THE OWNER'S EXIT PLAN · QUBERA WEALTH MANAGEMENT

After the sale: the first-year money checklist

The sale is the event everyone plans for. The year after quietly decides how well the money lasts. Here is the short list of what to do, in order, once the check has cleared.

The first few weeks

1 **Wall off the tax before you touch the money.**
The tax on your sale is due with estimated payments, not next April. Set it aside in cash first. If part of your deal was an earnout or a note, more tax is coming in later years, so reserve for that too.

2 **Park the proceeds somewhere safe and liquid.**
Treasury bills, a money market fund, or a high-yield savings account. For the first weeks the goal is not return, it is not losing money and keeping your options open.

3 **Do nothing permanent for a while.**
No large investments, no paying off the house, no second home, no big gifts, until there is a written plan. Sudden liquidity attracts fast decisions and eager salespeople. A few weeks of patience prevents most regrets.

Understand your new balance sheet

4 **Separate the cash from the rollover in your mind.**
The cash is liquid and safe if parked well. The rollover is a minority stake you cannot sell, behind the lenders and the sponsor's preferred return, that may be worth a lot or nothing. Same net worth on paper, completely different risk.

5 **Plan as if the rollover were worth zero.**
Build the household plan so it works without the rollover, and treat any payout as a bonus. You cannot easily hedge a private stake you are locked into, so make the rest of your money the opposite: liquid, diversified, boring.

6 **Know what future tax bills are still coming.**
Installment payments, earnouts, and the eventual sale of the rollover each carry their own tax in later years. Keep reserves rather than assuming the tax is finished.

Invest to a plan, not to a habit

7 **Decide how much income the portfolio must replace.**
The business paid you a salary and distributions, and that stops. Work out the number you need before you invest a dollar, then build to it.

8 **Do not expect business-like returns from a portfolio.**
You earned 20 or 30 percent on your own company. A diversified portfolio is not built to do that, and asking it to is how newly liquid owners take too much risk and get hurt.

9 **Move in from cash on a schedule, not all at once.**
A plan to invest the proceeds over a set period removes the pressure to time the market with a single large decision.

10 **Put the right assets in the right accounts.**
Bonds and high-turnover holdings in tax-deferred accounts, stocks and municipal bonds in taxable, the highest-growth assets in a Roth. This asset-location step quietly raises your after-tax return.

Use the low-tax years

11 **Know that the sale year is your worst year for conversions.**
The sale year is your highest-income year. Do not stack Roth conversions or extra income on top of it.

12 **Plan Roth conversions for the quieter years that follow.**
Once the business stops paying you, and before Social Security and required withdrawals begin, you are often in your lowest-tax years. Converting pretax savings to a Roth then costs less and pays off for decades.

13 **Consider harvesting gains at low rates in those years.**
Rebuilding a diversified portfolio can be cheaper in a low-income year, when long-term gains may be taxed at 0 or 15 percent.

Rebuild what you lost as an owner

14 **Replace the retirement plan.**
Your business 401(k), profit sharing, or cash balance plan ends. The buyer's plan is usually smaller. Rebuild the savings plan around your new situation.

15 **Bridge your health insurance to Medicare.**
The self-employed health insurance deduction ends, and coverage has to be arranged. Plan the years between the sale and Medicare.

16 **Account for the lost deductions.**
The 20 percent qualified business income deduction and the owner deductions end. Your tax picture as a W-2 employee or a retiree is different.

Estate and family

17 **Consider gifting rollover units while their value is low.**
If your estate is large, moving some of the rollover to a trust for your family now, while it is cheap, shifts future growth out of your estate. The 2026 federal exemption is $15 million per person.

18 **Update the documents the sale made stale.**
Your will, trusts, beneficiaries, and powers of attorney were written for a different balance sheet. Revisit them.

> **The one thing to remember.** There is no prize for acting fast. Reserve the tax, park the cash, and give yourself a few weeks. Then move in order: size the income you need, build the diversified core, use the low-tax years for conversions, and treat the rollover as a separate bet you plan around rather than rely on.

The Owner's Exit Plan is published by Qubera Wealth Management, a fee-only fiduciary registered investment advisor in Los Angeles, California. Author: Nirav Desai, Founder & Financial Advisor. This checklist is educational and is not tax, legal, or investment advice. Figures are for 2026 and were checked in September 2026. Registration does not imply a certain level of skill or training. sellingtoprivateequity.com · quberawealth.com