

April 6, 2016

Matt Drake  
Chesapeake Shores S1 Productions Inc.  
#230 – 4388 Still Creek Drive  
Burnaby, V5C 6C6

Dear Matt:

This Letter of Understanding confirms our agreement that the CMPA-BC Collective Agreement with ACFC West, Local 2020 Unifor, as ratified March 20th, 2016, (the "CMPA-BC Master"), shall apply to the TV Series "Chesapeake Shores Season 1" under the company name Chesapeake Shores S1 Productions Inc. ("Chesapeake Shores Season 1"):

Pursuant to Article 2.02 of the CMPA-BC Master, the following enabling shall apply to Chesapeake Shores Season 1 based on the production primarily shooting on Vancouver Island:

- Use of the 2016 'Low Budget Features & Television' rates less \$.50. For example, the Key Grip scale rate will be \$28.00 per hour and the Grip scale rate will be \$22.50 per hour.
- A "Studio Zone" will be established in or around the Town of Qualicum Beach as per Article 9.01 ( c ) of the collective agreement.
- The per diem as per 9.03 ( iii ) will be adjusted to as follows:


Breakfast: \$10 Lunch: \$15 Dinner: \$20

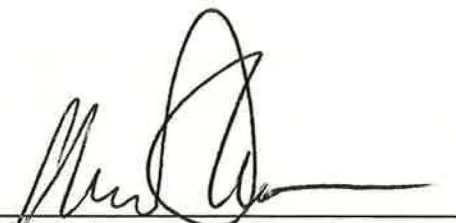
- Due to the lack of experienced security members in the Qualicum Beach area we will allow the security department rates to be negotiable to the extent they at least meet minimum employment standards. However, security will still fall under our contract.
- Union fringes to be 10% as follows:
  - Vacation Pay: 4.0 %
  - Retirement Plan 0 %
  - Union Levy: .5 %
  - Health & Welfare 5.5 %


All other terms and conditions of the CMPA-BC Collective Agreement with ACFC West, Local 2020 Unifor will remain in effect.

Congratulations and all the best on your project.

Agreed to and accepted upon signing by both parties:

  
\_\_\_\_\_  
Ken Frost  
ACFC West, Local 2020 Unifor

  
\_\_\_\_\_  
Matt Drake  
Producer

  
\_\_\_\_\_  
Greg Chambers  
ACFC West, Local 2020 Unifor

Date Signed: 8 day of April 2016