AN OUTPUT OF THE IMPACT EXITS MISSION

# Impact Exits: Investor Playbook Summary

> *A note on scope: this is a condensed summary of the full Impact Exits investor playbook, written for investors who already hold an equity stake in a company and are thinking about how to exit it well. It covers the same four questions and core arguments as the full playbook but in a shorter form. The complete playbook, including each situation, role, method, honest tensions, and additional detail on distressed exits, is available separately.*

## INTRODUCTION

You've done the hard part. You found the company, made the case to your investment committee, negotiated the term sheet, and spent years on the board or alongside the founder helping them build something that matters. Now you're thinking about how to leave.

This is where most impact investors revert to the conventional playbook: find a buyer, run a process, return capital to Limited Partners (LPs). In doing so, they hand off everything they've built alongside the entrepreneur to whoever showed up with the best price, and the impact is transferred by default rather than by design. It doesn't have to work that way.

The exit is not the end of your impact. In many cases it's the most powerful impact decision you'll make in the entire investment cycle, because who owns this company after you leave determines who benefits from the wealth it generates, who holds power over its future, and whether the mission that justified the investment in the first place survives beyond the transaction. These are design choices, and most investors just don't treat them that way, not because they don't care, but because there has been an absence of infrastructure that makes alternative pathways visible and actionable.

This playbook is for investors who want to turn the exit process into something that continues, preserves, and potentially enhances impact for stakeholders, instead of putting it at risk. It maps the exit as a design space and gives you language and tools to work through it, including a set of deliberate choices about the shape of what you leave behind. It can be applied across investor return expectations and portfolio constructions, opening exit opportunities for more traditional impact investors where there previously did not seem to be options, and letting impact-first investors prioritize impact above all else as they think about how to leave a company.

The playbook is built around four questions, asked in order:

**Why are you considering an exit?** Is the company actively planning an ownership transition, or is a transition worth considering, or does the company simply want to keep doing what it's doing while you recover your capital, or does the company itself need capital in a way that puts your

position in the mix? The company's situation and mission should come first, since your exit is part of its story, not the other way around.

**What is your role in that transition?** Are you financing the next chapter, catalysing a conversation, or exiting cleanly while supporting continuity? Each role comes with different levers and responsibilities, and knowing which one you are actually playing, rather than the one you would prefer to be playing, changes how the whole process goes.

**Who benefits, decides, and protects the mission?** These questions run through every exit regardless of situation or role, though they land differently depending on the company's next chapter.

**How do you execute?** The company might repay or buy back over time, be bought out at a point in time, receive a donated or written-off position, or some combination of the above, sequenced to fit the company's reality. The method is the how to the why, the what, and the who, and it should follow from the answers to those questions rather than precede them.

One thing this playbook will not do is tell you what the right exit looks like. What it offers is a way of choosing the shape deliberately, and of asking, in an honest way, whose exit this really is and who it serves.

## The Playbook at a Glance

*Four questions, asked in order. The exit should be designed from left to right.*

| 01 WHY? | 02 WHAT? | 03 WHO? | 04 HOW? |
|---|---|---|---|
| ***The Company's Next Chapter*** | ***The Investor's Role*** | ***Who benefits, decides, and protects the mission?*** | ***The Exit Method*** |
| • A Active transition underway<br>• B Transition worth exploring<br>• C Investor needs liquidity<br>• D Company needs liquidity | • Financing partner<br>• Catalyst for a conversation<br>• Clean exit partner | • Who benefits?<br>• Who decides?<br>• Who protects the mission? | • Repay or buyback over time<br>• Buyout at a point in time<br>• Give away or write off<br>• Combination |

# PART 1: WHY ARE YOU CONSIDERING AN EXIT?

## The Company's Next Chapter

Before you think about how you exit, think about where the company is. Your exit doesn't happen in isolation; it happens inside a company with its own story, its own relationships, and its own sense of what comes next. There are four situations you might find yourself in; none is more impact-enhancing than the others by definition. What matters is being honest about which one you're actually in.

| | SITUATION A | SITUATION B | SITUATION C | SITUATION D |
|---|---|---|---|---|
| | ***Active transition underway*** | ***Transition worth exploring*** | ***Investor needs liquidity*** | ***Company needs liquidity*** |
| **What it looks like** | Founder already in motion: succession discussions, employee buyout talks, steward structure being designed, community organisation expressing interest. | No plan yet, but signals are present: founder aging, loyal employee base with no equity, deep community embeddedness. | Healthy company, committed founder, no transition on the horizon. Investment or fund life ending, or LP obligation requires liquidity. | A company needs new capital, whether working capital, growth financing, refinancing, or a balance sheet reset, and the existing investor's position stands in the way of that capital arriving. |
| **Investor's role** | Financing partner: your exit is the capital that funds the transition, or your willingness to renegotiate your returns or position makes it possible. | Catalyst: you may be the one who opens the conversation. Do so with genuine curiosity, not an agenda. | Clean exit partner: recover capital without destabilising the company or forcing change it didn't ask for. | Capital enabler: your willingness to convert, subordinate, restructure, or step back is what makes what the company needs possible. |
| **Design potential** | Highest: you can weave your exit into the transition rather than imposing on it. | Significant, but depends on the quality of the relationship and how early the question is raised. | Focused: no grand transition, but a clean, respectful departure that leaves the mission intact. | Constrained: the realistic choices are frequently a comparison of imperfect paths rather than a clearly impact-enhancing one. |

| | SITUATION A | SITUATION B | SITUATION C | SITUATION D |
|---|---|---|---|---|
| **Key tension** | Transition timeline versus investor timeline. Patience and creative structuring are usually required. | Catalysing versus imposing. The founder's answer, including no, is always legitimate. | Investor timeline versus company rhythm. LP conversations may be needed. | The company's need versus protecting mission protections already negotiated, and the risk that new capital comes with less mission alignment. |

**Situation A:** The company is actively planning an ownership transition. Some companies arrive at the exit conversation already in motion, whether through succession discussions, employee buyout talks, a steward structure being designed, or interest from a community organisation. This is the situation with the most design potential, since the investor's exit can be woven into the transition rather than imposed on it. The method you use to recover your capital can be the same mechanism that finances the new ownership structure, and the governance conversation you have as part of your exit is the one the company was going to have anyway. Your job is to understand the transition the company is planning and find the method that aligns your need for liquidity with its timeline, sometimes requiring patience since the transition may take longer than your fund anticipated, and sometimes requiring a degree of financial flexibility. The most common tension is timing: the transition the company wants and the liquidity you need to provide can pull in different directions, and the solution is almost never to rush the transition. A second tension is between the investor's vision for the transition and the founder's own, since the company's next chapter ultimately belongs to the people who will live in it.

**Situation B:** A transition is worth considering even if nobody has said it yet. Many companies arrive at the exit moment with no plan at all, not because a transition isn't right for them but because nobody has started the conversation. The founder may not have thought about it, or may have thought about it privately without the language or trusted pathway to raise it. Here the investor can play a catalytic role, not by imposing a plan but by opening a question: what do you want this company to be after you're no longer running it? Who should benefit from what you've built? These are not technical questions; they are human ones, about legacy and about what the founder believes the company is really for, and many founders have never been asked them directly by someone with the relationship to help them think it through. The signals that a transition might be worth raising are not always obvious: a founder in their late fifties who hasn't talked about what comes next, or a company with a deeply loyal employee base that holds no economic stake in it. The difference between catalysing and imposing lives in the quality of the relationship and the sincerity of the question, and a conversation that doesn't result in a transition is not a failure; it is an honest conversation that produced an honest answer. The most important tension is whose initiative this is, since raising the question benefits the mission but also, potentially, the investor's own sense of impact or LP narrative, and being honest about that mixed motivation is part of doing this well.

**Situation C:** The company wants to continue as is, but the investor needs liquidity. Sometimes the company is healthy, and the founder is committed; the investor simply needs to recover capital because the fund life is ending or an LP obligation requires it. This is the most common situation impact investors face, and it may also be one of the sector's biggest problems, since the track record of impact investors here is not always one to brag about. Getting it right matters enormously, since a poorly structured exit can force a sale to misaligned buyers, destabilise a leadership team, or extract capital the company needed for its next phase of growth. The impact exit in Situation C is a clean departure: recovering capital without extracting value, forcing unwanted change, or leaving the mission more vulnerable than before you arrived. Revenue-based payments, redeemable equity, and a negotiated buyback over time are not consolation prizes. They are legitimate options for this situation, and using them well is impact-enhancing in its own right. The primary tension is between the investor's timeline and the company's rhythm, and the resolution often requires investor flexibility, a secondary sale of the position, or some creative combination of partial redemption and partial sale.

**Situation D:** The company needs liquidity. Sometimes it is the company, not the investor, that needs capital, whether working capital to get through a hard stretch, growth capital, refinancing, or a balance sheet reset, and the existing investor's position stands in the way of that capital arriving. A new investor may be willing to provide what the company needs, but only if the cap table is simplified, liquidation preferences are renegotiated, or the existing investor converts, subordinates, or steps back. Your role here is shaped by constraint more than by choice. The realistic choices are often a comparison between imperfect paths, and being honest about that constraint, rather than dressing it up as a fully designed outcome, is itself part of doing this well. Even here, the design questions from Part 3 still matter, arguably more, not less, when options are constrained, since this is exactly the moment when mission protections already in place are most at risk of being traded away without anyone naming it. A second tension is the mission alignment of the incoming capital, since the investor being asked to step back may have been a genuine ally, while the new capital may come from a source with no such alignment or interest.

> *A note on how situations evolve: these four situations are not fixed. A company that looks like Situation C today may become Situation A in eighteen months, as a founder who has started thinking about succession comes forward, or a management team begins exploring a buyout. Exit design is not a one-time conversation, and the most valuable thing an investor can do is create the conditions for an honest ongoing dialogue about the company's future, so that when the moment comes, the options are still open.*

*Why these situations happen: it's tempting to read these four situations as though they simply describe where a company and founder happen to be. But they often also describe the investor's own constraints, fund life, LP pressure, co-investor dynamics, showing up on the founder's side of the table without being named as such. A founder experiencing an investor's behavior at exit is usually experiencing a system, not just a relationship, and naming that system, being explicit about which parts of a timeline or constraint come from your fund and which are truly your own choice, is one of the most humanizing things an investor can do. It also means doing it early: a founder who understands a constraint two years before an exit has room to plan around it, while one who learns about it in the final months experiences it as a betrayal.*

*A note on distress: not every exit starts from a company that is standing on solid ground. Sometimes the company is in genuine financial trouble, and what looked like Situation A or C compresses under pressure. When this happens, the timeline is rarely yours to set, the design questions from Part 3 don't disappear but get answered faster and with less information, and the range of realistic methods narrows sharply toward whatever is actually available rather than what would be ideal. Your job in a distressed exit is less about achieving the perfect configuration and more about damage control with intention: protecting what can still be protected, even if that means ensuring employees are treated fairly in a wind-down rather than completing a full ownership transition.*

# PART 2: WHAT IS YOUR ROLE?

## The Investor's Position in the Transition

Knowing why an exit is being considered is the first step. The second is being honest about what role you actually play in it, given your structural position, your relationships, and what the company's situation makes possible. Impact investors sometimes overestimate their influence at exit. A 10% minority stake with no contractual rights and a founder who has made their wishes clear is a very different position from a 40% lead investor with board control and an aligned co-investor base, and conflating the two leads to exit conversations that feel more like pressure than partnership. It is also worth naming that roles can evolve. An investor who begins as a catalyst, opening a conversation the company hadn't started, may become a financing partner once the founder is on board. There are three roles you might find yourself in. They are not mutually exclusive, and they are not ranked.

ROLE 1

### Financing Partner

Your exit mechanism is not separate from the company's next chapter, it is the capital that makes it possible, whether through a redeemable equity structure, an impact buyback, or subordinating your position in Situation D to make room for new capital.

**Requires:** genuine alignment between return expectations and transition capital needs. Patience on timeline. Fluency in available instruments.

*Best suited: Situation A, sometimes B and D*

ROLE 2

### Catalyst for a Conversation

You are not financing a transition already in motion but raising a question that hasn't been asked yet, with the founder, the board, or other investors in the room.

**Requires:** trust in the relationship. Comfort with uncertainty. Transparency about your own interests. Accepting 'no' as a legitimate answer.

*Best suited: Situation B, sometimes A*

ROLE 3

### Clean Exit Partner

Your job is to recover your capital in a way that actively supports the company's stability, respects the founder's intentions, and leaves the mission at least as protected as it was when you arrived.

**Requires:** a method calibrated to the company's capacity. Honesty with LPs about what a clean exit means. Attention to what you leave behind.

*Best suited: Situation C, sometimes A, B, and D*

1. **Financing partner for the transition.** Your exit mechanism is not separate from the company's next chapter, it is the capital that makes it possible, whether through a redeemable equity structure where the company gradually buys back your shares and reissues them to employees, an impact buyback where your return is partly financial and partly measured in value created for other stakeholders, or subordinating your position in Situation D to make room for new capital. This role requires genuine alignment between your return expectations and the transition's capital requirements. If the transition needs five years and your fund has two, you are not a financing partner but a creditor with a countdown, and being honest about that distinction early saves everyone a painful conversation later. It also requires fluency in the instruments available and patience with a process that will take longer than a conventional exit.
2. **Catalyst for a conversation.** This role requires the most relational skill and the most restraint. You are not financing a transition already in motion but raising a question that hasn't been asked yet, with the founder, the board, or other investors in the room. Done well, this is one of the most valuable things an impact investor can do across an entire investment lifecycle: not just providing capital, but providing a frame for thinking about what the capital was for. Done badly, it is pressure dressed up as curiosity, or a sophisticated argument for why the founder should accept a different outcome than the one they wanted. The most important tension is the power dynamic: you are not a peer in this conversation; you hold contractual rights and influence over the founder's options, and being aware of how your structural position shapes the conversation, rather than pretending it doesn't exist, is part of doing this role with integrity.

3. **Clean exit partner.** Your job is straightforward in principle and difficult in practice: recover your capital in a way that actively supports the company's stability, respects the founder's intentions, and leaves the mission at least as protected as it was when you arrived. This matters more than it sounds, since many investors who believed themselves to be clean exit partners were not. They forced a timeline the company couldn't accommodate, or brought in a buyer without adequate diligence on mission alignment. A clean exit is not just the absence of a dramatic transition. It is an active commitment to leaving well, and it requires honesty with your LPs about what that means, since the cleanest exit available may be a gradual redemption rather than a fast trade sale.

> *A note on roles and structural position: the role you can play is shaped significantly by your structural position in the deal. A 5% minority investor with no contractual rights and a commercially focused co-investor base has real options, but they are different options from those available to a 40% lead investor with board control and an aligned cap table. Being honest about your structural position, and about what it does and does not allow, is the foundation of playing any of these roles well. It is also worth remembering that this isn't purely a matter of capital. The founder and other leaders in the organisation are also spending significant time and energy on this process, and they are most likely closer to the company and what it actually needs. Investors can and should bring good ideas to the table, but the founder often has a better contextual understanding of what is realistic.*

## PART 3: WHO BENEFITS, DECIDES, AND PROTECTS?

### The Design Questions

These are the questions that most exit conversations skip, not because investors don't care about the answers but because the conventional exit process doesn't create space to ask them. Each question has two dimensions: what happens at the exit itself, and what persists in the ongoing company. These dimensions interact, but they are separable, and each deserves its own attention.

| | At the exit | In the ongoing company |
|---|---|---|
| Who benefits?<br>*(and how much?)* | Who receives value from the transaction, and how much?<br>*Options include distributing to:*<br>• Investor + founder only<br>• Employees<br>• Communities<br>• Public-benefit entity<br>• Back into enterprise | Who captures value going forward, and how?<br>*Options include:*<br>• Traditional retained earnings<br>• Employee profit share<br>• Community dividend<br>• Mission-locked surplus in perpetuity<br>• Capped return |

| | At the exit | In the ongoing company |
|---|---|---|
| *Tension: the founder's fair return versus employees who built the company without equity. Investor return requirements versus keeping capital in the mission.* | | |
| Who decides? | Who has power over how the transaction is structured: terms, buyer selection, conditions? Shaped by contractual rights agreed at investment: drag-along, tag-along, right of first refusal, board composition. | *Who holds governance power after the investor leaves?*<br>• Concentrated founder/owner control<br>• Independent board<br>• Steward council<br>• Employee + community representatives |
| *Tension: governance that is distributed is not the same as governance that is accountable. The readiness of incoming stewards matters as much as the structure itself.* | | |
| Who protects the mission? | What protections are negotiated into deal terms: impact covenants, buyer criteria, post-exit reporting and incentives? | *Options include:*<br>• B Corp certification<br>• Golden share<br>• Asset lock<br>• Steward ownership<br>• Perpetual Purpose Trust |
| *Tension: durability versus flexibility. Mission-locked structures are hard to change even when the world changes. Available structures vary significantly by jurisdiction.* | | |

1. **Who benefits?** When the transaction closes, value moves, and the question of who receives it is one of the most consequential choices in the entire process, and also one of the least examined. The conventional default concentrates exit value with the investor and founder, which is not inherently wrong, since investors need returns to keep deploying capital and founders deserve to be rewarded for what they built. But the range of configurations available is much wider than most exit conversations acknowledge, running from a standard equity buyback all the way to philanthropic exits that flow value to employees, communities, or public-benefit entities. Underneath the question of who receives value sits a second one: how much value there is to distribute, and how that number gets set, whether by market valuation, by what the company can affordably pay, or by a formula agreed in advance. In the ongoing company, the question of who benefits is structural, determined by the ownership model that persists: who holds shares, how profits are distributed, and what happens to residual value if the company is ever sold again. The most common tension is between the investor's return requirements and the breadth of value distribution the transition could enable, and a second is simply how much return is enough, since neither an uncapped return nor a capped one is

automatically more virtuous. What matters is whether the return profile was chosen deliberately rather than inherited by default from the fund's standard terms.

2. **Who decides?** Before governance in the ongoing company, there is a prior question: who holds power over the exit transaction itself, and who decides whether this company is sold, to whom, on what terms, and when? This is largely determined by contractual rights agreed at investment: drag-along rights, tag-along rights, right of first refusal, and board composition, and many investors discover at exit that they have more or less power than they assumed. Understanding your contractual position clearly, and being honest with the founder about what it does and does not allow, is the foundation of a fair exit process. In the ongoing company, governance determines the long-term trajectory more than almost anything else. Configurations range from concentrated founder control to an independent board to a steward council accountable to purpose rather than financial return to employee or community representatives, and none is inherently superior. A small, mission-committed steward council can be far more effective than a large board that cannot make decisions. What matters is whether the people who hold power are the right ones for this enterprise, and whether their accountability is explicitly designed rather than assumed.
3. **Who protects the mission?** The exit is a moment of vulnerability for the mission, since none of the relationships, culture, or informal commitments that held it in place travel with the shares when they change hands. What can travel, if designed into the exit, is a legal commitment: impact covenants, buyer selection criteria, and post-exit reporting obligations at the transaction level. But transaction-level protections are inherently temporary, and are only as durable as they are enforceable. If the mission is to be protected durably, it needs to be embedded in the company's legal architecture, running from B Corp certification at the lighter end, through contractual covenants, golden shares, and asset locks, to a perpetual purpose trust at the most durable end. Steward ownership arrangements, which separate voting rights from economic rights, sit across several of these categories and are among the most durable forms of protection available, though also among the most commonly misunderstood. The most important tension is between durability and flexibility, since a structure that protects the mission absolutely also cannot adapt if the world changes around it and the original purpose becomes outdated. A second tension is jurisdiction, since the legal structures available vary enormously by country.

*A closing note on how the three questions interact: these questions are not independent, and the most durable impact exits are the ones where all three have been considered together rather than sequentially. Who benefits shapes who has a stake in governance: if employees hold economic rights, they have a material interest in how the company is governed, and structures that exclude them from power will eventually create tension. Who decides shapes how the mission is protected: a governance structure accountable to mission-driven stewards creates the conditions for strong protection, while one accountable to financial return creates pressure against it regardless of what the legal documents say. How the mission is protected shapes who can benefit in the future, since a strong asset lock or a perpetual purpose trust changes the entire calculus of who would want to own this company and why. None of this argues for a single configuration; it argues for thinking about all three questions at the same time, and understanding that the choice you make in one dimension creates both possibilities and constraints in the others.*

# PART 4: HOW?

## The Method

You have thought about why the exit is happening, what role you are playing, and who should benefit, decide, and protect the mission. Now comes the how. The method is the instrument that translates your intentions into a transaction, and it is the dimension most exit conversations start with, which is exactly the wrong order. Method should follow from the design questions, not precede them, though it is also a real constraint shaped by the company's cash flow, the legal jurisdiction, and your fund's timeline.

| | BEST SUITED TO | SITUATIONS | KEY TENSION |
|---|---|---|---|
| **1 Repay / Buyback Over Time** | Cash-generative companies. Aligned founders. Longer time horizons. | All four situations, but looks different in each: funds the transition in A and B; provides breathing room in D; protects continuity in C. | Variable timeline versus investor pressure for faster returns. |
| **2 Buyout at a Point in Time** | Clear liquidity event. Incoming ownership entity is ready and financing is in place. | Best when the incoming ownership entity is ready and financing is in place. | Price fair to the investor may be unaffordable for incoming owners. |
| **3 Give Away / Write Off** | When the investor's stake is the primary obstacle to a mission-aligned transition. | Most powerful in A and B as a transition enabler. Available in C as a clean release. Common in D. | Fiduciary obligation: many funds are not structured to permit this. |

| | BEST SUITED TO | SITUATIONS | KEY TENSION |
|---|---|---|---|
| **4 Combination** | Complex situations with multiple parties and goals. | Works across all four situations, most natural wherever multiple parties and goals are in play at once. | Complexity versus resilience. Must produce a clear answer to who benefits, decides, and protects. |

**Repay or buyback over time.** You already hold a stake, and the question is how to restructure it into something that generates returns over time and is calibrated to the company's financial reality. Payments can be revenue-based, cash flow-based, affordability-tested, impact-based, or some combination. This method is the one most naturally suited to financing an ownership transition, since seller financing lets incoming owners pay for their stake from the company's own revenues rather than raising capital upfront. In Situation B, it also creates something valuable in itself: time, since converting the investor's position into something that generates returns over a defined period opens a holding period during which the transition conversation can develop honestly. The primary tension is that gradual repayment structures are inherently slower than a point-in-time transaction, and a fund's own timeline may not accommodate a multi-year schedule.

**Buyout at a point in time.** Sometimes the right method is a single transaction, with the investor's stake purchased in full and the exit complete. In this framework, this is not about conventional trade sales but about the stakeholder transitions discussed in Part 3, whether employees, a community organisation, or a mission-aligned foundation, financed through cash in the business, external financing from a bank or social lender, or a secondary sale to a mission-aligned buyer with the founder's genuine blessing. The primary tension is price, since a valuation fair to the investor may be unaffordable for the incoming owners, and a price accessible to them may require the investor to accept less than expected.

**Give away or write off.** This is the method the field talks about least and practices more than it admits, and it deserves to be discussed clearly, not as a last resort but as a deliberate strategic tool. If the investor's stake is the key obstacle to a mission-aligned transition, donating it, accepting a lower nominal price, or writing it off entirely may be the single most impactful thing the investor can do with that capital. This is especially clear for impact-first investors, whose priority was never conventional return maximisation in the first place. The analogy worth drawing is debt relief: multilateral institutions and creditors have written off sovereign debt for countries in exchange for commitments to redirect freed resources toward education or health, on the logic that the obligation was consuming resources that would do more good elsewhere. The same logic applies here. The instruments include full or partial donation of shares, a nominal or concessional transfer, and an outright write-off, often combined with a formal mission commitment from the company in exchange. The primary tension is fiduciary, since many funds are not structured to permit this, and the resolution must happen at investment vehicle design, not at exit. A second tension is stigma, since a write-off is sometimes perceived as investment

failure rather than impact design, and investors who use this category with integrity are the ones who have built enough credibility to name what they are doing clearly.

**Combination.** The most thoughtful exits are almost never a single method. They combine instruments, timelines, and financial and impact returns to serve both the investor's liquidity needs and the company's transition design simultaneously. This is not a residual category for when nothing else works. It is often the natural expression of exit design that takes the why, the what, and the who seriously, since complex situations with multiple parties and multiple goals rarely resolve through a single instrument. A partial redeemable buyback combined with a concessional transfer to a community foundation, or a secondary sale combined with a write-off in exchange for a perpetual purpose trust, are the kinds of combinations that let an exit achieve what no single instrument could achieve alone. What combinations require is legal and structuring expertise, alignment across all parties over what may be a multi-year process, and design coherence. A combination that produces a complicated non-answer to who benefits, who decides, and who protects the mission needs to be simplified.

> *A closing note on method and the design questions: the four method categories are not equally suited to every situation. Repayment or buyback over time works across all four situations but looks different in each, financing the transition in A and B, protecting continuity in C, and buying room for new capital in D. Buyout at a point in time works best when the incoming ownership entity is ready and the financing is in place. Give away or write off is most powerful as a transition enabler in A and B, and available as a clean release in C. A combination works across all four methods, and is most natural wherever multiple parties and multiple goals are in play at once. What all four share is that they are tools in service of the design questions, not the design questions themselves.*

## CLOSING: WHOSE EXIT IS THIS, REALLY?

At some point in every exit process, there is a moment when the answer to that question becomes clear. Sometimes it is the moment a founder realises the buyer being proposed will dismantle what they spent a decade building. Sometimes it is the moment an investor recognises that the transaction serves the fund's narrative more than it serves the mission.

The exit belongs to all of them: to the communities the enterprise serves and to the purpose the investment was originally for. The investor is one voice in that story, an important one with real structural power, but not the only one.

This playbook has asked you to do something the conventional exit process does not: start from the company's situation rather than your own, name your role honestly, and ask who benefits, who decides, and who protects the mission before you ask how you get your money back. That sequence is not natural, and it requires a deliberate choice to slow down at the moment when everything in the process is pushing you to speed up.

That choice is worth making, not because it always produces a better financial return, since it often doesn't, but because the exit is the moment when everything the investment was for either gets embedded in the company's future or disappears unnoticed. The impact built over years of patient capital does not automatically survive the transaction. It survives because someone designed for it to survive, and that someone can be you.

Situation D is the clearest test of this discipline, because it is the situation where slowing down feels least available. When the company needs capital now, the temptation is to treat the design questions as a luxury and simply close the deal on the table. This playbook's position is that the questions matter more, not less, under that pressure, not because they will always change the outcome, but because naming the trade-off honestly is different from letting it happen by default.

The best exits, the ones that show up as case studies or that practitioners talk about years later as examples of what is possible, were not accidental. They were designed by investors who asked the right questions early enough to act on the answers, who were honest with their founders and their LPs about what they were trying to do, and who were willing to accept outcomes that were harder to explain in a quarterly report but easier to stand behind over the long term.

> *You already made the investment. You chose this company, this founder, this mission. The exit is the last act of that choice, and it deserves the same intentionality you brought to the first one.*