



BNY MELLON
WEALTH MANAGEMENT

Staying Involved with Your Company

Selling your business does not necessarily mean that you will no longer have a role in its future. After the deal is done, you may wish to continue your involvement with the company for a variety of reasons; Ensuring your employees are treated well, protecting the value of the business or keeping busy after a life-changing transaction. Here are four options:

1. Employee

You could continue to work for the company by entering into an employment agreement with the buyer. You could be responsible for day-to-day business operations with management-level oversight and continue to have influence over the company.

2. Consultant

You could provide ongoing advice by entering into a consultant agreement. As a consultant, you won't have much involvement in the company beyond providing advice on key issues. The company may choose to follow your advice, but they also may not.

3. Board Member

You could serve on the board of directors of the buyers company or the company sold. As a board member, you'll be able to vote on key corporate decisions and elect officers during quarterly board meetings.

4. Shareholder

You could retain shares in the company you sold; or exchange all, or a portion, of your shares for shares of the buyers company. As a shareholder, you're only responsible for attending the annual shareholder meetings. You'll have minority vote on items requiring shareholder approval, such as electing directors or major corporate transactions.

Often, buyers will require that the owner remain involved with business for a period of time in order to help with the transition and continue to grow the business. The role you choose to play in your business after the sale will depend on the arrangements you're able to negotiate and should reflect the desired level of involvement, influence and compensation going forward.