

AVATAR VENTURES CORP AND AUTOART COLOR SOLUTIONS EXCLUSIVE AGREEMENT,

This EXCLUSIVE Distribution Agreement is effective as of September 1, 2015 by and between AutoART Color Solutions Inc Oakville, ON, Canada (Manufacturer / Supplier of DuraKolor Transfer Papers) and AVATAR VENTURES CORP. (ATAR) of Nevada, USA.

The parties agree as follows:

1. AutoART appoints Avatar Ventures Corp. Nevada (ATAR), and ATAR accepts such appointment as Exclusive Distributor of AutoART's product line (defined below) within the geographic territory defined as the Country of Jamaica, subject to the terms and conditions of this agreement.
2. ATAR agrees to exercise its best efforts to: a) promote the sale of and obtain orders for AutoART's product offerings b) abide by AutoART's policies and procedures with regard to purchase, sale and support of AutoART's products c) conduct its business in such a manner that reflects favorably on AutoART's products, good name, reputation, and goodwill.

ATAR acknowledges and agrees its rights are limited to those identified in this agreement. ATAR agrees and is not authorized to promote, resell, support, transport, ... AutoART product outside of Jamaica. ATAR can add value to AutoART's product and market resulting 'end-product' under its branding within and outside Jamaica (provided the resulting end-product originates within Jamaica).

Products and Pricing:

AutoART's Products consist of all Transfer Papers and Related Products offered to all of its distributors, excluding Custom Products made on demand specifically for one or more distributors.

Current Products include: DuraKolorLIGHTS Transfer Papers (white, light colored natural fabrics) DuraKolorDARKS Transfer Papers (dark fabrics) DuraKolorPoly Transfer Papers (synthetic fabrics)

ATAR is welcome to order custom products for its exclusive requirements. Custom goods will likely require a set-up charge - both initially to create the product and with each order.

Approvals:

ATAR should obtain, at his own expense, any and all approvals required by the Jamaican Government to import, add value, sell / resell paper, ...

Exclusivity:

AutoART's appointment of AVATAR VENTURES CORP., Nevada as an Exclusive Appointment to distribute AutoART products in Jamaica. AutoART shall not independently advertise, solicit, make sales, support its products nor appoint additional distributors in Jamaica during the life span of this agreement.

Sales Targets

ATAR shall undertake reasonable commercial efforts to purchase AutoART products during this agreement.

If ATAR fails to purchase sufficient (quantities agreed to below) within semi-annual targets, AutoART may terminate this Agreement with 90 days written notice. This notice period will provide sufficient time for ATAR to meet or exceed purchase targets.

Informal reviews will take place - where are we at, what can be done to help - after the first and third quarters; formal reviews following the second and fourth quarters

Going forward purchase targets will be established during these sessions.

As a statement of commitment and good faith, ATAR has agreed to pay \$10,000 US to AutoART within the first six months, and AutoART will provide a quantity of product to assist in the setting up of locations and training in Jamaica.

Due to logistics and approvals from the Jamaican Government, after an initial period of setup which will be a 3 month period to establish operations, ATAR and AutoArt have initially agreed to set a mutual agreement of purchase orders for the following 6 month period of \$10,000 USD, and following that period a target of a minimum \$10,000 USD quarterly in product purchases.

Payment and Delivery:

The Purchase Price shall be quoted and payable in US Dollars to AutoART at the address specified on the invoice. Unless otherwise specified in writing and agreed to by both parties, payment shall be made by ATAR by bank wire transfer at time of order.

AutoART's products shall be delivered EX Works AutoART facilities (EX Works - A trade term requiring the seller to deliver goods at his or her own place of business. All other transportation costs and risks are assumed by the buyer.). Risk of loss or damage of AutoART's products shall pass to ATAR upon delivery to the named carrier at AutoART's facilities. Any shipping, handling, insurance or other costs paid by AutoART will be invoiced to ATAR and be paid by ATAR to AutoART.

Pricing and Expenses:

It is agreed that ATAR is solely responsible for setting selling prices within Jamaica. Additionally, ATAR is solely responsible for all distribution costs associated with AutoART's products, including but not limited to, sales costs, any and all banking charges, duties into Jamaica, shipping and handling charges, bank wire transfers, and other costs associated with making payment, Jamaican taxes, fines, penalties, ...

Use of Trademarks, Registration Marks, ...

ATAR shall not be permitted to print, post or otherwise use letterhead, business cards, signage, or any other representation of AutoART or to represent ATAR as AutoART or make commitments on behalf of AutoART without the express written permission of AutoART.

ATAR expressly agrees that no license is granted to use AutoART's name, trademarks, registration marks, logos, by this agreement. ATAR may indicate, in its marketing and advertising materials, that ATAR is the exclusive distributor on AutoART products within Jamaica and may as necessary, incidentally use the AutoART trademarks (noted above) in its sales / marketing efforts.

AutoART reserves the right to review ATAR sales and marketing materials prior to their publishing and or use.

Upon termination of this agreement, ATAR will immediately stop using any and all references to AutoART.

Confidential Information:

AutoART may provide ATAR with certain confidential or proprietary information (Confidential Information). Confidential Information includes information whether written, electronic and or oral, which ATAR knows or reasonably should know is proprietary, confidential and or trade secret of AutoART, including any or all technical or business information, product specifications, customer lists, supplier lists, supplier products, pricing information, marketing information, policies, production procedures, manuals, distribution channels, or any and all proprietary matter relating to AutoART's products and or business.

ATAR will likewise restrict its disclosure of the Confidential Information to those who have a need to know such Confidential Information in order for ATAR to perform its obligations and enjoy its rights under this Agreement. Such persons will be informed of and will agree to the provisions of this Section and ATAR will remain responsible for any unauthorized use or disclosure of the Confidential Information by any of them.

Upon termination of the Agreement, ATAR shall cease to use all Confidential Information and promptly return to AutoART (or destroy upon request by AutoART) any and all documents (whether written or electronic) in its possession or under its control that constitutes Confidential Information. During the term of this Agreement and thereafter, neither ATAR nor ATARS

employees, independent contractors nor other agents shall a) reverse engineer, decompile or otherwise disassemble AutoART's standard and custom-made (those products specifically and exclusively made for ATAR) products themselves or from any other information made available to ATAR, or b) otherwise use any of the Confidential Information of AutoART provided training to support, maintain or otherwise service a third party's products or services.

In a like manner, AutoART and any of its management, employees or any others associated with AutoART, agree wholeheartedly that they will not convey, disclose or discuss any custom product ideas of ATAR nor convey such ideas to any person(s) or business enterprise(s) in any like manner.

Compliance with Laws:

ATAR agrees to comply with all state / provincial, local and foreign laws, constitutions, codes, statutes and ordinances of any government authority that may be applicable to ATAR, its activities under this Agreement or AutoART Products, including all applicable export control laws and regulations.

Product Warranties:

a). Limited Manufacturing Warranties:

AutoART warrants for 100 days, from time of formal invoice (day of delivery of goods) that the Products shall be free from defects in materials and workmanship. AutoART's sole obligation under this warranty shall be to provide, at no charge to ATAR, replacement Product. Defective Product must be returned to AutoART (at ATAR cost) in order to receive warranty replacement (unless AutoART determines such return is not necessary) and shall become AutoART's property. For a warranty claim to be made, ATAR must follow the procedures established by AutoART from time to time (as documented on our website(s)).

b) Warranty of Good Title:

AutoART agrees to indemnify ATAR from any liability from any third-party supplier for infringement of Canadian patents, copyrights, trademarks or trade secrets with respect to AutoART products sold by ATAR. This obligation does not extend to any Custom Products manufactured or modified specifically by AutoART to meet ATAR specifications.

c) Disclaimer, except as provided in this section, AutoART makes no other warranty, promise or obligation with respect to AutoART products. AutoART disclaims any warranty, promise or obligation that AutoART products shall be fit for any particular use or purpose, regardless of whether such use or purpose is made known to AutoART or not. AutoART disclaims any warranty, promise or obligation that AutoART products conform to any samples. AutoART hereby excludes all other warranties, promises and obligations, express, implied or statutory, including any warranties, promises and obligations arising from a source of dealing or usage of trade. The warranties set forth in this Section are intended solely for the benefit of ATAR. All

claims under this Agreement shall be made by ATAR and may not be made by ATARs customers.

d) ATARs Warranties: ATAR agrees, at its cost, to provide its customers with, at a minimum, substantially the same warranties as set forth in Limited Manufacturing Warranties with regard specifically to AutoART products. ATAR will assume all costs involved in providing any additional warranties.

Reporting

Every quarter, following initial setup of operations, ATAR shall email to AutoART a rolling 3 month, non-binding purchase forecast of the anticipated purchases for Jamaica.

Term and Termination:

Unless earlier terminated as provided in this Agreement, the terms of this Agreement shall commence as of the Effective Date and shall automatically renew annually on the Effective Date.

Either Party may terminate this Agreement as follows:

- a) immediately upon 90 days' prior notice with or without cause;
- b) immediately, for any breach or default of this Agreement by the other party which has not been cured within 30 days after delivery of notice thereof to the party alleged to be in breach, specifying with particularity the condition, act, omission or course of conduct asserted to constitute such breach or default;
- c) immediately upon the dissolution, insolvency or any adjudication in bankruptcy of, or any assignment for the benefit of creditors by, the other party or if the party ceases to conduct business in the ordinary or normal course;
- d) immediately, if required by law or or by any rule, regulation, order, decree, judgment or other governmental authority;
- e) immediately by AutoART if AutoART reasonably suspects that ATAR breached any of its obligations of confidentiality or protection of AutoART's proprietary rights.

Effect of Termination

Upon notice of termination of the Agreement for any reason, the following provisions shall apply:

- a) All rights granted to ATAR under this Agreement shall cease and revert to AutoART;
- b) No consideration or indemnity shall be payable to ATAR either for loss of business, goodwill, customers or other like or unlike items, nor to advertising costs, costs of samples or supplies,

termination of employees, employees' salaries, employee deductions and other like and unlike items. In no event shall ATAR continue to represent its as an AutoART distributor or representative after termination of this Agreement.

AutoART shall have no liability to ATAR by reason of termination by AutoART. ATAR shall indemnify and hold harmless AutoART from and against any and all liability, loss, damages and costs (including reasonable attorney's fees) arising out of any claim by ATAR or third-party standing in the right of ATAR to any right of entitlement contrary to the express terms of this Section.

Indemnification

ATAR agrees to indemnify and hold AutoART harmless from any and all actions, awards, claims, losses, damages, costs and expenses (including reasonable attorneys' fees) attributable to ATAR's breach of this Agreement or to any negligent, grossly negligent, willful or unlawful acts or omissions of ATAR, his employees, officers, agents, subcontractors, dealers or representatives.

Relationship of Parties

ATAR is an independent contractor/corporation and not an employee, agent, affiliate, partner or joint venture partner with AutoART. Neither ATAR nor AutoART shall have any right to enter into any contracts or commitments in the name of, or on behalf of or to bind the other in any respect whatsoever, except insofar as is allowed by this Agreement.

Force Majeure

Neither party shall be liable in the event that its performance of this Agreement is prevented or rendered so difficult or expensive as to be commercially impracticable, by reason of an Act of God, labor dispute, unavailability of transportation, goods or services, government restrictions or actions, war (declared or undeclared), or other hostilities, or by any other event, condition or cause which is not foreseeable on the Effective Date and is beyond the reasonable control of the party.

Limitation of Liability

AutoART shall in no event be liable for any indirect, special, exemplary, incidental or consequential loss or damage or for any lost profits, lost savings or loss of revenues suffered by ATAR arising from or in any way connected with this Agreement or the sale, distribution or use of AutoART products. ATAR shall indemnify AutoART and hold it harmless from any claims, demands, liabilities, suits or expenses of any kind arising out of the sale or use of AutoART products. This section shall survive the termination of this Agreement for any reason.

Governing Law

This Agreement shall be governed in all respect by the laws of the Province of Ontario, Canada which shall be applied without reference to any conflict-of-laws rule under which different law might be applicable. The United Nations Convention of Contracts for the International Sale of Goods shall not apply to any purchases or transactions entered into pursuant to this Agreement.

ATAR hereby submits itself to the exclusive jurisdiction of Ontario, Canada and consents to service of process confirmed by commercial courier (with verification of receipt returned to the sender).

Assignment and Delegation

ATAR shall have no right to assign any of its rights or delegate his obligations under this Agreement with the prior written consent of AutoART. Any assignment or delegation attempted with such written consent shall be void and of no legal effect whatsoever.

This Agreement shall be binding upon the parties' respective successors and permitted assigns.

Severability

In the event that any provision of this Agreement shall be unenforceable or invalid under any applicable law or be so held by applicable court or arbitration decision, such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole and in such event such provisions shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law or applicable court or arbitration.

Notice

Any notice, consent or other communication required or permitted under this Agreement shall be written in English and shall be deemed given when:

- a) delivered personally
- b) sent by commercial courier with verification of receipt returned by the courier
- c) delivered by email (with a copy of such, including the email address and date sent)

Rejection or other refusal to accept or the inability to deliver because of change of address / email address of which no notice was given shall be deemed to constitute receipt of the notice, consent, or communication sent.

Names, Addresses and Email Addresses follow:

Entire Agreement

This Agreement contains the full and entire agreement between the parties with respect to the subject matter hereof. It supersedes all prior negotiations, representations and proposals, written or otherwise, relating to its subject matter.

Any modifications, revisions or amendments to this Agreement must be set forth in writing, signed by authorized representatives of both parties.

ATAR acknowledges and agrees that any failure of the part of AutoART to enforce at any time or for a period of time, any of the provisions of this Agreement shall not be deemed or construed to be a waiver of such provisions or of the right of AutoART thereafter to enforce each and every provision.

The provisions of this Agreement that, by express terms of this Agreement, will not be fully performed during the terms of this Agreement, shall survive the termination of this Agreement to the extend Applicable.

In Witness whereof the parties have caused this Exclusive Distribution Agreement to be executed and delivered by their duly authorized representatives.

FOOTNOTE:

Furthermore, AutoArts and Mr. Black grant Avatar Ventures Corp, first rights of refusal for a 30 day period to match or exceed any formal offer to purchase AutoArt Color Solutions Inc.

This agreement hereby signed on this the ___ day of August, 2015 in the city of Toronto.

_____s/s Edward Minnema_____

EDWARD MINNEMA, CEO/DIRECTOR AVATAR VENTURES CORP., NEVADA

_____/s/ Ken Black_____

KEN BLACK, PRESIDENT AUTOART COLOR SOLUTIONS INC.

_____/s/ Tony Cianfaran_____

TONY CIANFARAN