

*Response by Ladybird Browser Initiative to request for information dated April 29, 2025
regarding Application for Exempt Status, EIN: 99-2154861*

May 14, 2025

Dear Sir or Madam,

This information is being provided in response to your request for information dated April 29, 2025, regarding Ladybird Browser Initiative's application for 501(c)(3) status. EIN: 99-2154861

Here are the requests in your response and our explanation.

"Your activity-- developing a web browser for the public, must be distinguishable from an ordinary commercial practice. Such practices include:

- 1. Competition with for-profit commercial entities;**
- 2. Extent and degree of below cost services provided;**
- 3. Pricing policies;**
- 4. Reasonableness of financial reserves;**
- 5. Use of advertising; and**
- 6. Receipt of charitable donations."**

"Please explain in detail how your organization is similar or different from the ordinary commercial practices listed above."

1. Competition with for-profit commercial entities. Web browsers are provided by both for-profit and non-profit entities. The main browsers used today (representing 95% or more of the browser field) are listed below, along with an explanation of the associated commercial activities. All browsers listed below are provided free of charge. However, the browsers from commercial competitors leverage the browser to collect personal data, and funnel users to their commercial services, cloud storage services, operating systems and devices.

Browser	Provider	Business Activity
Chrome	Google (Alphabet)	Google's browser is focused on integrating browser use with Google services such as web search, mapping, and Workspace office productivity tools. Chrome is heavily integrated with Google operating systems such as Chromebook and Android. Chrome also collects significant information about users, resulting in serious privacy concerns.
Safari	Apple	Safari is used almost exclusively on Apple computing devices such as Mac and iPhone.
Edge	Microsoft	Edge is used almost exclusively on Microsoft operating systems such as Windows. Microsoft's browser is heavily integrated with its

		commercial offerings, including Windows and CoPilot, its AI offering. Microsoft famously argued that its browser (Internet Explorer, the precursor of Edge) was an integral part of Windows in the DOJ case against Google in 2000.
Firefox	Mozilla Foundation	Firefox is a cross-platform browser developed by Mozilla Foundation, which has been operating for many years as a 501(c)3 exempt organization. Mozilla receives most of its revenue from an arrangement with Google to set default search services, which is received via Mozilla Corporation, a for-profit entity owned by Mozilla Foundation. Of the major browser developers, Mozilla is the closest to Ladybird. However, Ladybird plans to engage in even less commercial activity than Mozilla, because we do not plan to make deals favoring any search provider.

Like the above examples, the Ladybird browser will be provided free of charge. Unlike the other examples, our Ladybird browser is not designed to drive users toward paid services, relinquishing their private data, purchasing specific devices, or using proprietary operating systems. Ladybird is specifically designed to give users control over their personal information, and avoid being funneled toward commercial services or products, unlike Chrome, Safari, and Edge. Only a non-commercial, non-profit entity can provide a meaningful alternative to the commercial browsers. The benefit to the user will not be a lower price, but freedom and autonomy.

2. Extent and degree of below cost services provided

All of the browsers specified above are provided below cost, assuming distribution and development costs are included in costs.

The difference is that Ladybird will absorb that cost via donations of funds and volunteer time, rather than offsetting costs with commercial activity. This allows us to strive for user benefits, rather than commercial gain.

3. Pricing policies

Ladybird's browser will be provided under the BSD license, a permissive free and open source license that ensures the browser **will always be freely available**. As a non-profit, we will be able to ensure that this license is never changed to a paid or restricted license.

All major browsers in the market are free of charge, so there is no price competition among browsers. However, all other commercial browsers listed above are "loss leaders" that leverage the browser to invite or compel users to use paid commercial services. Also, many of the above browsers are provided under proprietary licensing terms, imposing a non-monetary "cost" of

restrictive terms and conditions, including acknowledgement of personal data collection practices.

4. Reasonableness of financial reserves

Our goal is to keep at least 18 months of expenses in reserve at all times. Most of our expenses will be salaries. We have no offices, and minimal expenses for software and online accounts for development tools. Please see Part IV-A, page 13, in our original application for an accounting of revenue and expenses for 2024 and projected for 2025-2026.

5. Use of advertising

For our initial release of the Ladybird browser, we do not plan to buy advertising. Open source projects generally gain popularity by word of mouth. We will give presentations about the Ladybird project at professional conferences and post updates on social media via our personal or Ladybird accounts. We will also maintain a mailing list for those who wish to be informed of updates.

6. Receipt of charitable donations

We have received charitable donations already, including \$100,000 from Shopify, \$50,000 from The Proton Foundation, and many more. We also have a \$200,000 commitment from FUTO that is conditioned on our receiving tax exempt status as requested by us. In addition, FUTO has committed an additional “one year of expenses” to be donated in the future, also conditioned on our tax exempt status. Co-founder Chris Wanstrath also seeded the corporation with a \$1,000,000 donation.

3. Please explain how your activity of creating a web browser is considered exclusively charitable within the meaning of Section 501(c)(3) of the Internal Revenue Code and not considered to be a commercial activity.

By releasing our browser under the BSD license, we grant an unlimited and free-of-charge right to use the software we have developed. This is a gift of rights to every user, which is just as valuable as a gift of funds or services, in the sense that our users will not be compelled to buy commercial services to enjoy the full use of the browser. This will promote free access to the Internet by all users.

At a broad level, our activities are similar to that of the Mozilla Foundation, however, we do not plan to engage in Mozilla’s for-profit activities. For reference, its application for exempt status is here: <https://static.mozilla.com/foundation/documents/mf-irs-501c3-application.pdf>. Please note specifically Part II, B. Background on page 10.

4. Discuss whether your governing board has been expanded to include other officers. If so, please provide the names, addresses, and titles of offices held.

We've expanded the board to a total of 4 directors:

- Andreas Kling (President).
 - [REDACTED]
- Chris Wanstrath (Secretary & Treasurer)
 - [REDACTED]
- Tim Flynn
 - [REDACTED]
- Mike Shaver
 - [REDACTED]

5. Submit copies of any agreements you plan to use in establishing your internet browser.

Our license for the browser will be the BSD license. A copy is provided below for your reference.
<https://opensource.org/license/bsd-2-clause>

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6. You have emphasized privacy issues in the creation of your internet browser. Explain whether you or others will allow potential users to create content which is against public policy.

Browsers are tools to view content created by others, not to create content. All browsers operate in roughly the same way, in this respect. A browser is similar to any tool that allows a user to view content in a standard format, like Adobe PDF Viewer, which reads pdfs. The standard format for content to be viewed by our browser is HTML, which is the standard format for the world wide web.

While it is possible to use a browser to create content (such as posting content on social media), this process is controlled by the website that develops the HTML scripts executed by the browser. Any content moderation is within the control of the party offering the website, not the developer of the browser.

7. Explain what benefit sponsors will receive in supporting your organization. Will sponsors use your website to support their commercial businesses? Explain in detail.

Our sponsors receive an acknowledgement on our web page. A screenshot of the page as of May 12, 2025 appears below for your reference, or you can visit the web page here:

<https://ladybird.org/>

For completeness sake, we also thank our sponsors on social media (x.com/ladybirdbrowser) and mention new sponsors in our monthly newsletter + monthly update videos.

Sponsors

Platinum

FUTO

 **shopify**

Gold

 **Proton VPN**

ahrefs

Guillermo Rauch

 **ohne-makler**

Silver

Mitchell Hashimoto

Paul Copplestone

37signals 

Cling

 **WorkOS**

PCH
Pebble Charging Hubs

NUU

 **playbit**

Bronze

 **JETBRAINS**

 **Tuple**

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Guillaume Knispel

Mark Goetz

Broadband Map

Jonathan Lahijani

Puter

Follower24.de

SimonBitwise

Travis Heinström

Sjors Witteveen

Philip Lonsing

Clément Sibille

blackOwl

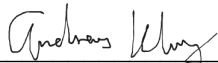
Gian Giovani

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By:

Ladybird Browser Initiative

Under penalties of perjury, I declare that I have examined this request, or this modification to the request, including accompanying documents, and, to the best of my knowledge and belief, the request or modification contains all the relevant facts relating to the request, and such facts are true, correct, and complete.



Signature of Authorized Individual

Name of Authorized Individual: Andreas Kling

Title: President, Ladybird Browser Initiative

Date: May 14, 2025

Attached:

- Cover letter to the response
- POA (for reference)

To be provided via Document Upload Tool (DUT): [IRS.gov/SendMyReply](https://irs.gov/SendMyReply) access code 6cffj-992w2