Dissolution Procedures

What happens to our work and our funds if LinkScape ever winds down.

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1 Introduction

This document defines the dissolution procedures for LinkScape, a youth-led artificial intelligence nonprofit organization operating under fiscal sponsorship through The Hack Foundation dba Hack Club (operating the Hack Club Bank platform), a 501(c)(3) charitable organization.

As a fiscally sponsored organization, LinkScape must comply with both its internal governance policies and the regulatory requirements of Hack Club Bank, as well as applicable federal and state nonprofit regulations governing 501(c)(3) organizations.

1.1 Purpose

The purpose of this document is to establish clear procedures for the orderly and lawful dissolution of LinkScape, ensuring:

- Compliance with 501(c)(3) regulations and Hack Club Bank requirements
- Proper notification to all relevant parties
- Equitable distribution of organizational assets to charitable purposes
- Preservation of organizational records and documentation

1.2 Organizational Context

Organization Name: LinkScape

CEO & Co-Founder: Thomas Wu

Co-Founder & CFO: Liqian (Eric) Yan

Fiscal Sponsor: Hack Club Bank

Type: Youth-led AI nonprofit focused on technology research and education

2 Dissolution Triggers

LinkScape may be dissolved upon the occurrence of any of the following triggers:

2.1 Voluntary Dissolution

The leadership of LinkScape may voluntarily dissolve the organization only by the collective decision of the Founder and the Co-founders, in accordance with Section 30 of the Organizational Ordinance.

Requirements for voluntary dissolution:

1. Formal written resolution approved by the collective decision of the Founder and the Co-founders (Ordinance Section 30)
2. Minimum 30 days notice provided to all members and stakeholders
3. Consultation with Hack Club Bank prior to dissolution
4. Documentation of all dissolution actions and asset disposition

2.2 Fiscal Sponsor Dissolution

If Hack Club Bank dissolves, ceases operations, or revokes its fiscal sponsorship of LinkScape, the organization shall be immediately subject to dissolution procedures.

In such event:

- LinkScape shall follow all guidance provided by Hack Club Bank
- Assets shall be transferred to Hack Club Bank or their designated recipient
- All records shall be transferred to Hack Club Bank or their designee

2.3 Regulatory Dissolution

LinkScape may be subject to mandatory dissolution due to regulatory action, including but not limited to:

- Failure to maintain compliance with 501(c)(3) regulations
- Revocation of tax-exempt status by the Internal Revenue Service
- Violation of state charitable registration requirements
- Court order or legal judgment mandating dissolution

2.4 Inability to Continue Operations

The organization may dissolve if it becomes unable to continue operations due to:

- Insufficient financial resources to maintain charitable programs
- Loss of key leadership and inability to recruit replacements
- Inability to fulfill charitable mission
- Sustained lack of member engagement

3 Dissolution Process

The following process shall be followed for the orderly dissolution of LinkScape:

3.1 Phase 1: Decision and Authorization

1. Leadership Review: The leadership team shall review the circumstances requiring dissolution and determine that dissolution is the appropriate course of action.
2. Formal Resolution: A written dissolution resolution shall be prepared and submitted to the Founder and the Co-founders.
3. Approval: Dissolution shall be approved by the collective decision of the Founder and the Co-founders, consistent with Section 30 of the Organizational Ordinance. This supersedes any prior reference to a simple majority vote of the leadership team.
4. HCB Consultation: Hack Club Bank shall be notified and consulted before any public dissolution announcement.

3.2 Phase 2: Notification

All relevant parties shall be formally notified of the dissolution decision as detailed in Section 4.

1. Members and Stakeholders: Written notice shall be provided to all members, employees, volunteers, and stakeholders.
2. Financial Institutions: Bank and financial institutions shall be notified of account closure procedures.
3. Beneficiaries and Partners: Organizations receiving grants or benefits shall be notified.
4. Creditors: All known creditors shall be notified and given opportunity to submit claims.

3.3 Phase 3: Asset Liquidation

All organizational assets shall be identified, inventoried, and disposed of according to Section 5.

1. Asset Inventory
2. Liability Assessment
3. Creditor Payment
4. Charitable Distribution

3.4 Phase 4: Records Management

All organizational records shall be preserved and transferred as required by Section 6.

1. Financial records shall be retained for seven years
2. Legal and governance documents shall be retained permanently
3. Program records shall be transferred to appropriate recipients
4. All records shall be organized and transferred to Hack Club Bank

3.5 Phase 5: Final Documentation

1. Final accounting and financial reporting shall be completed
2. Tax filings and regulatory reports shall be submitted
3. Dissolution certificate shall be filed with appropriate authorities
4. Final report shall be provided to Hack Club Bank

4 Notification Procedures

Formal notification of dissolution shall be provided to all relevant parties according to the procedures outlined in this section.

4.1 Notice Content

All dissolution notices shall contain the following information:

- Statement that LinkScape is dissolving
- Effective date of dissolution
- Brief explanation of reasons for dissolution
- Instructions for resolving outstanding matters
- Contact information for dissolution coordinator
- Timeline for asset distribution
- Reference to applicable policies and regulations

4.2 Internal Notification

Internal notification shall be provided to:

Members and Employees

Method: In-person meeting, video conference, and written notice

Timeline: Within 5 business days of dissolution approval

Content: Full explanation of dissolution decision and timeline for winding down operations

Volunteers

Method: Email notice

Timeline: Within 7 days of dissolution approval

Content: Dissolution notification and final meeting dates

4.3 External Notification

External notification shall be provided to:

Hack Club Bank

Method: Formal written notice and direct communication

Timeline: Immediately upon dissolution approval

Content: Dissolution notice, asset inventory, and proposed distribution plan

Partner Organizations

Method: Email and phone contact

Timeline: Within 10 days of dissolution approval

Content: Dissolution announcement and status of joint programs

Financial Institutions

Method: Written notice with authorized signatures

Timeline: Within 5 business days of dissolution approval

Content: Account closure authorization and instructions for asset transfer

Creditors and Vendors

Method: Written notice to all known creditors

Timeline: Within 10 days of dissolution approval

Content: Dissolution notice with deadline for claim submission

4.4 Public Announcement

A public announcement may be made through:

- Official website
- Social media channels
- Email announcement to subscriber list
- Press release if appropriate

4.5 Documentation of Notification

The dissolution coordinator shall maintain a record of all notifications including:

- Date and method of notification
- Names and contact information of recipients
- Content of notice sent
- Confirmation of receipt
- Any responses received

5 Asset Distribution

Upon dissolution, all assets of LinkScape shall be distributed in accordance with 501(c)(3) regulations and this policy.

5.1 Asset Inventory

A complete inventory of all organizational assets shall be prepared, including:

- Cash and liquid assets
- Equipment and physical property
- Intellectual property and software
- Digital assets and accounts
- Archives and historical records
- Any other assets of value

5.2 Liability Settlement

All known liabilities shall be paid or provided for using available assets, in the following order of priority:

1. Debts owed to Hack Club Bank or other creditors
2. Outstanding employee wages and benefits
3. Taxes owed to federal and state authorities
4. Other vendor and contractual obligations

5.3 Charitable Distribution

After settlement of all liabilities, remaining assets shall be distributed exclusively to charitable organizations recognized as 501(c)(3) by the Internal Revenue Service. Assets shall not be distributed to private individuals, shareholders, or organizations.

Distribution shall be guided by the following principles:

Primary Distribution: Hack Club Bank

As LinkScape's fiscal sponsor, Hack Club Bank shall have the first right to receive residual assets and shall determine their charitable use in furtherance of educational and nonprofit purposes.

Alternative Distribution

If Hack Club Bank declines residual assets or directs distribution elsewhere, assets may be distributed to organizations with similar missions, such as:

- Youth-led technology and education nonprofits
- Organizations advancing AI ethics and responsible innovation
- Organizations serving underrepresented communities in technology
- Educational institutions with technology research programs

Intellectual Property

Any intellectual property developed by LinkScape shall be:

- Released under appropriate open-source licenses where applicable
- Transferred to Hack Club Bank or designated charitable recipient
- Preserved for continued use by the nonprofit sector
- Made freely available to qualified educational institutions

Programs and Resources

Program assets and resources shall be distributed to organizations capable of continuing LinkScape's educational and research mission:

- Educational materials shall be transferred to schools and educational nonprofits
- Research data shall be contributed to appropriate research institutions
- Equipment shall be donated to youth technology programs
- Archives shall be preserved with designated institutions

5.4 No Private Distribution

In accordance with 501(c)(3) regulations, no assets of LinkScape shall be distributed to:

- Founders, officers, or board members
- Employees beyond their final compensation
- Investors or shareholders
- For-profit entities
- Political organizations or candidates

5.5 Distribution Timeline

Asset distribution shall be completed according to the following timeline:

1. Within 30 days: Asset inventory and liability assessment completed

2. Within 45 days: All creditor claims processed and liabilities settled
3. Within 60 days: Charitable distribution plan approved by leadership and HCB
4. Within 90 days: All assets distributed and final documentation completed

6 Records Management

All organizational records shall be preserved, organized, and transferred in compliance with applicable record retention regulations.

6.1 Record Categories and Retention

Records shall be organized into the following categories with the specified retention periods:

Record Category	Retention Period	Custodian
Financial Records	7 years	Hack Club Bank
Governance Documents	Permanent	Hack Club Bank
Tax and Regulatory	7 years minimum	Hack Club Bank
Program Records	3-5 years	Designated recipient
Employee Records	3 years	Hack Club Bank

6.2 Record Preservation

All records shall be preserved according to the following standards:

- Records shall be stored in a secure, accessible location
- Digital records shall be maintained in multiple formats where appropriate
- Physical records shall be protected from deterioration
- Access shall be restricted to authorized individuals
- An inventory of all records shall be maintained

6.3 Transfer of Records

All organizational records shall be transferred to Hack Club Bank, including:

- Financial records and ledgers
- Governance documents and meeting minutes
- Tax filings and regulatory documents
- Personnel files and employment records
- Contracts and agreements
- Program documentation
- Digital assets and passwords

6.4 Archive and Historical Preservation

LinkScape's historical records and archives shall be preserved to document the organization's impact and contributions to youth-led AI education and research. These materials shall be made available to researchers and educators, with appropriate privacy protections.

7 Final Dissolution Report

Upon completion of the dissolution process, a final report shall be prepared and submitted to Hack Club Bank.

7.1 Report Contents

The final dissolution report shall include:

- Dissolution decision and authorization documentation
- Timeline of dissolution activities
- Complete inventory of assets and liabilities
- Summary of all notifications sent
- Financial accounting of all expenditures and distributions
- Details of asset distributions
- Final accounting and reconciliation
- Tax filing documentation
- Regulatory filing and compliance documentation
- Records management and transfer documentation

7.2 Dissolution Coordinator

A dissolution coordinator shall be designated to oversee the entire dissolution process. The coordinator shall be responsible for:

- Coordinating all dissolution activities
- Managing notifications and communications
- Overseeing asset inventory and distribution
- Maintaining documentation of all actions
- Preparing the final dissolution report
- Serving as primary contact for dissolution-related inquiries

Conclusion

This dissolution procedures document establishes a comprehensive framework for the orderly and compliant dissolution of LinkScape should such action become necessary. The procedures outlined herein ensure that:

- Dissolution occurs in compliance with 501(c)(3) regulations and Hack Club Bank requirements
- All stakeholders are properly notified and informed
- Assets are distributed exclusively to charitable purposes
- Organizational records are properly preserved and transferred
- The organization's mission and legacy are honored

The leadership of LinkScape is committed to maintaining the highest standards of governance and stewardship, including the responsible management of organizational dissolution should it become necessary.

Document Approval

This document has been prepared in accordance with 501(c)(3) regulations and Hack Club Bank fiscal sponsorship requirements.

For questions or more information about LinkScape's dissolution procedures, please contact the organization directly through official channels.

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