

ROYALTY AGREEMENT

For use of process, materials and proprietary knowledge for the purpose of garment printing.

This ROYALTY Agreement is made and effective as of AUGUST 15, 2016 by and between:
AVATAR VENTURES CORP and KOCINITI LLC.

AVATAR VENTURES CORP., a company organized and existing in the United States,
with a registered address at 112 North Curry St., Carson City, Nevada, 89703, and at
380 Alliance Ave., Toronto, Ontario, Canada, M6N 2H8

and

KONCINITI LLC, a company organized and existing in the UNITED STATES with a registered
address at 603 Eagle Dr., Suite 42, Denton, Texas, 76201

WHEREAS:

1. KONCINITI wishes to obtain the right, knowledge and support to use AVATAR's knowledge and know how, it's business model, support, access to its transfer coating products and possible access to AVATAR'S proprietary products (hereinafter, the "Asset"), and
2. Licensor is willing to grant to the Licensee an exclusive, non-transferable License to use the Asset for the term and specific purpose set forth in this Agreement,

NOW, THEREFORE, in consideration of the foregoing, and of the mutual promises and undertakings contained herein, and other good and valuable consideration, the parties agree as follows:

LICENSE AGREEMENT

1. DEFINITIONS.

2. LICENSE GRANT.



3. CHARGES.

4. LICENSEE'S OBLIGATIONS.

5. INTELLECTUAL PROPERTY RIGHTS.

6. LIMITATION OF LIABILITY.

7. CONFIDENTIALITY.

8. DISCLAIMERS & RELEASE.

9. INDEMNITY.

10. WAIVER.

11. GOVERNING LAW.

12. TERMINATION

13. LICENSE FEE.

14. ASSIGNMENT.

15. NOTICES.

16. COUNTERPARTS.

17. SEVERABILITY.

18. ENTIRE AGREEMENT.

19. SCHEDULE

1. DEFINITIONS.

1.1 "Agreement" means this License Agreement including the attached Schedule.

1.2 "Confidential Information" means information that:

- a. is by its nature confidential;
- b. is designated in writing by Licensor as confidential;
- c. the Licensee knows or reasonably ought to know is confidential;
- d. Information comprised in or relating to any Intellectual Property Rights of Licensor.



1.3 "Asset" means the Asset provided by Licensor as specified in Item 6 of the Schedule in the form as stated in Item 7 of the Schedule.

1.4 "Intellectual Property Rights" means all rights in and to any copyright, trademark, trading name, design, patent, know how (trade secrets) and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic field and any application or right to apply for registration of any of these rights and any right to protect or enforce any of these rights, as further specified in clause 5.

1.5 "Party" means a person or business entity who has executed this Agreement; details of the Parties are specified in Item 2 of the Schedule.

1.6 "Term" means the term of this Agreement commencing on the Commencement Date as specified in Item 4 of the Schedule and expiring on the Expiry Date specified in Item 5 of the Schedule.

2. LICENSE GRANT.

2.1 Licensor grants to the Licensee an exclusive, non-transferable License for the Term to use the Asset for the specific purpose specified in this Agreement, subject to the terms and conditions set out in this Agreement.

3. CHARGES.

3.1 In consideration of the Licensor providing the License under clause 2 of this License Agreement, the Licensee agrees to pay Licensor the amount of the Royalty Fees as specified in Item 9 of the Schedule.

4. LICENSEE'S OBLIGATIONS.

4.1 The Licensee cannot use the Asset, for purposes other than as specified in this Agreement and in Item 8 of the Schedule.

4.2 The Licensee may permit its employees to use the Asset for the purposes described in Item

8, provided that the Licensee takes all necessary steps and imposes the necessary conditions to ensure that all employees using the Asset do not commercialize or disclose the contents of it to any third person, or use it other than in accordance with the terms of this Agreement.

4.3 The Licensee will not distribute, sell, License or sub-License, let, trade or expose for sale the Asset to a third party unless approval is made expressly by Licensor.

4.4 No copies of the Asset are to be made other than as expressly approved by Licensor.

4.5 No changes to the Asset or its content may be made by Licensee.

4.6 The Licensee will provide technological and security measures to ensure that the Asset which the Licensee is responsible for is physically and electronically secure from unauthorized use or access.

4.7 Licensee shall ensure that the Asset retains all Licensor copyright notices and other proprietary legends and all trademarks or service marks of Licensor.

5. INTELLECTUAL PROPERTY RIGHTS.

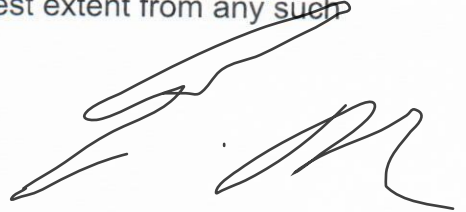
5.1 All Intellectual Property Rights over and in respect of the Asset are owned by Licensor. The Licensee does not acquire any rights of ownership in the Asset.

6. LIMITATION OF LIABILITY.

6.1 The Licensee acknowledges and agrees that neither Licensor nor its board members, officers, employees or agents, will be liable for any loss or damage arising out of or resulting from Licensor's provision of the Asset under this Agreement, or any use of the Asset by the Licensee or its employees; and Licensee hereby releases Licensor to the fullest extent from any such liability, loss, damage or claim.

7. CONFIDENTIALITY.

7.1 Neither Party may use, disclose or make available to any third party the other Party's Confidential Information, unless such use or disclosure is done in accordance with the terms of this Agreement.



7.2 Each Party must hold the other Party's Confidential Information secure and in confidence, except to the extent that such Confidential Information:

- a. is required to be disclosed according to the requirements of any law, judicial or legislative body or government agency; or
- b. was approved for release in writing by the other Party, but only to the extent of and subject to such conditions as may be imposed in such written authorization.

7.3 This clause 7 will survive termination of this Agreement.

8. DISCLAIMERS & RELEASE.

8.1 To the extent permitted by law, Licensor will in no way be liable to the Licensee or any third party for any loss or damage, however caused (including through negligence) which may be directly or indirectly suffered in connection with any use of the Asset.

8.2 The Asset is provided by Licensor on an "as is" basis.

8.3 Licensor will not be held liable by the Licensee in any way, for any loss, damage or injury suffered by the Licensee or by any other person related to any use of the Asset or any part thereof.

8.4 Notwithstanding anything contained in this Agreement, in no event shall Licensor be liable for any claims, damages or loss which may arise from the modification, combination, operation or use of the Asset with Licensee computer programs.

8.5 Licensor does not warrant that the Asset will function in any environment.

8.6 The Licensee acknowledges that:

- a. The Asset has not been prepared to meet any specific requirements of any party, including any requirements of Licensee; and
- b. it is therefore the responsibility of the Licensee to ensure that the Asset meets its own individual requirements.

8.7 To the extent permitted by law, no express or implied warranty, term, condition or undertaking is given or assumed by Licensor, including any implied warranty of merchantability or fitness for a particular purpose.

Handwritten signatures and initials in blue ink. On the left, a stylized signature that appears to be 'E.M.'. To its right, the letters 'PM' are written in a large, cursive script.

9. INDEMNITY.

9.1 The Licensee must indemnify, defend and hold harmless Licensor, its board members, officers, employees and agents from and against any and all claims (including third party claims), demands, actions, suits, expenses (including attorney's fees) and damages (including indirect or consequential loss) resulting in any way from:

- a. Licensee's and Licensee's employee's use or reliance on the Asset,
- b. any breach of the terms of this License Agreement by the Licensee or any Licensee employee, and
- c. any other act of Licensee.

9.2 This clause 9 will survive termination of this Agreement.

10. WAIVER.

10.1 Any failure or delay by either Party to exercise any right, power or privilege hereunder or to insist upon observance or performance by the other of the provisions of this License Agreement shall not operate or be construed as a waiver thereof.

11. GOVERNING LAW.

11.1 This Agreement will be construed by and governed in accordance with the Federal laws of the United States. The Parties submit to exclusive jurisdiction of the courts of United States and the State of Nevada.

12. TERMINATION.

12.1 This Agreement and the License granted herein commences upon the Commencement Date and is granted for the Term, unless otherwise terminated by Licensor in the event of any of the following:

- a. if the Licensee is in breach of any term of this License Agreement and has not corrected such breach to Licensor's reasonable satisfaction within 7 days of Licensor's notice of the same;
- b. if the Licensee becomes insolvent, or institutes (or there is instituted against it) proceedings in bankruptcy, insolvency, reorganization or dissolution, or makes an assignment for the benefit of creditors; or
- c. the Licensee is in breach of clause 5 or 7 of this Agreement.

Two handwritten signatures in blue ink are located at the bottom right of the page. The signature on the left is a stylized, cursive 'E' followed by a series of loops. The signature on the right is a stylized, cursive 'M' followed by a series of loops.

12.2 Termination under this clause shall not affect any other rights or remedies Licensor may have.

13. ROYALTY FEE.

13.1 In consideration for the License grant described in this License Agreement, Licensee shall pay a monthly Royalty fee as stated in Item 9 of the Schedule.

13.2 The Royalty fee and any other amounts payable by the Licensee to the Licensor, under this Agreement, are exclusive of any and all foreign and domestic taxes, which if found to be applicable, will be invoiced to Licensee and paid by Licensee within 30 days of such invoice.

14. ASSIGNMENT.

14.1 Licensee shall not assign any rights of this License Agreement, without the prior written consent of Licensor.

15. NOTICES.

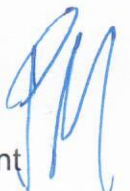
15.1 All notices required under this Agreement shall be in writing and shall be deemed given (i) when delivered personally; (ii) fourteen (14) days after mailing, when sent certified mail, return receipt requested and postage prepaid; or (iii) one (1) business day after dispatch, when sent via a commercial overnight carrier, fees prepaid. All notices given by either Party must be sent to the address of the other as first written above (unless otherwise changed by written notice). Email Transmission will be deemed an acceptable means of notice under this agreement, wherefore the email be followed by phone call to ensure receipt. Email should be in a signed document form.

16. COUNTERPARTS.

16.1 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one instrument.

17. SEVERABILITY.

17.1 The Parties recognize the uncertainty of the law with respect to certain provisions of this Agreement and expressly stipulate that this Agreement will be construed in a manner that renders its provisions valid and enforceable to the maximum extent possible under applicable law. To the extent that any provisions of this Agreement are determined by a court of competent



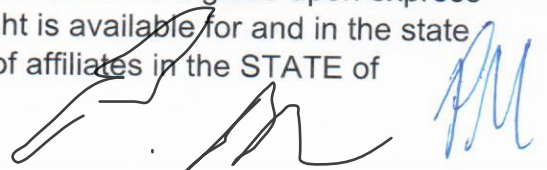
Item 2 – Name and Address of Licensor and Licensee

Licensor: Avatar Ventures Corp. (Tees2BSeen) a company organized and exists in the State of Nevada, United States, registered address at 112 North Curry St., Carson City, Nevada, 89703, and at 380 Alliance Ave., Toronto, Ontario, Canada, M6N 2H8

Licensee: Konciniti LLC, a company organized and existing in State of Texas, in the country of the United States, with a registered address at 603 Eagle Dr., Suite 42, Denton, Texas, 76201

Item 3 – Other License Terms

- Konciniti has the exclusive rights for Texas, as provided by Avatar alone. This does not encompass exclusivity in respect to prohibit any other person or business doing business that is not directly connected to Avatar or Konciniti.
- Konciniti has the rights to have Affiliates operate under the same business model as this agreement upon express approval in writing by Avatar. Affiliates must reside in the State of Texas.
- Konciniti has the right to sell its printed products worldwide, whether by retail, online stores or any other form of conducting business.
- Konciniti with purchase coated paper and related transfer paper through Avatar directly or via pre arrangement by Avatar. Avatar's brand of products will be marketed under the name 2BSEETRANSFERS.
- Konciniti nor any of its future affiliates with circumvent or attempt to circumvent Avatar. Such action may result in immediate termination of this Agreement.
- Konciniti and or any of its Affiliates will make available to Avatar its financial statements in respect to its printed garment division in reasonable time upon receiving written requests by Avatar.
- Upon what Avatar may deem to be a lackluster attempt by Konciniti in executing its perceived business, Avatar reserves the right, following required meetings and discussions with Konciniti management, to sign on other Direct Affiliates with Avatar.
- All printed wear will require a Tees2Bseen Logo displayed in a yet to be determined location and format on Konciniti printed garments where feasible.
- Konciniti and Avatar will advertise and promote each other's Brands, Products and Companies to the best of their ability.
- Avatar grants to Konciniti the right to expand using this business model as a guide upon express approval and written consent by Avatar's management. This right is available for and in the state of Texas. Konciniti and Avatar will jointly approve any addition of affiliates in the STATE of

Two handwritten signatures in blue ink are located at the bottom right of the page. The first signature is a stylized, cursive 'A' followed by a long horizontal stroke. The second signature is a more compact, cursive 'M'.

TEXAS, and also will jointly negotiate royalty payments to both Konciniti and Avatar. Both Konciniti and Avatar's signatures will be required on any new agreement in the State of Texas.

-Avatar and or its associates will consult and preform advisory duties free of charge to Konciniti. Avatar may at times request compensation for out of pocket expenses as it deems warranted, if mutually agreed upon.

Item 4 – Commencement Date

-As soon as possible and feasible in respect to both entities.

Item 5 – Expiry Date

This Agreement bears no defined expiry date, however, it may be terminated as per conditions outlined above or with fair expression and notice by Avatar.

Item 6 – Description of Asset

The described asset is proprietary knowledge, product, training, marketing and access to a new technique and process related to garment printing, which may or may not include 2 proprietary products developed by Avatar. (WriteNWipeTees and OriginalArtistTees).

Item 7 – Format of Asset

-Konciniti will ensure it has all rights, privileges and permissions in regards to imagery it may use in the course of Business. Konciniti releases Avatar from any liability and litigation in respect to such neglect. Konciniti and Avatar are complete and distant entities except in respect to this Royalty/Licensing Agreement.

-Konciniti, must for their protection, provide a mark (watermark) on all imagery on all social media, online stores and websites to protect their property.

Item 8 – Approved Purpose

This Agreement is provided for the purpose of use of the process and products for the transferring images to garments by heat press and transfers, specifically for the State of Texas.

Item 9 – License/Royalty Fee/Financial Obligations

-There is no licensing fee pertaining to this agreement.

-Konciniti will pay Avatar a Royalty Payment as herein outlined

-Royalties

ATAR will receive from KON the following as royalty payments:

For any item sold* below and at \$25 KON will pay to ATAR \$3.00 per item.




jurisdiction to be invalid or unenforceable, such provisions will be deleted from this Agreement or modified so as to make them enforceable and the validity and enforceability of the remainder of such provisions and of this Agreement will be unaffected.

18. ENTIRE AGREEMENT.

18.1 This Agreement contains the entire agreement between the Parties and supersedes any previous understanding, commitments or agreements, oral or written. Further, this Agreement may not be modified, changed, or otherwise altered in any respect except by a written agreement signed by both Parties.

IN WITNESS WHEREOF, this Agreement, including the attached Schedule, was signed by the Parties under the hands of their duly authorized representatives and made effective as of the Commencement Date.

AVATAR VENTURES CORP.

A handwritten signature in black ink, appearing to read 'E. Minnema', is written over a dashed horizontal line.

EDWARD MINNEMA, CEO/DIRECTOR

KONCINITI LLC

A handwritten signature in blue ink, appearing to read 'Paul Matsumoto', is written over a dashed horizontal line.

PAUL MATSUMOTO, OWNER

19. SCHEDULE

Item 1 – License Agreement

THE LICENSE AGREEMENT OF WHICH THIS SCHEDULE FORMS A PART IS DATED AS OF AUGUST 15, 2016 AND IS BY AND BETWEEN THE PARTIES REFERENCED IN ITEM 2 BELOW.

For any item sold* between \$25 and \$50 KON will pay ATAR \$4.00 per item.

For any item sold* above \$50 KON will pay ATAR \$5.00 per item.

*the item sold price is the actual price of the item, before taxes, shipping and handling charges.

-Wire transfers will be sent to Avatar by the 14th of each month for the previous month sales. Avatar will provide Bank Wire Information to Konciniti.

-ATAR grants to KON the right to buy out, at any time 50% of the royalty prices for the sum of \$75,000. If and when this option is exercised, ATAR will then retain royalties in perpetuity at \$1.50 for each item priced below \$25, \$2.00 for items priced \$25.00-50.00 and \$2.50 for all items price above \$50.00.

-Konciniti will be solely responsible for all costs in respect to the purchase of materials and equipment required, and their maintenance

-Konciniti is responsible for paying and remitting all local, state and federal taxes as and where applicable.

Item 10-Compensation and Incentives.

- Avatar will in turn issue Konciniti restricted stock of Avatar equating to \$7,500 at a par value of \$0.03 or 250,000 restricted shares. The shares will be issued upon Konciniti's successful launch of its business, as determined by Avatar. Avatar, as an incentive bonus, will issue KON a further 150,000 (par value \$0.03) restricted shares upon KON attaining gross sales of \$1,500,000 over any 12 month period. This is a one time incentive bonus.



Edward Minnema



Paul Matsumoto