

Heads of Agreement – Youth Capital Accounts (YCA) IP License v0.7
License-only model — AUD \$10 per Active Program Account per year
Jurisdiction: Australia (public sector deployments)

Purpose

To enable the Commonwealth (or its prime contractor) to build and operate YCA-compliant programs using the Licensor's IP, while the Licensor receives a fixed per-account royalty and carries no operational risk.

1. Parties

Licensor: James Knight / [SPV Pty Ltd ACN TBA]

Licensee: The Commonwealth of Australia (represented by Treasury/Services Australia) or the appointed prime vendor (the "Operator").

2. Field of Use & Territory

Government-funded financial literacy & capital-seeding programs delivered through the myGov/myID YCA hub, for Australian citizens and permanent residents who have held that status for at least two years, consisting of:

Universal \$1,000 seeding for all 13–17 year olds in Year 1, followed by recurring \$1,000 seeding for each new 13-year-old cohort annually

One-off \$500 incentivised onboarding for 18–20 year olds in Year 1 only, conditional on completing full onboarding and core modules. Unclaimed funds revert to the program coffer / Consolidated Revenue at end of Year 1.

One-off \$250 incentivised onboarding for 21+ in Year 1 only, conditional on completing full onboarding and core modules. Unclaimed funds revert to the program coffer / Consolidated Revenue at end of Year 1.

3. License Grant

Subject to Acceptance of the Deliverables under clause 5, the Licensor grants the Licensee a non-exclusive, non-transferable licence for the Term to use, implement, modify and distribute the Licensed Materials within the Field of Use and Territory.

For the avoidance of doubt:

- (a) this Agreement licenses only the Licensor's copyrighted materials, specifications, documentation, reference implementations, templates, compliance mappings, certification criteria, and associated branding and marks (the "Licensed Materials");
- (b) any systems, mechanisms, architectures, workflows, or concepts described in the Defensive Publication – Youth Capital Accounts (YCA) v1.2 are intentionally disclosed as prior art and are not licensed exclusively or at all under this Agreement; and
- (c) nothing in this Agreement grants the Licensee ownership of, or exclusivity in, any intellectual concepts disclosed as prior art, nor limits the Licensor's right to reuse, adapt, or license the Licensed Materials outside the specific deployment.

The licence is not perpetual. The initial term is ten (10) years, renewable only by mutual written agreement. The Licensor may require renegotiation or updated addenda as a condition of renewal, or may allow the licence to expire.

4. Royalty & Payments

Royalty: AUD \$10 per Active Program Account per Contract Year, indexed annually by CPI (All groups, Australia) capped at +3%/yr.

Active Program Account (APA): A unique, eligible program participant that has (i) completed onboarding, (ii) has an unlocked account, and (iii) has logged in/opened the account at least once after unlock during any month in the Contract Year. Counted once per Contract Year.

Contract Year: Australian Financial Year (1 July – 30 June).

Payment terms: Quarterly in arrears, within 30 days of invoice. Each invoice must be accompanied by a certificate signed by the Operator's CFO (or equivalent) stating the APA count for the quarter and the calculation method.

Minimum Annual Guarantee (MAG): AUD \$2,000,000 in Year 1, growing thereafter by CPI (capped at +3%/yr), with a hard lifetime cap of AUD \$4,000,000 per annum.

4A. Audit Rights

Licensor (or its nominated auditor) may, on 30 days' notice and no more than once per Contract Year, require the Operator to provide anonymised, aggregated reports showing:

Number of accounts unlocked in the period, and

Number of those accounts that were opened/logged in at least once after unlock.

These two datapoints will be compared against the APA count used for royalty invoicing. If the audit reveals an underpayment of >5%, Operator pays the audit costs and the shortfall plus interest at the RBA cash rate + 2%.

5. Deliverables (Acceptance-Based; One-Time)

Architecture Spec (identity/custody/CHESS, RG 133 mapping).

Parent Freeze Policy (tiered, semiannual tokens; abuse controls) - Licensee shall implement this policy substantially in accordance with the delivered specification. Any deviation from the tier structure, rate limits, abuse penalties, or independent review requirements described in the delivered specification shall disqualify the implementation from use of the YCA-Compliant certification mark unless the Licensor provides prior written approval.

Onboarding UX spec for adults.

Compliance Mapping (RG 133, RG 148; Part 7.8 client money; AUSTRAC KYC notes).

Legal Templates: PDS/ToS skeletons, policy scripts, consent copy for myID.

Reference Implementation (non-prod): Code samples, test fixtures, API contracts, audit-log pattern (hash-chained).

Threat Model & Controls Matrix (custody, ID, fraud).

Defensive Publication - Youth Capital Accounts (YCA) v1.2 dated 6 February 2026, published to establish prior art only; copyright subsists in the expression of the document, and no licence to implement or reproduce the Licensed Materials is granted by publication alone.

Certification Criteria for the YCA-Compliant mark.

Maintenance & Support Framework (budgeted ≤ \$80 million per annum).

6. Support & Changes

Included: Up to 20 hours of handover workshops (remote) within 60 days of Acceptance.

No ongoing support obligation. Changes/assistance thereafter via separate SOW at day-rate.

Change Control: Any requested material changes to YCA Materials are out-of-scope unless contracted separately.

7. IP, Improvements & Mark

Ownership: YCA Materials remain Licensor's IP.

Improvements: Licensee/Operator may create derivatives; Lessor receives a non-exclusive, royalty-free licence back to any improvements (for use outside the specific deployment).

Certification Mark: Use requires passing annual audit against the published criteria; failure suspends mark licence (royalty unaffected).

8. Warranties & Indemnities

Lessor warranties (limited): (i) Right to license; (ii) No known third-party IP claims as of Effective Date.

No warranties as to fitness, regulatory approval, or performance.

Lessor indemnity: IP infringement only (subject to prompt notice/control).

Licensee indemnity: All operational, regulatory, consumer, custody, KYC/AML, data, outages, and advice claims.

9. Liability

Lessor's aggregate liability in any Contract Year is capped at 12 months of royalties actually paid for that year.

Exclusions: No indirect/consequential damages. No operational liability.

10. Term, Termination, Wind-Down

Initial term: 10 years. Renewable by mutual agreement only.

Termination for convenience (Licensee): 6 months' notice + wind-down fee equal to 9 months of trailing run-rate royalties.

Termination for cause: Material breach uncured within 30 days.

Survival: Payments, audits, indemnities, liability caps, confidentiality, licence to improvements.

11. Branding, Publicity, Moral Rights

No use of Lessor's name/likeness/quotes for commercial or endorsement purposes without prior written approval.

Required limited attribution for non-commercial educational use:

"Created by James Knight" in the in-app/web "About" section;

"Created by James Knight" during onboarding flow;

Small-print "by James Knight" next to the YCA logo on main screen (app + web).

12. Confidentiality & Data

Mutual confidentiality.

All program PII and trading data belong to Licensee/Operator. Lessor receives only anonymised, aggregated telemetry.

13. Dispute Resolution & Law

Good-faith escalation → mediation → arbitration in Brisbane, QLD.

Governing law: Queensland, Australia.

14. Additional Provisions

Voluntary Contributions: Licensee may accept third-party goodwill funds on a no-strings basis (no equity, no branding rights, no contractual or de-facto policy influence).

Maintenance Team: Operator shall maintain a dedicated team for ongoing support, audits, system integrity and upgrades. The annual budget for this team and associated activities shall not exceed AUD \$80 million (this is a hard cap; the actual spend may be lower).