

# **Advanced Equity Planning for InVestra's C-Suite and V-Suite SpaceX Clients**

## **10b5-1 Sequencing, AMT Strategy, RSU / PSU Planning, and Concentrated Wealth Protection**

### **Prepared by InVestra**

For many of InVestra's C-Suite and V-Suite clients, the financial conversation has moved well beyond traditional wealth management.

At this level, wealth is rarely simple. It is often concentrated, illiquid, tax-sensitive, equity-based, and tied directly to executive compensation, company performance, insider status, and timing restrictions. The planning required is not merely about investment selection. It is about decision sequencing.

For executives with meaningful SpaceX equity exposure, the most important financial decisions may need to be made before liquidity occurs, before shares are sold, before tax obligations are triggered, and before diversification becomes urgent.

That is why InVestra continues to place advanced equity planning at the center of its advisory process for existing C-Suite and V-Suite clients.

The goal is not simply to manage assets.

The goal is to help protect the value clients have already created.

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## **Why This Matters Now**

SpaceX executives, senior leaders, and highly compensated professionals may face a unique combination of financial planning issues, including:

- Restricted Stock Units, or RSUs
- Performance Stock Units, or PSUs
- Incentive Stock Options, or ISOs, where applicable
- Non-qualified stock options, where applicable
- Concentrated private-company equity
- Pre-liquidity and post-liquidity planning
- Alternative Minimum Tax, or AMT, exposure
- Tax withholding gaps
- Insider trading restrictions

- Blackout windows
- 10b5-1 trading plan considerations
- Rule 144 affiliate and control-security issues
- Charitable planning
- Estate and legacy planning
- Multi-year diversification strategy

These topics cannot be handled effectively in isolation. A decision in one area often creates consequences in another.

For example:

A stock option exercise may create AMT exposure before liquidity is available.

An RSU vesting event may create taxable income even if the executive remains concentrated in company stock.

A PSU settlement may coincide with blackout windows, trading restrictions, or compressed tax deadlines.

A liquidity event may create an opportunity for diversification, but only if tax, legal, and estate planning have already been coordinated.

A 10b5-1 plan may help structure future sales, but only if properly sequenced and aligned with the client's broader financial plan.

For InVestra clients, the planning challenge is not whether these tools exist.

The challenge is knowing when to use them, in what order, and with what supporting strategy.

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## **The InVestra View: Sequencing Is the Strategy**

Traditional financial planning often begins after liquidity.

A client sells shares, receives cash, pays taxes, and then builds a portfolio.

For many SpaceX executives, that order may be too late.

At this level, the most valuable planning may happen before a liquidity window opens. The sequence of decisions can influence:

- How much tax is owed
- When shares may be sold
- Whether sales are compliant

- Whether charitable planning remains available
- Whether AMT exposure can be managed
- Whether diversification occurs gradually or under pressure
- Whether estate planning captures future appreciation
- Whether the family has sufficient liquidity for taxes and obligations
- Whether concentrated company equity is converted into durable family wealth

This is why InVestra does not view equity compensation as a stand-alone benefit.

We view it as a core component of a client's overall wealth architecture.

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## **10b5-1 Planning: More Than a Trading Plan**

For certain executives, directors, and insiders, a Rule 10b5-1 trading plan may be an important tool for structuring future sales of company stock.

However, a 10b5-1 plan should never be viewed as a simple administrative document.

For InVestra's C-Suite and V-Suite clients, 10b5-1 planning may need to be coordinated with:

- Anticipated vesting dates
- PSU performance periods
- RSU settlement timing
- Option exercise decisions
- Tax payment obligations
- Blackout windows
- Company trading policies
- Liquidity needs
- Charitable-giving strategy
- Estate-planning transfers
- Concentration limits
- Multi-year diversification targets

A 10b5-1 plan that is created without regard to the broader wealth plan may solve one problem while creating another.

It may generate liquidity, but not enough for taxes.

It may reduce concentration, but sell shares before charitable or estate planning is evaluated.

It may create diversification, but fail to account for affiliate restrictions.

It may schedule sales, but not coordinate with future RSU or PSU income.

InVestra's role is to help clients think through the financial planning side of the sequence, while coordinating with the client's securities counsel, tax advisors, and company-specific compliance resources.

At this level, the question is not simply:

“Can I sell shares?”

The better question is:

“What is the most intelligent, compliant, tax-aware, and family-aligned sequence for creating liquidity?”

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## **AMT Strategy: One of the Most Overlooked Executive Planning Risks**

Alternative Minimum Tax planning is frequently misunderstood, especially by advisors who do not regularly work with executive equity compensation.

AMT is most commonly relevant when incentive stock options are exercised. A client may exercise ISOs and create a tax preference item even if the shares are not sold. This can create a tax bill based on paper value, not realized liquidity.

For executives with large equity positions, that mismatch can be significant.

The result may be:

- Tax owed before cash is available
- Pressure to sell shares earlier than planned
- Liquidity stress
- Higher-than-expected estimated tax obligations
- Future AMT credit complexity
- Coordination problems with RSU or PSU income in the same year

This is not a topic that should be addressed casually.

For InVestra clients, AMT planning may require multiple scenario models, including:

- Exercise now versus exercise later
- Full exercise versus staged exercise
- Same-year sale versus qualifying disposition strategy
- Impact of valuation changes
- Projected AMT liability
- Estimated federal and state tax exposure
- AMT credit recovery possibilities
- Liquidity required to satisfy tax obligations
- Coordination with other compensation income

- Impact on charitable and estate-planning opportunities

The key is not merely identifying AMT.

The key is modeling the consequences before the decision is made.

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## **RSU and PSU Planning: Simple Terms, Complex Outcomes**

RSUs and PSUs are often described as straightforward forms of compensation. For senior executives, they are rarely simple in practice.

RSUs may create taxable income when they vest and shares are delivered. PSUs may create taxable income when performance conditions are met and shares are settled. At the C-Suite and V-Suite level, these events can be financially significant.

The planning questions include:

- What is expected to vest this year?
- What may vest next year?
- What PSU outcomes should be modeled?
- Will withholding be sufficient?
- Should estimated taxes be paid?
- Will vesting occur during a blackout period?
- How much additional concentration is created?
- Should net shares be held, sold, gifted, or diversified?
- How does this compensation interact with AMT-sensitive decisions?
- How should proceeds be deployed after taxes?
- How does the event affect the client's estate plan?
- How does the event affect charitable giving capacity?

Many advisors understand that RSUs and PSUs create taxable income.

Far fewer know how to coordinate that income with liquidity restrictions, insider status, tax projections, 10b5-1 sequencing, and long-term wealth preservation.

This is where implementation matters.

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## **The Risk of Generalist Advice**

InVestra's existing clients already understand that high-level wealth planning requires a different standard of advice.

The challenge is that many executives are still approached by advisors whose experience is largely limited to traditional investment management. These advisors may be able to discuss asset allocation, market outlook, portfolio design, and retirement projections.

But SpaceX executive wealth often requires much more.

An advisor who is not deeply familiar with equity-compensation planning may overlook:

- AMT exposure from ISO exercises
- Tax withholding shortfalls from RSU or PSU income
- The timing restrictions around insider sales
- The need for 10b5-1 sequencing
- The interaction between vesting events and tax brackets
- The risk of selling before charitable strategies are evaluated
- Estate-planning opportunities before liquidity or appreciation
- Rule 144 issues for affiliates
- The need to build liquidity before taxes are due
- The psychological risk of overconcentration after a wealth event

At this level, incomplete planning can be costly.

The issue is not whether an advisor is capable of managing a portfolio.

The issue is whether the advisor is prepared to help manage the transition from concentrated executive equity to durable, diversified, tax-aware family wealth.

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## **InVestra's Planning Framework for C-Suite and V-Suite Clients**

InVestra's process is designed for clients whose financial lives require more than standard advisory services.

Our framework may include:

### **1. Executive Equity Inventory**

We help organize the client's full equity picture, including RSUs, PSUs, options, vesting schedules, expected settlement dates, holding restrictions, cost basis, and projected tax exposure.

### **2. Multi-Year Tax Coordination**

We coordinate with the client's CPA and tax professionals to evaluate ordinary income, capital gains, AMT exposure, withholding gaps, estimated taxes, and the timing of liquidity events.

### **3. 10b5-1 Sequencing Review**

For clients who may need structured trading plans, we help evaluate how a potential 10b5-1 plan fits into the larger wealth strategy, including tax needs, diversification goals, charitable intent, and compliance considerations.

### **4. AMT Scenario Planning**

Where AMT-sensitive equity decisions exist, we help model multiple exercise and sale scenarios before action is taken.

### **5. RSU / PSU Vesting Strategy**

We help clients prepare for vesting and settlement events, evaluate potential tax obligations, and determine whether shares should be held, sold, gifted, or diversified.

### **6. Concentrated Equity Risk Management**

We help define the appropriate level of company equity exposure relative to the client's net worth, future income, liquidity needs, family obligations, and risk tolerance.

### **7. Liquidity Planning**

We help identify how much cash should be available for taxes, lifestyle, philanthropy, investments, estate planning, and unexpected obligations.

### **8. Estate and Legacy Coordination**

We coordinate with estate attorneys to evaluate trusts, gifting strategies, charitable vehicles, family governance, and legacy planning before major liquidity or appreciation events.

### **9. Post-Liquidity Portfolio Design**

After liquidity is created, we help construct portfolios designed around risk management, tax efficiency, income needs, capital preservation, and long-term family objectives.

### **10. Ongoing Executive Advisory Support**

For C-Suite and V-Suite clients, planning is not a single event. Equity compensation, tax law, company policy, liquidity windows, and family objectives evolve. InVestra's process is designed to evolve with them.

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# What Existing InVestra Clients Should Be Reviewing Now

For clients with SpaceX equity exposure, InVestra encourages a proactive review of the following areas:

## Equity Compensation

- Current RSU holdings
- Expected RSU vesting dates
- PSU performance and settlement assumptions
- Option holdings, if applicable
- Exercise deadlines
- Cost basis
- Holding-period considerations
- Liquidity restrictions

## Tax Exposure

- Ordinary income projections
- AMT exposure
- Estimated tax obligations
- Withholding gaps
- State income tax impact
- Capital gains exposure
- Charitable deduction planning
- Timing of taxable events

## Trading and Liquidity

- Blackout windows
- Insider status
- Rule 144 considerations
- 10b5-1 planning needs
- Liquidity requirements
- Diversification timeline
- Concentration limits

## Estate and Legacy

- Current estate plan
- Trust readiness
- Gifting capacity
- Charitable intent
- Family governance
- Asset-protection considerations

- Pre-liquidity transfer opportunities

## **Portfolio Construction**

- Target allocation after liquidity
  - Cash reserve strategy
  - Tax-efficient reinvestment
  - Risk tolerance after wealth creation
  - Income needs
  - Family balance-sheet design
  - Private market and public market exposure
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## **The Real Planning Question**

For SpaceX executives, the question is not simply:

“How much could my equity be worth?”

The more important questions are:

- What portion should remain concentrated?
- What portion should be diversified?
- What tax exposure will be created?
- What should be sold first?
- What should be held longest?
- What should be gifted?
- What should be transferred?
- What should be protected?
- What should be converted into long-term family security?
- What decisions must happen before liquidity, not after?

These are the questions InVestra is built to address.

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# Why This Work Must Be Done Before the Window Opens

The most important planning opportunities are often unavailable once the liquidity event has already occurred.

Before the window opens, clients may have time to:

- Coordinate with counsel
- Evaluate 10b5-1 planning
- Model tax outcomes
- Review AMT exposure
- Prepare for RSU and PSU income
- Update estate documents
- Consider charitable structures
- Build liquidity reserves
- Define diversification targets
- Establish family governance
- Prepare a post-liquidity investment plan

After the window opens, the client may be reacting under pressure.

InVestra's approach is designed to move clients from reaction to readiness.

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## Conclusion

For InVestra's C-Suite and V-Suite clients, advanced equity planning is not optional. It is central to protecting the wealth they have worked years to create.

10b5-1 sequencing, AMT strategy, RSU and PSU planning, concentrated equity management, tax coordination, estate planning, and liquidity design must work together.

Most financial advisors are not prepared for this level of implementation. Many are built to manage portfolios after liquidity occurs. InVestra is focused on helping clients prepare before the critical decisions arrive.

At this level, the value of advice is not measured only in investment returns.

It is measured in preparation, coordination, tax awareness, risk reduction, liquidity control, and the successful conversion of concentrated executive equity into lasting family wealth.

InVestra is honored to serve clients whose financial lives require this level of care.

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## **Important Disclosure**

This report is for informational and educational purposes only and should not be construed as individualized investment, tax, legal, accounting, or securities-law advice. InVestra does not provide legal or tax advice unless specifically provided through appropriately licensed professionals. Clients should consult their attorney, CPA, tax advisor, securities counsel, and company compliance resources before implementing any 10b5-1 trading plan, exercising stock options, selling restricted or control securities, making charitable gifts, or engaging in estate planning transactions.

Rule 10b5-1 trading plans must be designed and implemented in accordance with applicable securities laws, company policies, insider trading restrictions, blackout windows, cooling-off periods, good-faith requirements, and legal guidance. AMT projections, RSU taxation, PSU taxation, option exercises, and equity compensation strategies depend on individual facts and circumstances and may change based on future tax law, company policy, valuation, liquidity availability, and market conditions.

Investment advisory services involve risk, including possible loss of principal. Past performance does not guarantee future results. Diversification does not guarantee profit or protect against loss.