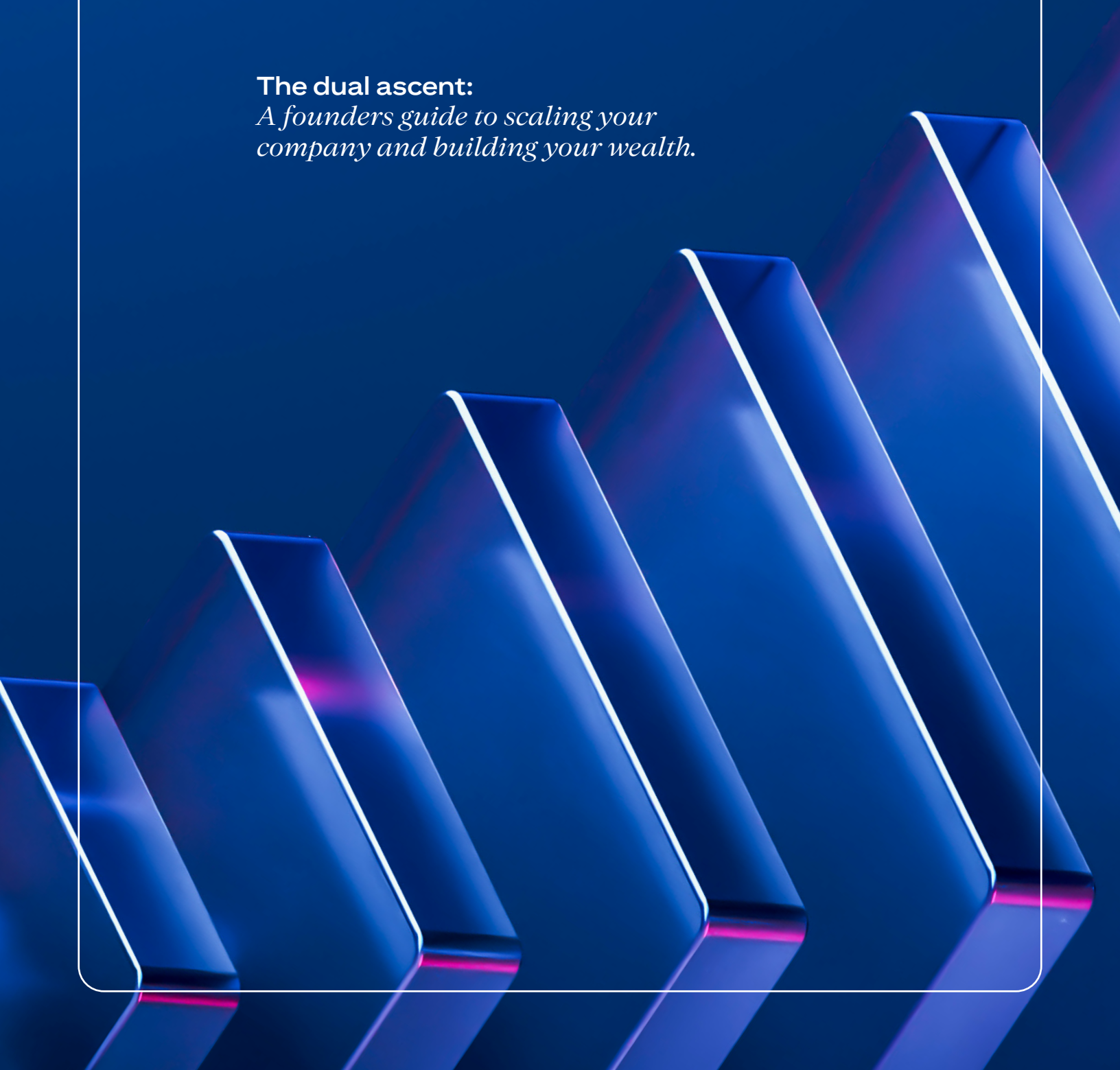
# Founders Journey

citi

**The dual ascent:**
*A founders guide to scaling your company and building your wealth.*





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# the two journeys

## From the moment your company secures its first significant funding, you embark on two intertwining journeys.

The first is that of your business. In today's market, this path is more complex than ever. Companies are staying private for longer, while international expansion often happens sooner, demanding a sophisticated operational backbone early on. Execution alone is no longer enough. Success requires a methodical approach to the financial landscape.

The second journey is your own. As the business scales, your "on-paper" wealth grows, creating a new set of challenges and opportunities that are inseparable from your company's progress. Along the way, your role must evolve from builder to leader to steward.

These journeys demand thoughtful planning, all building toward a potential liquidity event. The earlier this process begins and the more integrated your approach, the better. This guide is designed to help you navigate the way ahead for yourself and the business you have built and help you with decision-making around important milestones.

Over many years, Citi has worked with founders and their companies at every stage of their journeys. While no two paths are the same, we know there are many common elements that pave the way to successful liquidity events. With local teams of dedicated professionals throughout the world, we connect you and your business to Citi's expertise and resources, helping you to realize your vision.



**Arvind Purushotham**
**Head of Citi Ventures**

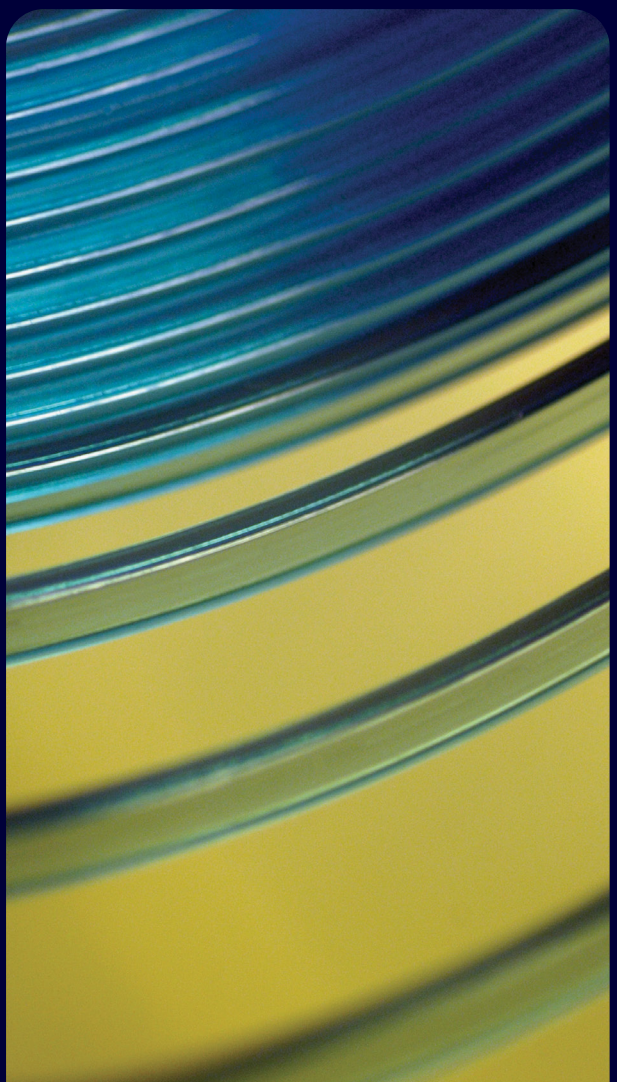
Part one: key takeaways

# Architecting for scale

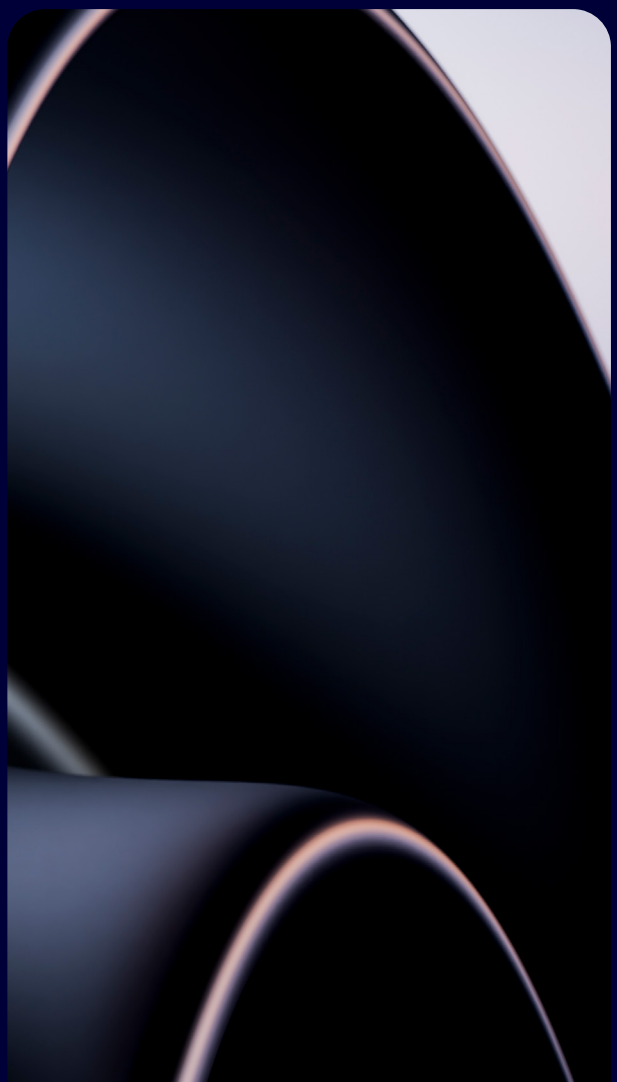
Build a robust financial base



Design scalable systems for growth



Prepare for global expansion



Find a strategic banking partner



# Hardwiring your banking and treasury for *growth*



It's taken a massive effort, but your business is ready to scale. To get here, you've achieved big wins, endured crushing setbacks, and maybe even survived a near-death moment. Now, all the long hours, always-on weekends, and quick-thinking improvisation have paid off. Sustainable growth is within reach.

Underestimating core financial needs, like banking and treasury, is a common mistake as businesses scale. In the early days, often before a full-time CFO is on board, you likely pieced together banking solutions yourself, a slow and often painful distraction from your core mission. But what worked then can quietly erode margins and introduce risk at scale. Rewiring your core systems and global payment rails mid-scale is far more disruptive than getting it right from the start. Without a robust financial infrastructure to support growth, these inefficiencies compound. What should be a strategic advantage becomes a bottleneck.

*Creating*

# Scalable systems

As your startup grows, your systems for payroll, foreign exchange (FX), and payments must scale with you.

### *Moving* money faster

Payments must flow smoothly to maintain strong relationships. Faster settlement strengthens supplier trust and improves negotiation leverage.

### *Improving* working capital

This involves collecting faster from customers, extending supplier payment terms strategically, and accessing working capital solutions that free up liquidity without constraining growth.

### *Reducing* hidden costs

Margin-leaking inefficiencies often go unnoticed. They include retail FX pricing instead of institutional rates, intermediary bank deductions, and duplicated manual processes.

### *Making* cash work harder

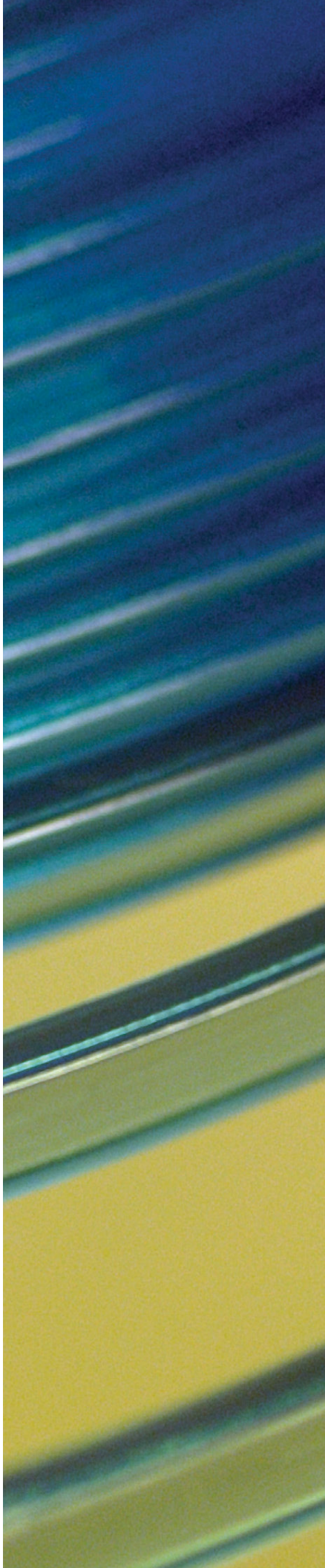
Beyond putting idle cash to work, you need intelligent liquidity structures, such as sweeps and centralized cash positioning, which balance yield with accessibility for operations.

### *Getting* real-time visibility

Your key decisions can't wait on static, manual reports. You need real-time insight into liquidity and exposures to respond quickly to opportunities and avoid a liquidity crunch where cash cannot be mobilized across entities.

### *Automating* through integration

API-enabled (Application Programming Interface) banking and ERP/TMS (Enterprise Resource Planning) and Transportation Management Systems integration eliminate manual touchpoints, reduce errors, and accelerate financial close cycles.



*Building in*

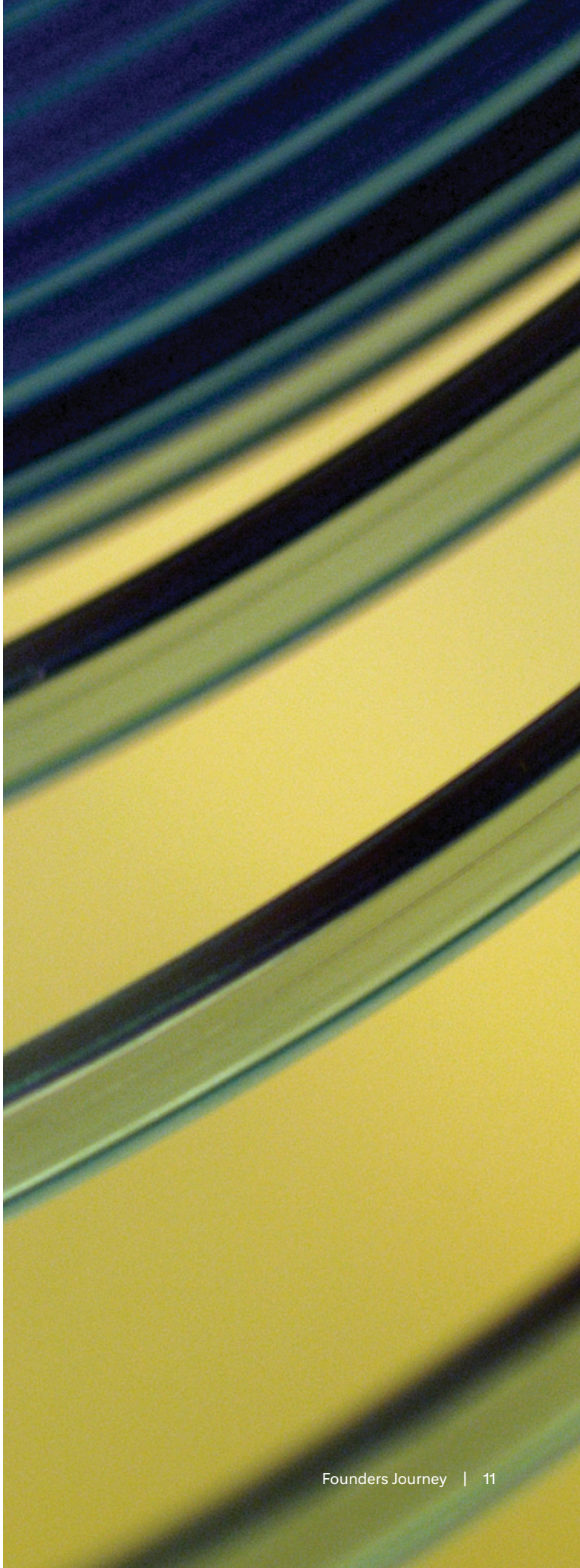
# Controls, governance, and audit readiness

Without the right controls, you face risks like duplicate payments, fraud, and breakdowns in approval workflows.

*Building* scalable governance includes:

- Segregation of duties and structured approval hierarchies
- Centralized visibility across accounts and entities
- Standardized and automated reconciliation processes
- Audit-ready documentation and reporting

All these are critical to building investor confidence.



*Unleashing*

# Overseas expansion

Going global opens up a world of opportunity, but it also introduces complexity that can create operational drag if not managed correctly. Fragmentation becomes a major challenge, as each new market often brings a new bank and new processes. Having local expertise with global consistency is essential as you navigate.



### *New customers*, new partners

Operating across markets means handling multiple currencies, local clearing systems, and regulatory account requirements.

### *Unfamiliar systems* and rules

Each jurisdiction introduces new compliance frameworks and banking practices. Managing multiple local banking relationships can consume disproportionate time and resources.

### *Cross-border* risks

Exposure to foreign exchange volatility and operational delays increases significantly. Without a clear FX strategy and hedging framework, these risks can materially impact margins.

### *Speed* to market

The ability to stand up banking infrastructure quickly in a new market can determine how fast you capture opportunity. Delays of months versus days put you at a competitive disadvantage.

*Addressing your company's*

# Your company's wider needs

Banking and treasury are only part of the story. The right financial partnerships can unlock broader strategic value.

### A *pathway* to IPO or M&A

As you scale, your financial infrastructure becomes part of your valuation story. Clean, centralized, and well-controlled operations signal maturity and reduce friction in due diligence.

### *Connectivity* to institutional capabilities

Access to capital markets, risk management solutions, and advisory services ensures you can evolve without needing to replatform relationships later.

### *Networking* with peers

Founders of high-growth companies often face similar challenges in isolation. Curated networks provide opportunities to share best practices, learn from others, and build a support system.



*Best practice*

# What good looks like

For companies that *get this right*, the difference is clear:

- Centralized, real-time view of global liquidity
- Automated FX and risk management strategies
- Integrated payments and collections across markets
- Minimal manual intervention across cash processes
- Scalable controls that satisfy auditors, investors, and regulators partnerships can unlock broader strategic value



"*Financial infrastructure* only gets attention when it breaks, but by then it's already slowing you down. The best scale-ups build it early, so payments, liquidity, and risk never become a barrier to growth."

Vanessa O'Brien,
US Head of Emerging Growth Tech Banking,
Citi Commercial Bank

# *Critical questions* about your financial scalability

1. Are we managing cash strategically or just operationally?
2. What is the true cost of our current FX and payment model?
3. Is having multiple banking platforms creating inefficiency, fragmentation, and risk?
4. How reliant are we on static, manual reporting and how quickly can we act on insights?
5. How many manual touchpoints exist across our cash lifecycle?
6. Are we exposed to fraud or control gaps as transaction volume scales?
7. What's our plan for addressing local regulations and currency risk in overseas markets?
8. How quickly could we stand up banking infrastructure in a new market?
9. Can our banking partners connect us to institutional services as we grow?
10. Could better integration help us close our books faster?
11. How would our financial operations look to a potential buyer conducting due diligence?

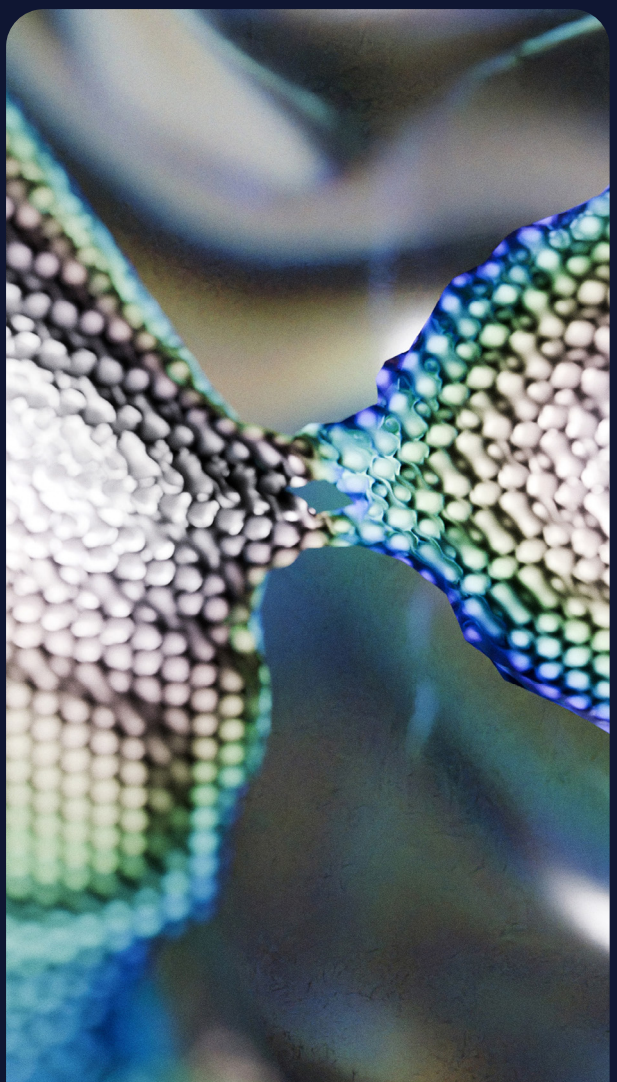
Part two: key takeaways

# Navigating inflection points

Build your personal balance sheet



Navigate personal risk and liquidity



Execute pre-liquidity wealth planning



Evolve from founder to steward



# From *enterprise* to *enduring wealth:* your pre-exit playbook

For years, you've poured everything into your company. The line between your own needs and your startup's success has been blurry, if it existed at all. You've been laser focused on activating the next product launch, funding round, and new market.

But as your business matures, you reach an inflection point. This is the moment where you must consciously embrace building a second balance sheet: your own.

While this might feel like a distraction from the demands of running your business, it's really the crucial, final stage of your journey as a founder. The best opportunities to preserve the wealth you've worked so hard to create arise early and require thoughtful planning.



*Planning*

# Early is better

In our experience, the sweet spot for beginning serious wealth planning is 18 to 24 months before a potential exit. This is when your strategic options are broadest and the costs are lowest.

Of course, the founders journey is rarely that predictable. That's why it's essential to review your personal wealth plan with experts at every major milestone, be it a new funding round or a secondary sale. This ensures you're ready to act, even on a shorter timeline.





## *Knowing* your own risks

You know your company's balance sheet, cap table, and burn rate inside and out. But do you understand your own financial situation with the same clarity?

For a founder like you, most of net worth is likely tied up in a single, illiquid asset – your company stock. This calls for specialist modeling to illuminate your unique risk profile – and potential strategies addressing:

### *Concentration*

Your paper wealth could suffer a big hit from market volatility or disruption in your industry.

### *Special* considerations

You may have other concerns or queries relating to your existing wealth or coming liquidity event.

### *Liquidity* seize-ups

Being unable to access cash for personal needs – like a down payment on a house or paying taxes – could force you into selling shares at an inopportune time.

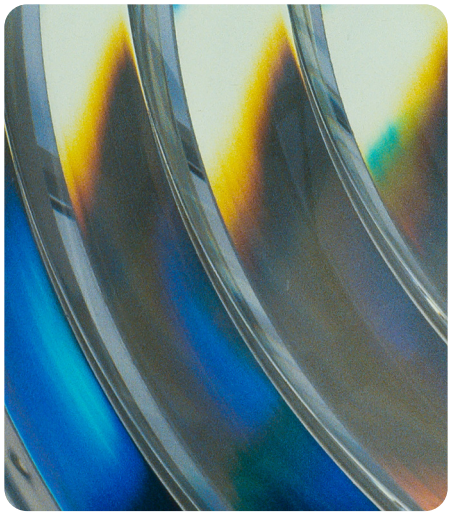
But it's not just financial risks. As your company's profile grows, so might threats to your family's privacy and personal security. A clear plan from specialist advisors can uncover these non-financial risks and can help you build a defense.

*Building*

# Your financial fortress, pre-exit

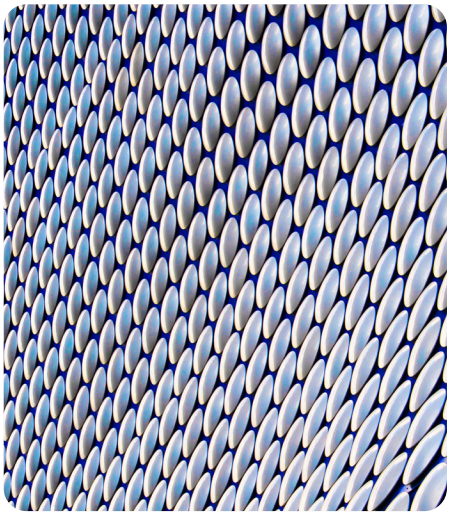
Understanding your personal balance sheet is the first step. The next is to build a fortress around your wealth. With a thoughtful plan and appropriate legal structures, you can shield your hard-earned assets from unnecessarily large taxes, future estate claims, and unforeseen liabilities.

Planning before your company's valuation skyrockets is more efficient. It is often too late to deploy the most impactful strategies after you have gone public or sold your company.Here's what you might achieve by acting early.



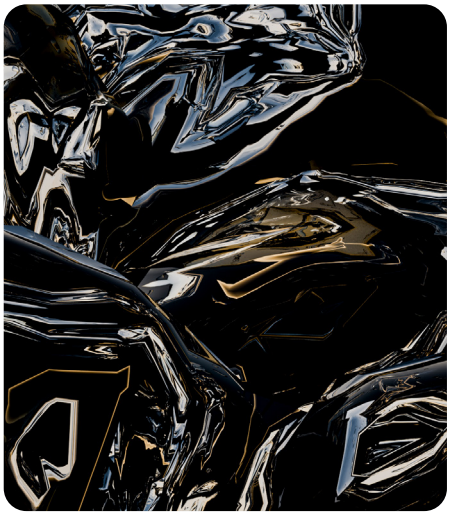
## *Optimizing* Taxes

In the pre-liquidity window, you may be able to structure your equity to lower future liabilities. A key strategy to explore with your tax and legal advisors is whether your shares can qualify for Qualified Small Business Stock (QSBS) treatment. This can potentially eliminate U.S. federal capital gains tax on a significant part of your gains. The information contained herein is not intended to be an exhaustive discussion of the strategies or concepts mentioned herein or tax or legal advice.



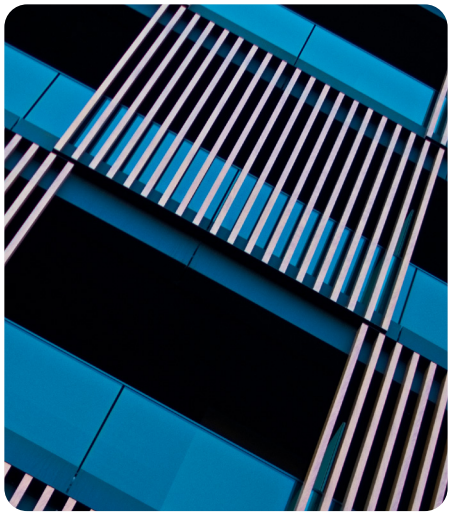
## *Planning* for the Lock-Up

A detailed liquidity plan helps you cover taxes and personal expenses during the post-IPO lock-up period when you are unable to sell your shares. This ensures you have cash set aside for the significant tax bill that can be triggered by vesting restricted stock units (RSUs). In the U.S., it can also involve establishing a 10b5-1 trading plan, allowing you to pre-schedule stock sales that will automatically generate cash for you once the lock-up expires.



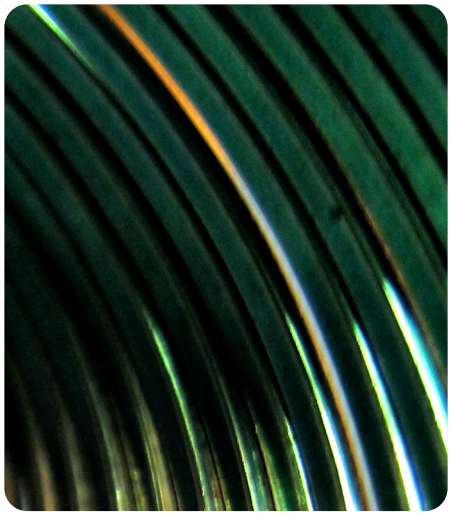
## *Maximizing* Impact

For philanthropic impact, you can set up a foundation or a donor-advised fund (DAF). While rules vary by country, donating pre-IPO stock to a DAF is a common tax-efficient strategy in the U.S. This approach, which typically requires a qualified appraisal of the shares, can allow you to claim a fair market value deduction for the gift while also avoiding the capital gains tax you would have paid on the stock's appreciation.



## *Securing* a Legacy

Transferring assets into trusts before the company's valuation skyrockets can mitigate future estate taxes. Discussions with your tax and legal advisors about structures like a Grantor Retained Annuity Trust (GRAT) may subsequently enable you shift the potential appreciation of your pre-IPO stock out of your taxable estate at a fraction of the gift tax cost of a post-exit transfer.



## *Arranging* Pre-Liquidity Financing

For cash to cover taxes or personal needs during the post-IPO lock-up, you could borrow against some of your private shares, providing liquidity while retaining upside potential.

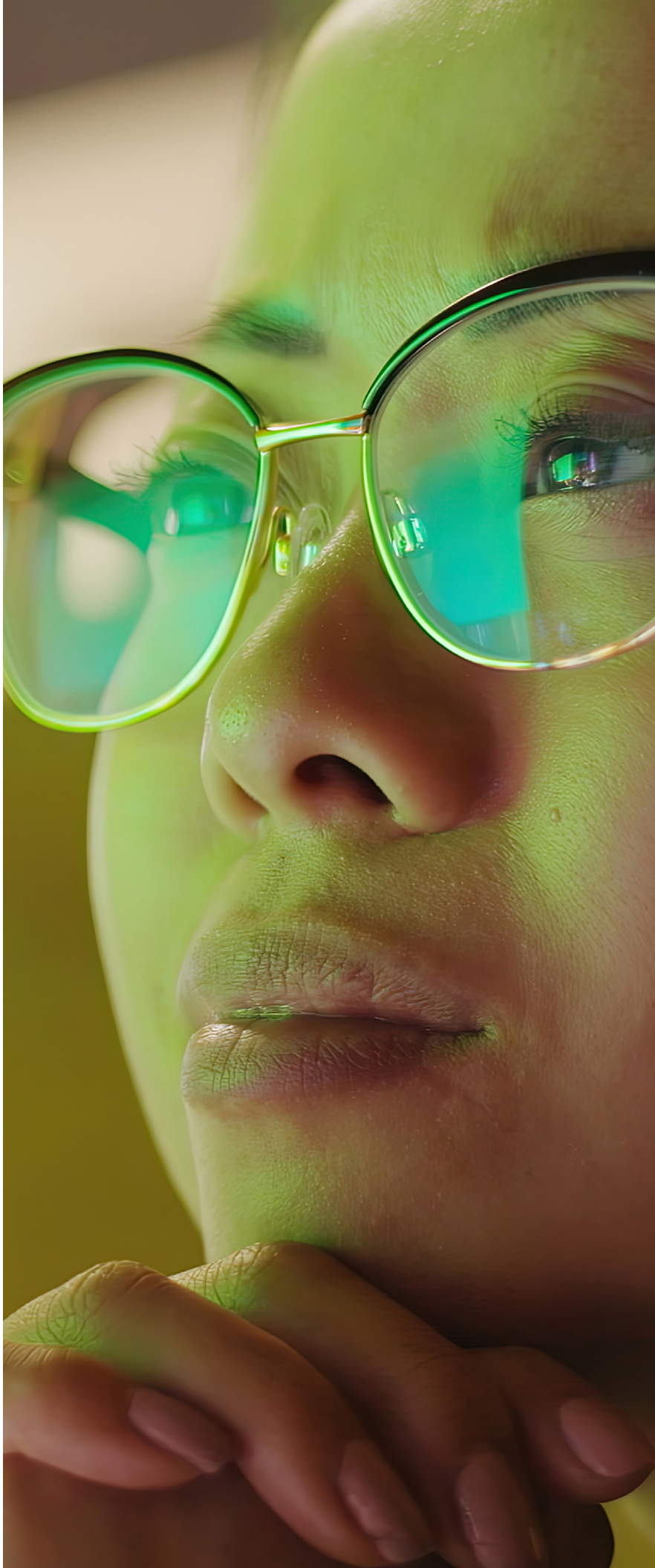
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# What about a family office?

When your wealth is substantial and your needs are complex, a family office can help you unlock the opportunities that may follow a liquidity event. These may include expanding your family's international footprint, pursuing direct investments, overseeing a concentrated position, steering philanthropy, fostering family unity and continuity, and managing residences, aircraft, and art collections.

Despite the potential benefits, establishing a family office requires careful consideration. Family office total costs can easily run to 1% to 2% of the assets managed 1 each year – on top of other wealth management fees including investment and non-investment fees. So, getting value for money is vital. Guided discussions with experts can help you diagnose your specific needs and determine if this is the right path for you and your family.

[1] Active assets under management include investment portfolios, trust assets, liquid assets. For more information, see A Guide to Establishing a Family Office – Citi Wealth, 2025.

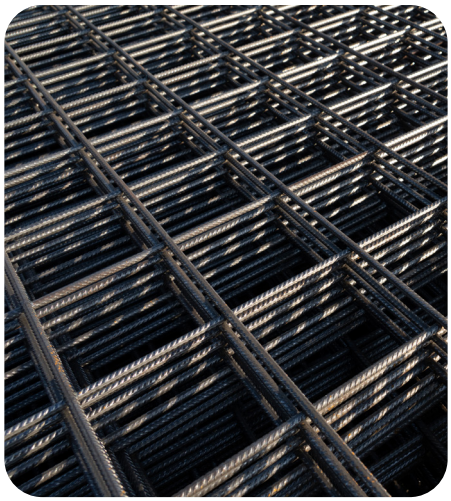


"*Creating a family office* is in fact creating a new business, one that requires vision, oversight, capital and leadership. This begins with a thorough planning and evaluation approach."

Alexandre Monnier,
Family Office Advisory Head,
Global Family Office Group,
Citi Wealth

# Have you laid these foundations?

Ahead of a potential exit, here is a checklist of key elements you may need in place:



## *Foundational* and strategic

**Pre-Liquidity Wealth Plan:** Comprehensive preparations beginning 18-24 months before a potential IPO or acquisition.

**Holistic risk analysis:** Detailed modeling of your net worth, concentrated risk and other risks.

**Personal Liquidity Plan:** A strategy to cover potential cash needs (e.g., taxes, major purchases) during illiquid periods, including an exploration of borrowing against your private shares as a non-sale alternative.

**409A Valuation:** A formal, defensible valuation of your company's private stock, a prerequisite for any gifting or trust transfers.

**Estate Documents:** An updated will, power of attorney, and healthcare proxy.

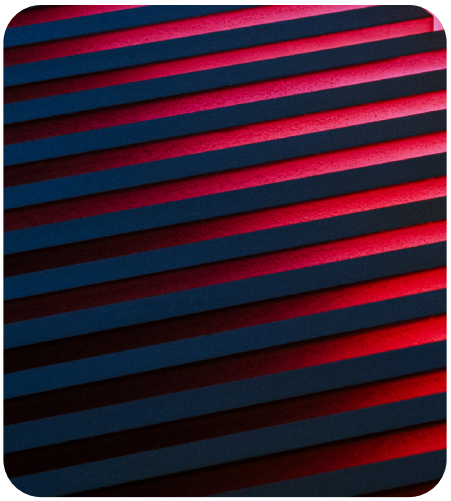


## *Tax and equity* structuring

**Personal Equity Inventory:** All your grants (e.g., Incentive Stock Options (ISOs), Non-qualified Stock Options (NQSOs), and Restricted Stock Units (RSUs)) documented to clarify their specific tax treatment, vesting schedules, and potential tax liability upon exercise or sale.

**Trust Structures:** Appropriate trust vehicles (e.g., control vs. non-control) identified to hold gifted or transferred shares in line with your wealth planning goals.

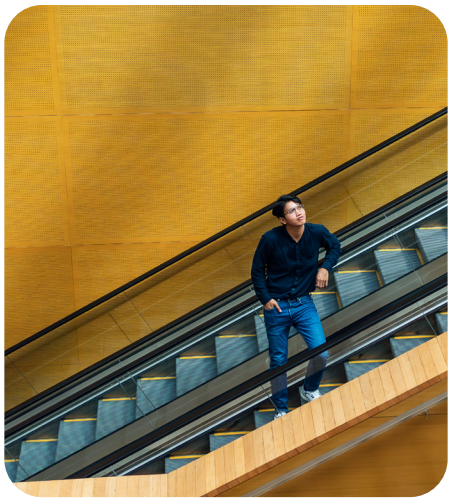
**Trustee Selection:** Appointment of either a trusted individual or a professional corporate entity to manage your estate and trusts.



## *Risk* management

**Personal and Privacy Risk Plan:** Comprehensive blueprint of how to protect your family's physical and digital security as your public profile increases.

**Personal Insurance Review:** Review of your personal liability (umbrella) insurance to ensure coverage limits are adequate for your increasing net worth.

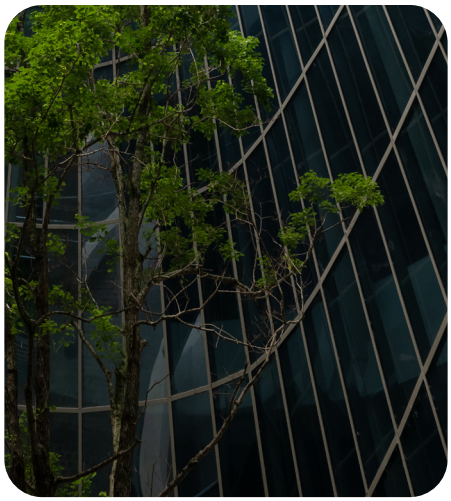


## *Family* office

**Family Needs Assessment:** A comprehensive investigation of your family's requirements to gauge if a dedicated office is required for investment, tax, legal, property, philanthropy, or domestic management.

**Core Drivers Analysis:** Articulation of your primary motivations for considering a family office, e.g., the desire for enhanced privacy, control, and highly personalized service.

**Alternative Solutions Review:** Objective comparison of the costs and benefits of creating a single-family office versus only using wealth managers.



## *Philanthropy*

**Charitable giving Strategy:** Exploration of the most tax-efficient structure for donating your pre-IPO stock, including the use of a Donor-Advised Fund (DAF) and the requirements for a qualified appraisal.

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# Seeking liquidity while retaining *control*



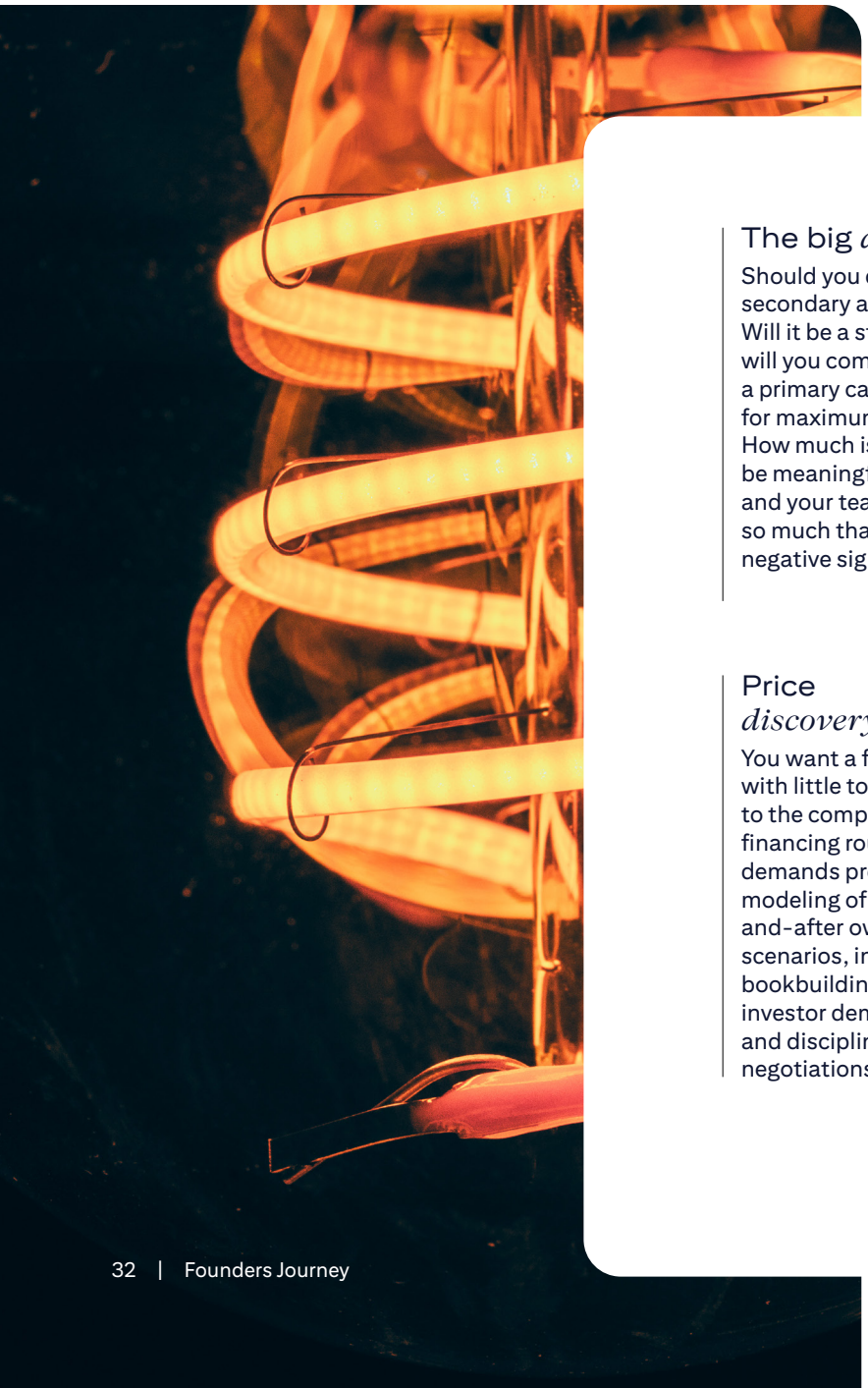
You've achieved something most startups never will. Your company has survived and thrived, making it to Series B and beyond. But it wasn't through luck that you overcame the grueling attrition curve. Instead, you aligned many elements: your idea, your team, your go-to-market, your funding - and more.

Along the way, though, mismatches have emerged. Most of all, there's a chasm between your net worth and your liquidity. Your personal risk profile is skewed: everything that you and your team have worked for is tied up in a single asset. And some of your early backers may no longer be the right partners for the road ahead.

As the path to an IPO or acquisition lengthens, many founders look to the private markets for strategic capital. This can involve a secondary transaction to provide liquidity for early stakeholders, a primary raise to put fresh capital on the company's balance sheet for growth, or often, a combination of both in a single round.

# What makes a successful secondary

Designing a transaction that meets both personal and corporate goals, while sending positive signals to the market, is complex. It requires navigating challenging financial, legal, and interpersonal dynamics. There are four key stages:



### The big *decisions*

Should you do a secondary and when? Will it be a standalone or will you combine it with a primary capital raise for maximum efficiency? How much is enough to be meaningful for you and your team, but not so much that it sends a negative signal?

### Investor *curation*

The buyers matter as much as the sellers. Bringing high-quality, strategic investors onto your cap table adds value going forward and inspires confidence. Access to a global network of accounts to find the right strategic capital can enable this.

### Price *discovery*

You want a fair valuation, with little to no discount to the company's primary financing round. This demands precise financial modeling of before-and-after ownership scenarios, institutional bookbuilding to gauge investor demand, and disciplined price negotiations.

### Deal *management*

Executing smoothly and confidentially requires meticulous coordination by a dedicated team. From initial structuring – perhaps involving complex instruments like Special Purpose Vehicles (SPVs) or direct investments – to final closing, this team acts as a hub between management, selling shareholders, existing investors, new buyers, and legal advisors on all sides.

# Trade-offs and messaging

For all its upsides, a secondary can easily backfire without proper handling. You need to manage perception and control by planning carefully and communicating proactively.

### *Signaling*

The market, your employees, and your investors will all read signals from your secondary. Selling too much, too early, or mishandling the process can all raise concerns about founder commitment and unsettle employees. A well-executed transaction is framed as a sign of strength and maturity: a step to reward employees, optimize the cap table, and sharpen founder focus. Signaling risk is especially nuanced n a hybrid round. Selling a large amount of your personal stock while the company is raising new capital can send a mixed message to investors, requiring a carefully crafted narrative.

### *Control*

Any sale of shares directly impacts your personal ownership and, by extension, your level of control. So, it's essential to model the transaction's effects on your post-sale ownership, voting rights, and how it might be perceived in a future IPO or acquisition scenario.

### *Finessing* the liquidity window

Liquidity in private markets isn't a constant. It ebbs and flows with market sentiment, investor demand, and pressure upon private equity firms to deploy their dry powder.

This typically demands balancing your desire and need for liquidity with the reality of market windows.

**When you want it:** If driven by personal urgency, seeking liquidity can lead to rushed decisions and a lower valuation.

- **When you need it:** A forced sale can have significant negative financial consequences.
- **When you can have it:** Aligning your personal timing with an opportunistic market window creates a healthier, more balanced outcome for you, your employees, and your investors.

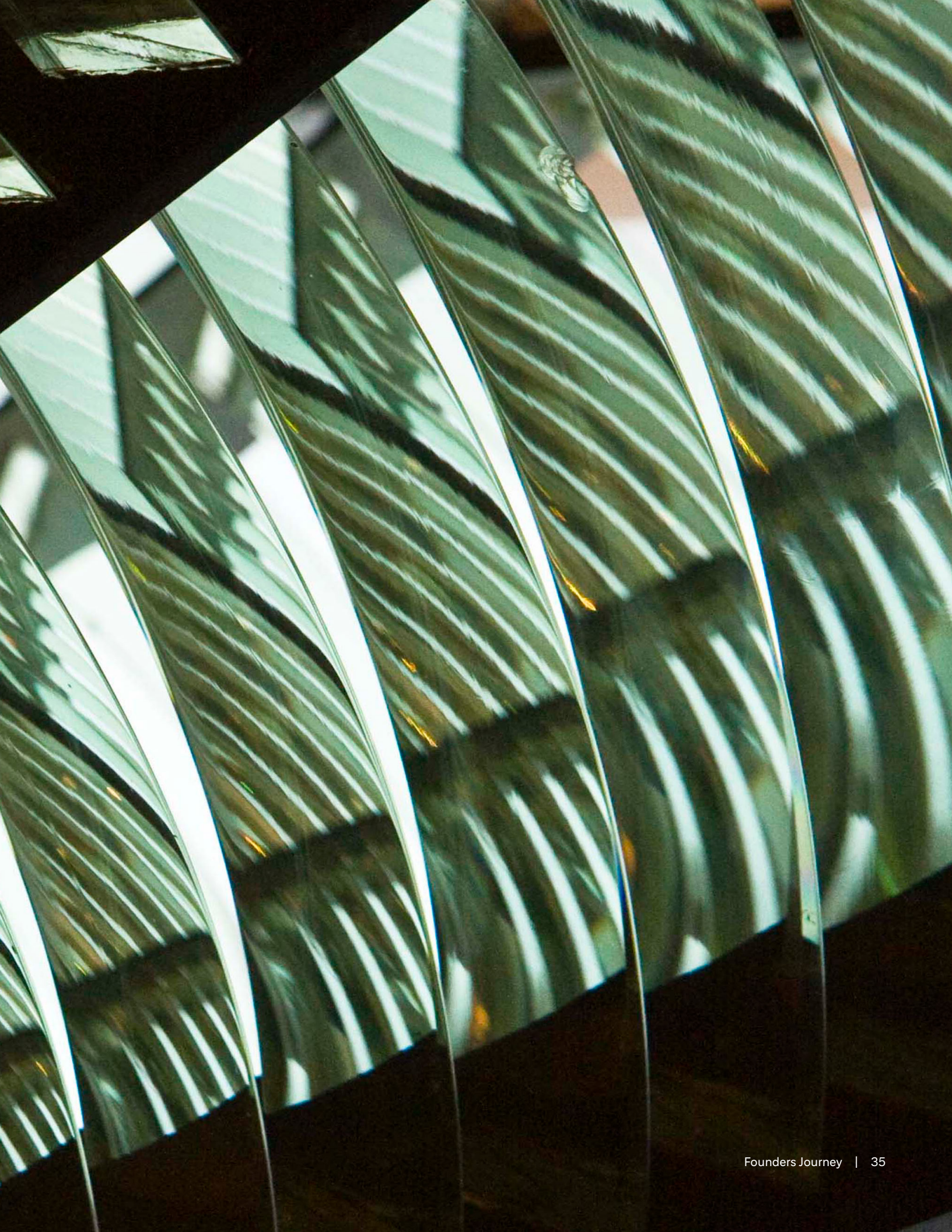
The key to a successful liquidity event is replacing emotion with a disciplined framework built to anticipate these market cycles.



# Preparing your team for *their* event

Relentless teamwork has propelled your business to where it is today. Over the journey, you and your people have been united in your goals: delivering for customers and boosting company value. As your collective liquidity event nears, you want to preserve unity. Above all, you want the best outcome for them: you got here together, now you should succeed together. However, this is also the time when divergences and stumbles are likeliest.

Optimizing outcomes can mean different things to different people. And as founder, you've likely got much greater sway over exit timing, deal structure, and pricing than most others. If your leadership team feels unprepared or unhappy with elements of this life-changing transaction, it can create distraction and execution risk at the worst moment.



*Managing*

# Competing interests

Like you, your co-founders and key executives now face complex financial calculations. They may also develop conflicting views. This is the critical time to formalize expectations by reviewing and updating employment agreements and separation provisions.

Perhaps a colleague is suffering "founder fatigue" and pushes for a quicker sale, even if waiting could yield a higher valuation. A pre-agreed buy-sell agreement between founders can provide a clear, orderly process for handling such situations. Elsewhere, key executives may feel a tension between their duty to maximize shareholder value and their personal career survival. Clarifying these issues contractually helps prevent personal motivations from nudging them toward outcomes that may not be best for the company.



*Maintaining*

# Morale and focus

For many employees, the pre-transaction period is an information vacuum. This can get quickly filled by anxiety and rumor. Weaker productivity and even a “brain drain” can follow. Employees are highly sensitive to perceived fairness. News of large executive retention packages can be demoralizing if employees feel less secure.

Also, most employees won’t fully grasp the complexities of their equity. They typically struggle to understand how much their holdings would be worth under different exit scenarios, the mechanics of cashless exercise, or how tax rules can vary significantly across different countries. This confusion can lead to a shock liability or uncertainty about a lock-up period, turning a triumphant moment into a stressful one.



# The *importance* of *education*

Proactive education is the most effective tool to reduce anxiety, manage expectations, and align interests.

But a one-size-fits-all approach won't work. Your inner circle of co-founders and executives needs a confidential, in-depth forum to plan for their complex financial outcomes. Your wider employee base needs clear, foundational education to decode the process and help them understand the real value of their stake. Financial planning sessions can help employees prepare for the personal financial impact of the liquidity event, reducing uncertainty and enabling them to remain focused on the opportunities ahead.

"*A liquidity event* is a financial milestone, but for employees it can also be a source of complexity and risk. The most successful outcomes happen when individuals begin planning well before the event – understanding concentration risk, cash flow needs and long term goals. Equity planning transforms a one-time wealth event into a foundation for enduring financial security and generational wealth."

Divya Avasthi,
Enterprise Head,
Citi Global Wealth at Work

# Considerations for proactive leaders: *a strategic checklist*

1

## *Align* on the core strategy

Are we aligned on exit timing, risk appetite, ongoing exposure and involvement, and secondary liquidity issues?

2

## *Prepare* for due diligence

Are there any outstanding equity disputes, option grant irregularities, or 409A compliance issues that could surface during due diligence?

Have we reviewed and stress-tested our cap table for the impact of liquidation preferences on employee and founder payouts under various exit price scenarios?

3

## *Solidify* the key team

Have we identified which roles are “key person” dependencies from a buyer’s perspective, and do we have retention structures in place for those individuals?

Which executives must stay until the transaction closes and for a period thereafter?

4

## *Prepare* your people

Do our key executives have independent legal and financial advisors, and have we encouraged them to seek counsel early?

Do our employees understand the preference stack, their tax exposure, dilution risk, and vesting cliffs?

5

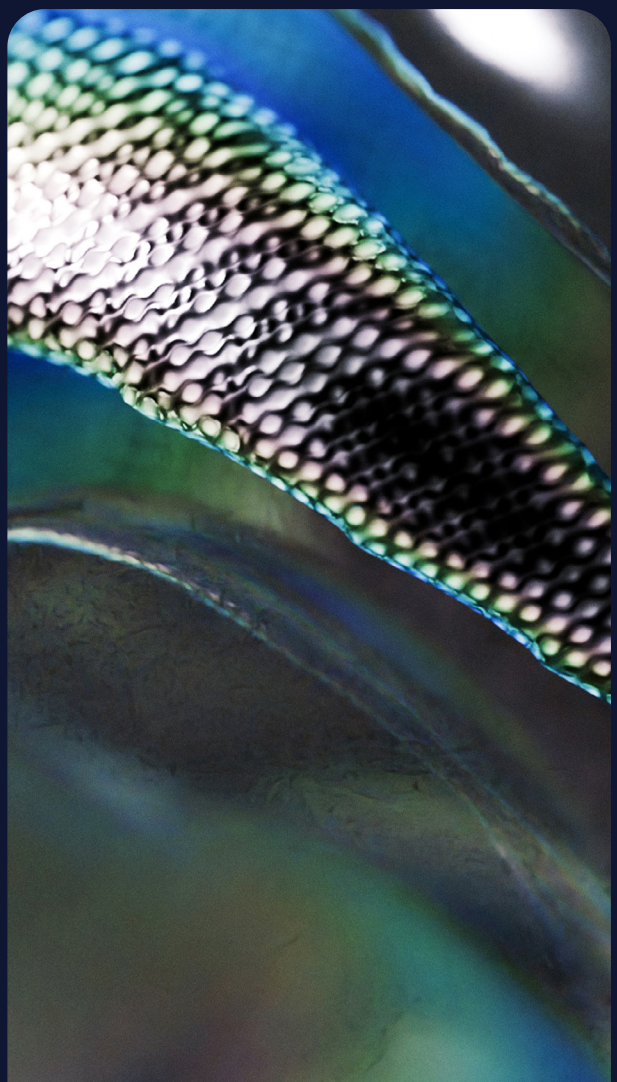
## *Define* the future state

What might any ongoing roles look like after the transaction – reporting lines, retention packages, and redundancies?

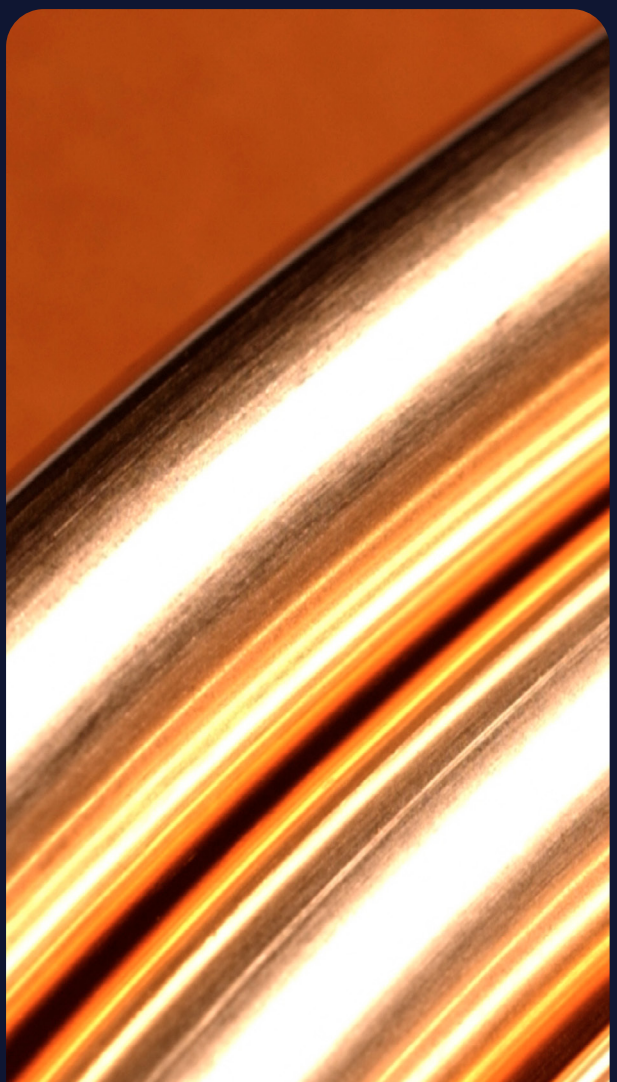
Part three: key takeaways

# Realizing your vision

Navigate private market liquidity



Align team and founder interests



Structure
the
optimal
exit



Realize
your vision
and value



# Choosing and preparing for the *deal*



Selling your business isn't like any other transaction. Even more than a family home or treasured collection, your company is an extension of you: your vision, identity, and years of risk-taking. Beyond the deep emotional ties, even just a part-sale has many layers. Your co-founders, employees, customers and others will be impacted. Then there's weighing your personal legacy and future role. These can feed into your decision as more measurable issues around how much, how, when, and so on.

# Defining what comes next

You might already have a good idea about what's next, be it another venture, philanthropy or more time spent with loved ones. But you may also want to seek upside from and/or help steer the business you've built. While there are three broad exit possibilities – an IPO, M&A, and a sponsor-backed continuation – there are more blends of exposure and involvement. It helps to think of outcomes rather than transactions.

Possibilities include:

*Most upside potential* & involvement:

A primary-focused IPO is the classic "all-in" route, leaving you running a newly public company with greater firepower for growth. While the main goal is to raise capital for the business, these deals are often structured to include a secondary sale component, allowing you and other early stakeholders to sell a portion of your shares as part of the offering for immediate, partial liquidity.

*High liquidity*, continued upside, sharing control:

Perhaps you want to partly de-risk. But you're still energized for the next phase of growth. A majority recapitalization with a financial sponsor could secure significant liquidity, while you roll over some of your equity. You now share control with a partner, with a view to getting a "second bite of the apple" in a future exit.

*Balanced liquidity* & upside, ceding control:

While ready to step back from leadership, you're keen to participate in your company's continued success. A strategic sale for a mix of cash and stock could provide some immediate liquidity, with the stock giving exposure to the new, larger entity. You must have faith in the new management team: your stock's destiny is now in their hands.

*The full sell-down*:

When it's time for a clean break. You want to maximize value immediately at current levels. With an all-cash strategic sale or possibly a full sponsor buyout – you can gain certainty and complete focus on what's next.



# Your wealth and legacy

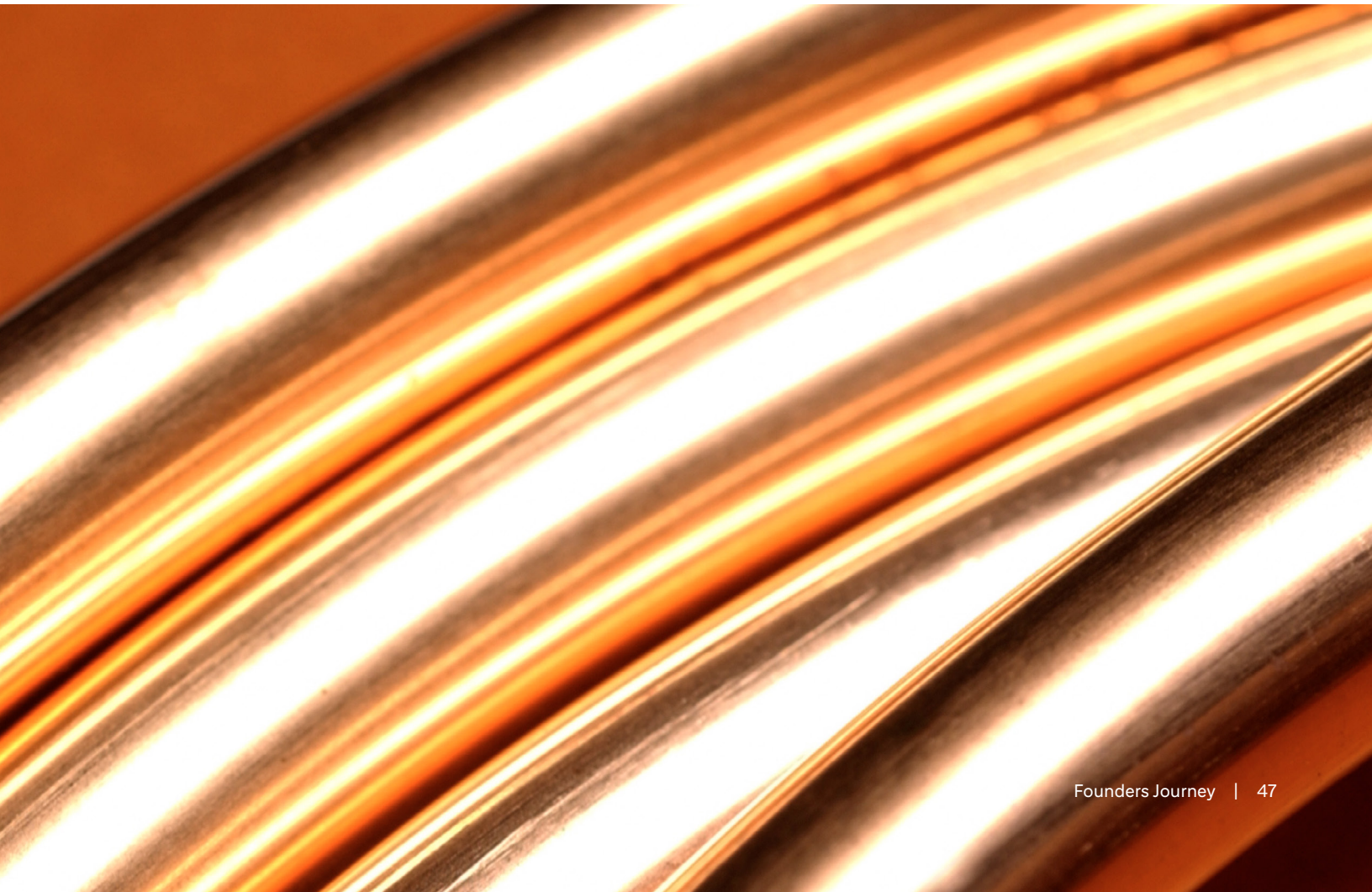
The right corporate transaction must also be right personally. The path you choose can shape your financial future and long-term legacy.

## *Your wealth* and liquidity

The liquidity profile of each path can be very different. An IPO can create immense paper wealth. But it comes gradually, through lock-up periods. You're subject to market volatility along the way. A strategic sale means a more immediate and total liquidity event, either in cash or a mix of cash and the acquirer's stock. A sponsor-backed deal, meanwhile, may give partial, upfront liquidity, while keeping you positioned for further upside.

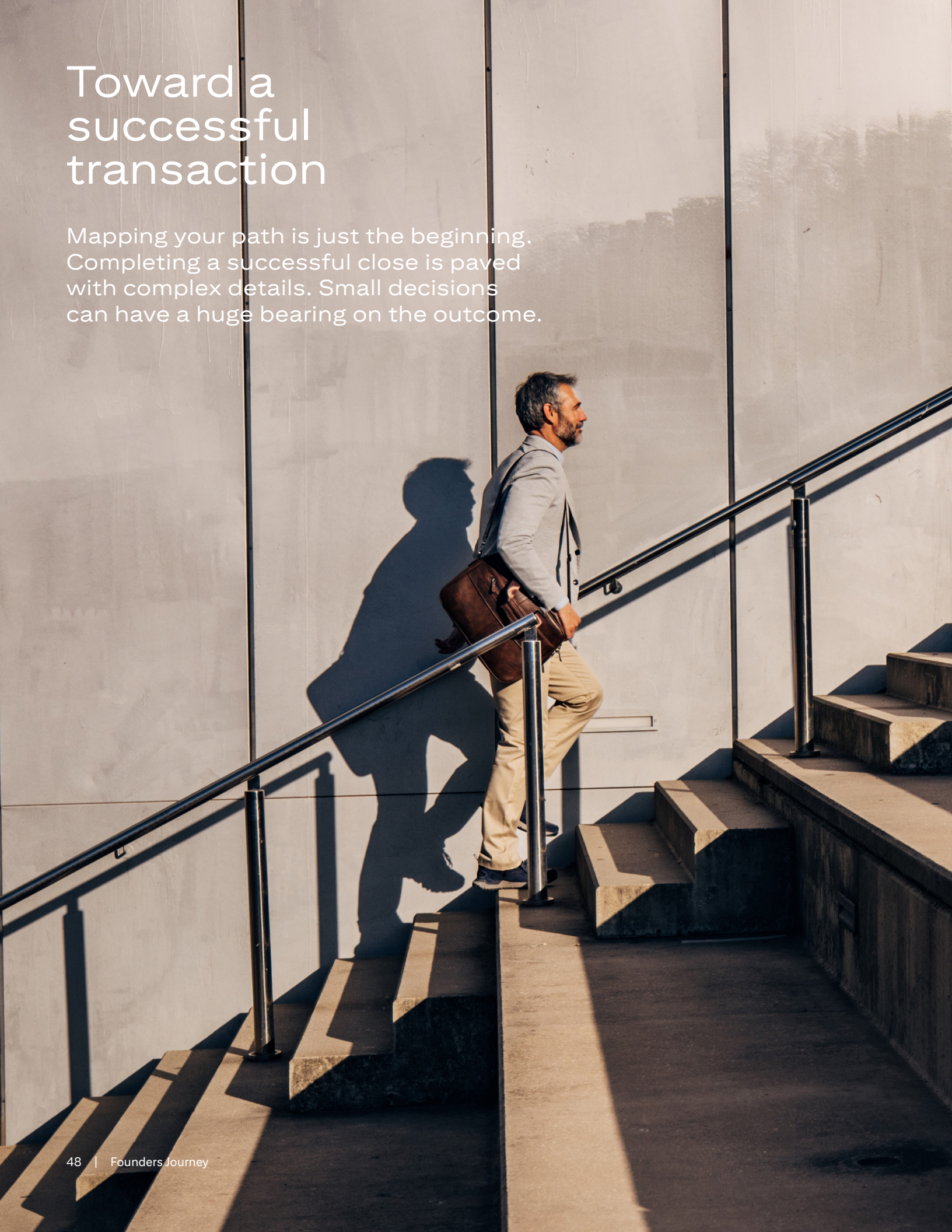
## Your enduring *legacy*

Finally, consider the story you want to tell. An IPO cements your company's name as an independent public entity. A sale merges your story into that of a larger enterprise. A sponsorship marks a successful chapter of growth and partnership, setting the stage for what comes next. In many cases, the buyer's identity matters as much as the type of deal. What's their vision for your company? How have any past deals gone?



# Toward a successful transaction

Mapping your path is just the beginning. Completing a successful close is paved with complex details. Small decisions can have a huge bearing on the outcome.





*Market timing* and readiness:

When you transact matters. Capital markets are cyclical and your company's growth momentum may not sync with peak market conditions. Taking expert guidance and being ready to execute on a plan when conditions are in your favor can improve the outcome.

*Signaling*:

Perhaps you want to raise new fuel for growth but also allow founders, employees, and early investors to gain liquidity. This is about striking a balance. Getting the right mix transmits messages to the market about your confidence in the company's future. Framing the transaction in terms of strength and maturity can help with perception.

*The right* team:

Figuring out big issues – such as deal timing, structuring, and perception – comes down to experience and resources. It's a question of access to deep market intelligence, valuation know-how, and the ability to execute.

*Orderly post*-deal process:

Planning for what happens after the event is integral to the process. This includes working with your team to establish the criteria for a 10b5-1 trading plan, which allows you to pre-schedule the sale of your shares in an orderly and legally compliant way once lockups and other restrictions expire.

"*From a venture perspective*, the most successful founders approach an exit as a multi-year process grounded in a clear understanding of why their company exists and the technology that differentiates it. When selecting a banking partner, depth in that story matters. Bankers who 'get' the product and mission are better positioned to articulate value and drive optimal outcomes through the transaction and beyond."

Todd Speece, Head of VC Coverage,
Citigroup Tech Investment Banking

# *Five Questions* to Determine an Exit

In partnership with your strategic advisor, answering vital questions like these creates a path to the right exit:

1. What is my company worth and what story helps realize that?

2. Who makes up the universe of potential buyers, and what motivates them?

3. What is the optimal exit path for our goals?

4. How do we design a competitive process to maximize our negotiating leverage?

5. Is now the right time to go to market?

# Conclusion

Building a thriving company from the ground up is an achievement like no other. Maximizing the benefits of everything you've created, however, shouldn't be left to chance. In our experience, the founders who do this successfully are those who begin mapping their twin journeys as early as possible. They take a holistic approach, including managing their risks, and work closely with their advisors throughout.

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In the second part of this paper, we will explore preserving, growing, and deploying your wealth purposefully following your liquidity event.

*The journey continues.*

**Citi's Ecosystem for Growth**





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