BFA WEALTH MANAGEMENT · DEAL CHECKLIST

Twelve questions to ask before your company's acquisition closes.

For employees holding options, RSUs, or shares in a company that is being acquired. Bring it to HR, your CPA, or the kitchen table. Deal-specific versions live at bfawealth.com/deals.

1. What happens to my unvested options and RSUs at close: assumed, accelerated, or cancelled and replaced?
2. What is the consideration, cash or stock, and if stock, is the exchange ratio fixed or does it move with the acquirer's share price before close?
3. Do my RSUs have a double trigger (time plus a liquidity event), does this deal satisfy it, and what gets withheld when they settle?
4. If I hold ISOs, are they being assumed in a way that keeps ISO treatment, and what would exercising before close do to my AMT?
5. If the company is private, do my shares qualify as QSBS, how long have I held them, and how does the deal's structure affect the exclusion? (California does not follow the federal QSBS exclusion.)
6. Is any part of the consideration held back in escrow or subject to indemnity claims, and for how long?
7. Am I being offered a retention package, what does it vest on, and what am I agreeing to by signing it: a non-compete, a release, a change to my acceleration?
8. Could the golden parachute rules (Section 280G) reach me, and if the company is private, is it running the shareholder vote that can clear them?
9. What will withholding look like at close and at each vesting date after, and is it enough for my actual bracket?
10. After close, when am I allowed to sell, and what does a selling schedule look like if I am subject to the acquirer's trading windows?
11. How much of my net worth will be in one stock the day after close, and is there a plan for it on a schedule instead of a feeling?
12. What happens if the deal does not close, and what would I do then?

The timeline. Now to close: Ask HR for the treatment of every award you hold, in writing. Gather your grant agreements, exercise records, and 83(b) elections. Decide on any exercise with a tax projection, not a guess. Read the retention offer twice before signing. **The last 30 days before close:** Elections and deadlines land here. Know what cash you will need for taxes, and where it will come from if the consideration is shares. **Close:** Shares or cash are delivered, some withheld for tax. Keep every statement and confirmation. This is the cost basis you will live with. **30 to 90 days after close:** The concentration question. A schedule that respects the acquirer's trading windows. A tax projection for this year and next. The job decision, if there is one.

If you want these answered for your situation, in the order they matter, start with a Checkup at **bfawealth.com/checkup**. It's free and takes fifteen minutes.

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