction.

STOP — protect information first. Before you share any confidential company information with a buyer, get a mutual NDA in place. What you may and may not disclose about the company can itself be a legal question — if in doubt, ask a lawyer before you send anything.

F Check the buyer — identity, funds and structure

You: Before you agree terms or sign anything, know who you're dealing with: their legal identity (individual, fund or SPV) and signatory, whether an intermediary is involved, that the funds are real and you understand the payment mechanics — and **what exactly the buyer is acquiring**: your registered shares directly, or a beneficial interest through an SPV or nominee. That choice changes the whole process and what the company must approve.

In the toolkit: Section F of the Readiness Audit, and the counterparty checklist below.

Quick counterparty check — legal name & entity type · who signs · intermediary/broker involved? · purchase amount, currency & source of funds · who sends the money and how · direct shares, SPV or nominee? · can the buyer satisfy the company's KYC and sign a deed of adherence? · **red flags:** pressure to skip the NDA or company approval, vague funds, payment before documents, a structure you can't explain.

STOP — verify the buyer before you proceed. If anything about the buyer's identity, funds or structure is unclear — or a red flag shows — stop and verify independently before you share information or sign. A buyer who won't evidence identity and funds, or rushes the sequence, is the single most common way these deals go wrong.

G Agree terms, clear permissions and sign

You: Agree price, number and timing; move to a written share purchase / transfer agreement; and in parallel notify the company, request the ROFR waiver / consent and board approval, and introduce the buyer.

In the toolkit: The *ROFR Waiver & Consent* and *Board / Shareholder Consent* drafts, the board one-pager, and emails #2, #3 and #7.

STOP — contract and consents are lawyers' work. Two professional gates here. The share purchase / transfer agreement between you and your buyer should be drafted or reviewed by a **lawyer** — the drafts in this toolkit prepare the *company-side* consents, not the sale contract. And those consent drafts are sample wording the company's **own counsel** should review and the company signs — never present them as finished instruments or insist on your wording over the company's template.

H Close cleanly, get paid, keep the file

You: Run the closing in sequence: preconditions met (consents, approval, tax check) → documents ready → payment mechanics confirmed → signing and release agreed with counsel → the company records the transfer and issues the new certificate → you keep the signed file and proof of payment for your tax return.

In the toolkit: Email #9 (thank-you and next steps) and the completion checklist a few pages on.

STOP — confirm and file your tax. Report the gain correctly and on time. A short, paid check with a local tax adviser confirms what you file, when, and at what rate — this toolkit flags what to watch for but does not compute your tax or file for you.

When the happy path breaks

Most of the map assumes a cooperative company and a clean buyer. Here's where to turn when it isn't — each is covered in the company-response playbook and the emails.

The company exercises its ROFR. It buys the shares itself (or routes them to an investor) at your price. Confirm the number, price and timing in writing, compare the economics, and if the terms differ from your buyer's, take it to your lawyer before agreeing.

The company won't approve your buyer. Ask what buyer characteristics *would* satisfy the policy, rather than arguing entitlement. Often a different holding structure or a deed of adherence resolves it.

"We don't allow secondaries". Ask whether that's a policy or a contractual restriction, and whether a tender or buyback programme exists. Don't challenge enforceability yourself — that's a lawyer's call.

The company goes silent. Use the follow-up cadence (email #8), check you have the right contact, and escalate politely. Silence is usually bandwidth, not refusal.

Your buyer walks. Return to phase E with your preparation intact — the holding confirmation, pricing and audit all still stand for the next buyer.

An option deadline arrives mid-process. The exercise clock doesn't pause for a pending sale. Treat the deadline as the priority and get the tax/exercise call made first (phase B).

How selling works in the US

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

How a small US secondary actually works

A secondary sale means you sell existing shares you already own to a private buyer. No new shares are issued and the company raises no money — ownership moves from you to the buyer and is recorded on the cap table. For tickets of roughly $10k–$800k this is almost always a direct, private transaction between two parties.

The usual sequence: confirm what you hold and check restrictions; agree a price with a buyer; clear any right of first refusal and get company (board) approval; sign a short stock transfer agreement; and have the company record the transfer. This toolkit gives you the pieces for each step.

Options: ISOs, NSOs, exercise and 83(b)

If you hold options rather than shares, most plans restrict transferring the options themselves, so the usual route is to exercise them first — pay the strike price — to get real shares, then sell those shares. US options are usually incentive stock options (ISOs) or non-qualified stock options (NSOs), and the tax treatment differs: NSOs are typically taxed as ordinary income on the spread at exercise, while ISOs can trigger alternative minimum tax (AMT) considerations. This is worth a quick word with a tax adviser.

If you early-exercise unvested shares, an 83(b) election (filed with the IRS within 30 days) can matter a great deal for your later tax. It is easy to miss and hard to undo, so if it could apply to you, raise it before you act, not after.

If you have left or are leaving, mind your post-termination exercise window — often around 90 days for ISOs — after which vested options can expire. Check this deadline early; it is frequently the most urgent item.

ROFR, co-sale and board approval (NVCA-style docs)

Most US venture-backed companies use documents in the NVCA model family. Expect a right of first refusal (ROFR) in favour of the company and often the investors, a co-sale (tag-along) right letting certain investors sell alongside you, and a board approval requirement for the transfer.

None of these necessarily blocks a sale, but each can delay, reshape or prevent it depending on your actual agreements. In practice you notify the company of your intended sale, the company and/or investors decide whether to exercise their ROFR, any co-sale is worked out, and the board approves the new holder — then you complete. Founders and key employees sometimes have different terms, so rely on your own grant and the company's stockholders' agreement.

A note on ERISA and "retirement" confusion

Startup stock options and shares are equity compensation — they are generally not ERISA retirement plans, and should not be confused with a 401(k) or IRA. Do not assume retirement-account rollover rules, protections or tax treatment apply to your startup equity; they usually do not.

If someone suggests moving your startup equity into a retirement vehicle, treat it as a specialist question and confirm it with a qualified US tax adviser before acting — the rules are narrow and easy to get wrong.

Pricing and capital gains

Small private secondaries are usually priced off the most recent round or 409A valuation, then discounted for being a minority, illiquid, private stake sold quickly for cash. Knowing the last round / 409A price is your anchor; the discount is a negotiation. If investors hold preferred stock with a liquidation preference and you hold common, your common can reasonably be worth less per share.

On sale, your gain is generally subject to capital gains tax — short-term (higher, ordinary rates) if you held the shares a year or less, long-term (lower) if longer. Some early-stage stock may qualify for special treatment (for example QSBS under Section 1202) — worth asking a tax adviser about, as it can be very valuable. This toolkit does not compute your tax; confirm your position before you complete.

What you actually net — the sale bridge

The number that matters is not your headline “paper value” — it is the cash that lands in your account after any discount, exercise cost and tax. This bridge is the arithmetic that gets you there. The real tool is the **live calculator** (the Excel file in your download): enter your own figures and it computes every line, three sell-size scenarios, and the minimum price you’d need to hit a target. The table below just shows the shape.

Not benchmarks: The middle column is a single **made-up** example — the percentages are invented to show the arithmetic working, **not** typical or recommended values. There is no standard discount: yours depends on your company, share class, the buyer and the deal. Put your own numbers in the calculator.

	One made-up example	Your numbers
Shares × last-round price per share	10,000 × $12.00 = $120,000	_____
– Share-class / preference adjustment common can be worth less per share than preferred — you enter this	(example) → $102,000	_____
– Private-secondary discount a negotiation — you enter this	(example) → $76,500	_____
= Gross sale proceeds	**$76,500**	_____
– Cost to exercise options strike × shares, if you hold options	10,000 × $1.50 = –$15,000	_____
– Fees (platform / broker / notary) if any apply to your sale	(example) –$0	_____
– Tax on exercise and/or gain your/adviser’s figure — this toolkit does not compute it	(your input) –$16,000	_____
= Net cash to you	≈ **$45,500**	_____

The one output that reframes a negotiation

Flip the arithmetic around and you get the number worth walking in with: **minimum price per share to net your target** = (your target net + exercise cost + fees + estimated tax) ÷ (shares you’ll actually sell). The calculator does this live — it turns “is this offer any good?” into “does it clear my number?”.

Watch: The two lines people most often forget are the share-class adjustment and the cost to exercise — both can move the net by tens of percent. The tax line is an input you or your adviser supply, never a figure this toolkit computes.

STOP — the tax line needs a professional. The tax line is the one to get right. Rates, allowances, whether exercise is taxed, and any relief (QSBS/§1202, or startup reliefs) depend on your exact situation — take the figure to a qualified tax adviser before you rely on your net.

Who to bring in, when, and exactly what to ask

Every STOP box in this toolkit points to one of a small number of professionals. This page is your map of them: who they are, the moment to call, and the specific questions that keep the engagement short and the bill small. Going in with precise questions is how you buy ten minutes of expertise instead of an open-ended retainer.

A lawyer (corporate / equity)

When: When a clause's meaning is unclear, before you sign the sale contract, and to review the company-side consents.

- Ask: Does any clause in my agreement actually restrict or block this sale, and what must I do to clear it?
- Ask: Will you review (or draft) the share purchase / transfer agreement between me and my buyer?
- Ask: Are the ROFR waiver and board-consent drafts I have fit to put in front of the company?
- Ask: Is there anything in my grant that is unusual or worse than standard for my sale?

A tax adviser / accountant (local)

When: Before you exercise options, before you agree final terms, and before you file after the sale.

- Ask: Is exercising taxed, and is the sale gain taxed — at what rate and when, in my country/state?
- Ask: What is my all-in tax cost on this specific sale, and are there elections, reliefs or timing considerations I should ask you about before acting?
- Ask: Could QSBS (§1202) or any relief apply to me?
- Ask: What exactly do I need to report, on which form, and by when?

Your company (the gatekeeper, not an adviser)

When: Throughout — the company confirms your holding, clears the ROFR and approves the buyer.

- Ask: Can you confirm my holding in writing (the one-page template)?
- Ask: What is your process to waive the ROFR and approve a new holder?
- Ask: What do you need from me and the buyer to record the transfer?

Tax self-triage — the questions, before the adviser

This toolkit can quantify scenarios from assumptions you or your adviser provide — it does not determine which tax treatment applies to you. What this page does is get you to your adviser already knowing which questions apply, which turns a long, expensive conversation into a short, cheap one. Work down this tree and tick what's relevant.

- ■ **Do you still hold options you need to exercise?**

  If yes, exercising is often a separate taxable event from the later sale — sometimes taxed as employment income. Find out the cost to exercise and whether it triggers tax on its own.

- ■ **Are your options ISOs or NSOs?**

  ISOs can trigger AMT at exercise; NSOs are usually taxed as ordinary income on the spread. The difference can be large — confirm which you hold.

- ■ **How long will you have held the shares at sale?**

  In the US, a holding of a year or less is taxed at higher short-term rates; longer is long-term. Timing the sale can change the rate.

- ■ **Could QSBS (§1202) apply?**

  Qualifying small-business stock can exclude a large part of the gain — valuable, and worth asking about specifically.

- ■ **Is anything cross-border?**

  If you have moved country since the grant, or you and the buyer are in different countries, withholding and treaty questions arise. Flag it early.

STOP — this is a tax adviser's call. Take your ticked list to a qualified US tax adviser. These are the questions, not the answers — the numbers depend on facts this toolkit cannot see.

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's legal identity and signatory known (individual, fund or SPV); any intermediary identified.
	■ Purchase amount, currency, source of funds and payment mechanics understood; who sends the money.
	■ What the buyer acquires is clear: your registered shares directly, or a beneficial interest via SPV/nominee.
	■ Buyer can satisfy the company's KYC and sign a deed of adherence if required.
	■ Mutual NDA in place before details shared; no red flags (rushed sequence, vague funds, payment before docs).
	■ Short transfer / purchase agreement drafted / to be drafted for signature (lawyer-reviewed).

Completion checklist — before you sign and after

The last mile is where clean deals go slow. Run this before completion so nothing is missed, and keep it as your record afterwards.

Before you complete

- ■ Company has confirmed my holding in writing.
- ■ Any right of first refusal is waived or has lapsed.
- ■ Board / shareholder approval of the buyer is in hand.
- ■ A mutual NDA was signed before confidential information was shared.
- ■ The share purchase / transfer agreement is lawyer-reviewed and signed by both sides.
- ■ I know my tax position and have a local adviser lined up to confirm and file.
- ■ The company's transfer paperwork (stock transfer form / instrument) is ready.
- ■ Payment terms are clear — when the buyer pays, and how.

After completion

- ■ Buyer has paid me in full.
- ■ The company has recorded the transfer and updated the cap table / register.
- ■ A new share certificate has been issued to the buyer.
- ■ I have kept every signed document and the proof of payment for my tax return.
- ■ I have diarised any tax reporting deadline.

STOP — order of signing and payment matters. Do not release your signed transfer documents to the buyer until payment is confirmed, or on terms your lawyer sets. Getting the order of signing and payment right is the one thing that protects you at the finish line.

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 setting out the facts of the transaction plainly. Keep it short and factual, and state figures rather than characterising the deal for the board — let them draw the conclusion.

✓ 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 own holding and [y]% of the company's outstanding shares, based on the information available to me.

✓ 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.

Preparation drafts — to finalise with your company or adviser

The company-side documents a clean secondary usually needs — written in plain English for the company to review and sign. These prepare the **consents**, not the sale contract between you and your buyer (that one is a lawyer's job — see the A–Z, phase F). Each draft 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 — often the key document the company signs to allow a transfer, though your own agreements govern.

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].

_____

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.

_____

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.

_____

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.

Appendix

The ready-to-send emails, AI prompts, the glossary and the full source list — the supporting material for the workflow above.

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 ISO/NSO, exercise window and 83(b)

Subject: My options — type, exercise deadline, and 83(b)?

Hi [Name],

Could you confirm whether my options are ISOs or NSOs, my deadline to exercise after leaving, and the total cost to exercise? And if early exercise or an 83(b) election is relevant to my grant, could you flag that — I know it's time-sensitive.

I'll confirm the tax side with my own adviser; just want the facts from the company. Thank you!

[Your name]

6. Ask about company reporting / withholding on sale

Subject: Anything the company reports or withholds when I sell?

Hi [Name],

When I sell my shares, is there any reporting or withholding on the company's side I should coordinate with (for example on an NSO spread)? I'll handle my personal tax with an adviser — just making 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]

10. Approach a secondary platform or broker

Subject: Selling vested shares in [Company] — am I eligible?

Hi [Name / team],

I hold vested shares in [Company], a private company, and I'm exploring a secondary sale. Before going further, could you tell me whether you handle sellers for [Company] and what your eligibility and minimums are?

To save time, here's my position: [Company]; [share class, e.g. common]; [number] shares, vested; [exercised / not yet exercised]; rough size $[amount]; based in [country]. Company approval / right of first refusal would still need clearing — that's the seller's job.

What would the process, fees and timeline look like from your side? Thanks!

[Your name]

11. Approach an investor, syndicate or angel network

Subject: Vested [Company] shares — exploring a private sale

Hi [Name],

I'm a [current / former] employee of [Company] and I hold vested shares I'm considering selling in a private secondary. I'm reaching out to see whether you (or members of your network) invest in secondaries in [Company]'s space at this stage and size.

Briefly: [share class]; [number] shares, vested; rough size $[amount]; the sale would be subject to [Company]'s approval and any right of first refusal, which I'd clear. I'm not able to share confidential company information — this is just an initial, informal enquiry so we can each do our own due diligence.

If this isn't something you look at, no problem at all. Thanks for your time.

[Your name]

The ‘request my documents’ letter

Template: “Request my equity documents”

Send this to your founder, HR/People lead, or whoever administers the cap table (often the CFO, COO or an operations lead). Keep it friendly and specific. Fill in the [brackets] and delete anything that does not apply. You are simply asking for a clear picture of what you hold.

Subject: Quick request — my equity paperwork and current status

Hi [Name],

I’d like to get my own equity records in order and make sure I understand my current position. When you have a moment, could you help me with the following (or point me to whoever can)?

• My grant document(s) — the option grant letter and/or share certificate.

• My current vested vs unvested position, and the vesting schedule and any cliff.

• My strike / exercise price per share, and how many options or shares I hold.

• If I were to leave, my post-termination exercise window (the deadline to exercise vested options).

• My share class, and the most recent price per share (last funding round / 409A, as applicable).

• Any transfer restrictions I should be aware of — e.g. a right of first refusal (ROFR) or board/shareholder approval needed to sell or transfer shares — and the relevant section of the shareholders’ agreement or plan.

This is just so I have an accurate view of my own holding — no action needed beyond sharing the documents and a short summary. Thank you, I appreciate it.

Best,
[Your name]

Using AI safely for your sale

You already know AI can draft an email. Where it earns its place in a sale is narrower: making your own paperwork legible, and helping you arrive at a professional with the right questions. Three rules, then the few prompts worth keeping — the rest of your sale is better served by the drafts, the calculator and the STOP boxes in this toolkit.

- **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. Use the toolkit as your structured checklist and confirm the specifics against your own agreements and a professional; 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 is good for a first draft and for spotting what to ask; it is not the one who signs off, and the money and the risk live in exactly the parts it can’t stand behind.

Deal-useful prompts

Copy, swap in your (redacted) details, and treat the result as a draft to check — never a decision. Each maps to a STOP box above: use AI to prepare, a professional to decide.

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.

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.

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 [STATE], US. 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.

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. For the number and class of shares you hold, rely on the company-confirmed record and, especially in Europe, the legally authoritative register for your jurisdiction — an internal cap table is not always the same thing.

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 may not stop you selling economically, but if exercised it can redirect the shares to the ROFR holder instead of your chosen buyer. In practice you usually must formally offer the shares internally first, or get the right waived, before you can 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

Many private-company governing documents require the board (or shareholders) to formally approve the new owner before a transfer.

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.

- Capital gains — rates and holding periods — IRS Topic No. 409
- Alternative Minimum Tax (ISO exercise) — IRS — About Form 6251
- Incentive Stock Options — IRS Topic No. 427
- Qualified Small Business Stock exclusion — 26 U.S. Code §1202

Important — please read

This toolkit is general educational information, not legal, tax or financial advice, and does not create any professional relationship. It is not specific to your company, your contracts or your jurisdiction. Templates and drafts are starting points to adapt and to have reviewed by a qualified lawyer before anyone relies on or signs them. PrivateTechShares is an education and tools service; it is not a broker or marketplace, does not introduce buyers and sellers, does not hold money or securities, and gives no advice. Laws and tax rules change and vary by country — always confirm your own position with a qualified local professional. © PrivateTechShares. For the buyer of this toolkit's personal use; please do not redistribute.