



Horizon Bank Online Terms & Conditions

Welcome to Horizon Bank's Online Banking. Your use of Horizon Bank Online is subject to all terms and conditions contained in this online Agreement (the "Agreement"), as well as the Horizon Bank Customer Agreement - Terms and Conditions of Your Account (the "Customer Agreement"). Please read the Agreement carefully before proceeding, as your use of Horizon Bank Online constitutes your acknowledgement of and agreement to all of its terms and conditions.

GENERAL TERMS AND CONDITIONS

Definitions

Throughout this Agreement, the words "you" and "your" refer to each person who is listed on our records as an owner of the Account who has enrolled in Horizon Bank Online. "We," "us" and "our" mean Horizon Bank. "Authorized User," means you or any other person who either (i) is actually authorized by you to use Horizon Bank Online on your behalf, or (ii) accesses Horizon Bank Online using your Horizon Bank Online password, whether or not such person has actual authority to do so. "Account" means your primary checking account or other account designated under Article II, Paragraph 6 of this Agreement. "Business Day" means Monday through Friday, except for legal holidays. "Transaction" means any transaction requested using Horizon Bank Online, including requests for transfers between your accounts and Bill Payment requests. "Site" means our Internet website.

Terms of Agreement

You agree to the rules in this Agreement every time your password is used to access Horizon Bank Online. Where there is a conflict between one or more provisions in this Agreement and the provisions in any other applicable agreement, the provisions in this Agreement will control. Your use of Horizon Bank Online is also subject to the rules and regulations applicable to your Account as described in the Customer Agreement and elements applicable to services available on Horizon Bank Online, the rules and regulations of any funds transfer system to which the bank belongs, and applicable state and federal laws and regulations, all of which shall constitute the complete agreement between you and us.

Electronic Funds Transfer Act

This Agreement applies to personal accounts and business accounts, unless an exception is noted. Because personal accounts may be subject to the Electronic Funds Transfer Act ("EFTA"), some personal accounts will be governed both by the rules of the EFTA and this Agreement. If the EFTA applies to an account and there is a conflict between the rules of the EFTA and this Agreement, the EFTA's provisions will control. Please see Electronic Funds Transfers section of the Customer Agreement for the special rules applicable to such personal accounts.

Limitations

The features of Horizon Bank Online are limited to the extent, and subject to the terms noted below.

Limits on Transfers

Your ability to transfer funds between certain accounts is limited by federal law, as described in the Customer Agreement. For example, you can make no more than six (6) transfers from a Savings or Money Market account during each monthly statement period, and in the case of a Savings or Money Market account (with check access), no more than three (3) of such transfers may be made by check, draft, or similar order made by you and payable to a third party. Transfers made using Horizon Bank Online are counted against the permissible number of transfers, as are the other transfer methods described in the Customer Agreement. The Bank also reserves the right to limit the frequency and dollar amount of transactions from your accounts for security reasons.



Changes in Service Charges and Terms

We reserve the right to change the charges, or other terms described in this Agreement. When changes are made to any service charges, or other material terms we will update this Agreement and if required by law, either send a notice to you at the address shown on our records, or send you an email message. For changes involving additional service charges for online transactions, stricter limits on the type, amount or frequency of transactions, or any increase in your responsibility for unauthorized transactions, such notice will be posted or sent at least thirty (30) days in advance of the effective date of any change, unless an immediate change is necessary to maintain the security of the system. If such an immediate change is made, and it can be disclosed without jeopardizing the security of the system, we will provide you with electronic or written notice within thirty (30) days after the change, if notice is required by law. You may choose to accept or decline changes by continuing or discontinuing the accounts or services to which these changes relate. We also reserve the option, in our business judgment, to waive, reduce or reverse service charges in individual situations. Changes to service charges applicable to specific accounts are governed by applicable account disclosures. We also reserve the right to terminate the Site, make access unavailable, and change the Site content, with or without reason or notice at any time.

Privacy Policy; Disclosures of Information to Third Parties

We understand you are concerned about privacy. For information about how we treat information that you provide us through the Site, please see our [Privacy Policy](#).

Information Accuracy

We strive to provide complete, accurate and timely account information through Horizon Bank Online. All information is either generated by us or obtained from sources believed by us to be accurate and reliable as of the date posted on the Site. However, because of the possibility of human and mechanical error, delayed updates, as well as other factors such as the difficulty of securing a web site from unauthorized alterations or the occurrence of a system breakdown or other unavailability, neither we nor any of our affiliates provide any representations or warranties regarding the Site or any information in it, and we will not be liable to you if any such information is unavailable, delayed or inaccurate. THE SITE AND ALL INFORMATION IS PROVIDED "AS IS" AND WITH ALL FAULTS, AND WE MAKE NO REPRESENTATIONS AND DISCLAIM ALL IMPLIED WARRANTIES OF EVERY KIND, INCLUDING WARRANTIES OR ANY DUTIES (IF ANY) AS TO ACCURACY, TIMELINESS, COMPLETENESS, SUITABILITY, AVAILABILITY, MERCHANTABILITY, AND FITNESS FOR ANY PARTICULAR PURPOSE, OR LACK OF NEGLIGENCE OR VIRUSES. We do not provide any warranty against infringement or of quiet enjoyment, and make no other express warranties. With respect to electronic funds transfer problems, such as unauthorized transfers or our failure to properly complete authorized transfers, the extent of our liability is described in Article IV of this Agreement and in the Electronic Funds Transfer section of the Customer Agreement.

Computer Virus Information

It is possible to contract a computer virus by using the Internet or materials downloaded from it. We attempt to keep our Site virus free, but we cannot assure you that the Site and any software or other information downloaded from it will be virus free. We are not responsible for any electronic virus or viruses that you may encounter, including, without limitation, any computer virus related problems that may be associated with the use of Horizon Bank Online.

Your Computer and Software

You are responsible for the installation, maintenance, and operation of your computer and your browser software. You assume all risk of error, failure, or non-performance, including the risk that you do not operate your computer or your software properly. We are not responsible for any errors or failures from any malfunction of your computer or your software. We have no liability to you for any damage or other loss, direct or consequential, which you may suffer or incur by reason of your use of your computer or your software. WE MAKE NO WARRANTY TO YOU REGARDING YOUR COMPUTER OR YOUR SOFTWARE, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.



EMAIL

Uses

You must not use the Horizon Bank Online email function for communication that is time sensitive, such as placing stop payments, making fund transfers, reporting lost or stolen debit or credit cards or checks, or reporting an error on your account. If you send us a message using email, we will receive it by the following business day. You agree that we may take a reasonable period of time to act on any message.

Email is Not Secure

Email transmissions are not secure. We recommend that you do not send us or ask for sensitive information via any general or public email system.

Responses by Email

You agree that the Bank may respond to you by email with regard to any non-confidential matter related to Horizon Bank Online services. Any such message we send you shall be considered received within three days of the date sent, regardless of whether you check your email messages within that time frame.

Account Statements and Error Resolution

All Transactions completed on Horizon Bank Online will appear on your periodic account statement. Please refer to the Customer Agreement provided to you at the time your account was established for rules applicable to account statements. The most current version of this brochure is available at any of our office locations. If you think your statement is incorrect or if you need more information about a Transaction, please see the Error Resolution Notice.

Service Interruptions

Horizon Bank Online may be unavailable at certain times when computer systems require maintenance or upgrades, unforeseen maintenance is necessary, or major events occur, such as earthquakes, fires, floods, computer failures, interruptions in telephone service, or electrical outages. We will make all reasonable efforts to ensure the availability of Horizon Bank Online. However, we are in no way liable for the unavailability of all or any portion of Horizon Bank Online.

Termination of Horizon Bank Online

We reserve the right to terminate your use of Horizon Bank Online at any time and for any reason. If you should wish to cancel Horizon Bank Online, you must cancel all future bill payments and transfers using Horizon Bank Online at the time that you cancel your enrollment. We will not be liable for any payments or transfers made consistent with a request that you have not cancelled.

SECURITY PROCEDURES

Your Role

Your role is extremely important in the prevention of any wrongful use of your Account. You must promptly examine your statement upon receipt. If you think your Statement is wrong or if you need more information about a transaction, please see the Error Resolution Notice for the proper procedures to follow.

Protect Personal Information

In addition to protecting your Horizon Bank Online Login ID, password and other account information, you should take precautions to protect your personal identification information, such as your driver's license, Social Security Number, and the like. This information by itself or together with information on your account may allow unauthorized access to your account(s). It is your responsibility to protect personal information with the same level of care that you protect your account information.



Password

You will utilize a Login ID and an online Password in conjunction with each other in order to access your bank accounts through Horizon Bank Online. For security purposes, it is recommended that you memorize both your Login ID and Password and do not write them down. You are responsible for keeping your password and account data confidential. Your use of your password will be considered the same as your written signature in authorizing us to complete any Transactions you may request. We are entitled to act on any instructions we receive under your password, and you assume all risk of loss resulting from any such access. We furthermore recommend users of Horizon Bank Online disable any password recall features on their Internet browsing software.

Encryption

Data transferred via Horizon Bank Online is encrypted in an effort to provide transmission security. Notwithstanding our efforts to ensure that Horizon Bank Online is secure, you acknowledge that the Internet is inherently insecure and that all data transfers, including email, occur openly on the Internet and potentially can be monitored and read by others. We cannot and do not warrant that all data transfers utilizing Horizon Bank Online or email transmitted to or by us will not be monitored or read by others.

Additional Security Procedures

We may from time to time use reasonable additional or alternative procedures to ensure the security and confidentiality of your financial records and transactions using Horizon Bank Online. At all times you agree to comply with all security procedures we may impose in connection with your use of Horizon Bank Online. You agree that all security procedures used by us, our affiliates, or agents in connection with Horizon Bank Online are commercially reasonable security procedures and, as a result, you assume all risk of loss for unauthorized transactions where we have followed our then current security procedures. You acknowledge that we reserve the right to change the security procedures from time to time upon notice to you (if such notice is required by law), and furthermore agree that your continued use of any such changed procedures evidences your acceptance of and agreement to the commercial reasonableness of such changed procedures.

Duty of Reasonable Care

We will exercise good faith and reasonable care in processing your transactions. You will similarly exercise good faith and reasonable care in observing and maintaining security procedures, in communicating with us and in reviewing account statements for any errors or discrepancies.

LIMITATION OF LIABILITY

Limitation of Liability for Loss

To the fullest extent allowed by law, you agree that neither we nor any of our affiliates will be liable to you or any third party for any loss, property damage, bodily injury, any consequential or incidental damages (including but not limited to lost profits or lost opportunity), or any other indirect, special, or punitive damages whatsoever, (i) that arise out of or are related to the Site or any use of the Site or the information contained within it, (ii) resulting from any failure to complete any Transaction, or (iii) resulting from the installation, use or maintenance of any equipment, software, Internet browser or access software, even if we have been advised of the possibility of such damages. This exclusion of damages includes damages claimed in any cause of action, including but not limited to legal or equitable proceedings and claims relating to contract, tort or products liability.

Exclusive Remedy

You agree that your recovery for any damages that you incur shall be limited, at our election, to: (i) a refund of any amount (if any) you paid for information from the Site, or (ii) correction or replacement of the information. Any failure or unconscionability of that or any other remedy does not affect the enforceability of the limitations on and exclusions of consequential, incidental and other damages described in the preceding paragraph.



Specific Situations

Notwithstanding, and without limitation, we will have no liability whatsoever if:

- Through no fault of ours, you do not have enough money in your Account to make a transfer or Bill Payment;
- A transfer or Bill Payment would cause your balance to go over the credit limit on your Personal Reserve Account or any other Line of Credit product;
- Horizon Bank Online was not accessible or otherwise not working properly and the breakdown should have been apparent to you when you attempted to request a Transaction;
- Circumstances beyond our control (such as fire, flood or improper transmission or handling of payments by a third party, including the post office) prevent a transfer or Bill Payment, despite reasonable precautions we have taken;
- The funds are subject to legal process or other encumbrance restricting transfer;
- The Account is closed or frozen to transactions;
- You, or anyone you allow, commits any fraud or violates any law or regulation;
- Any electronic terminal, telecommunication device or any part of the electronic fund transfer system is not working properly;
- You have not properly followed our instructions and the Payee's instructions on how to make a transaction, or if you provide us with wrong, incomplete or inaccurate information, either electronically, orally or in any written materials completed by you in connection with Horizon Bank Online;
- The Payment Date you requested does not allow sufficient time for the payee to credit your account properly, or if you requested a payment of less than the full amount due to the payee; or
- We have completed any Transaction requested by an Authorized User.
- There may be other exceptions contained in other agreements with us that govern your Account.

Your Liability

Except as otherwise provided by law, you will be liable for any loss or damage resulting from your breach of this Agreement or to which your negligence contributed, or which resulted from unauthorized, fraudulent, or dishonest acts by others (other than us). Such liability includes instances when someone effects one or more Transactions to your detriment. You are liable for all payments that you make or which are made or requested by an Authorized User, even if such Authorized User exceeds your authority and even if such Authorized User is not an authorized signer on your Account.

MISCELLANEOUS TERMS AND CONDITIONS

Waivers and Severability

We may delay exercising our rights without losing them. Any waiver or partial exercise of one right is not a waiver of other rights or the same right at another time. If any provision of this Agreement, or its application to any person or set of circumstances is held invalid or unenforceable to any extent, the remainder of this Agreement, and the application to any other persons or set of circumstances, is not impaired or otherwise affected.

Governing Law, Forum, Limitation of Actions, Severability

This Agreement is governed by the laws of the State of Washington, U.S.A. You consent to the jurisdiction and venue of the courts in Whatcom County, Washington in all disputes arising out of or relating to the Site, any use of it or any information in it. You agree that a printed or electronic version of these terms and conditions (as changed from time to time) will be admissible in any judicial or administrative proceedings to the same extent as paper records. If you ever believe we have not adhered to this contract or are liable for any other reason, please contact us immediately. If you feel compelled to bring a lawsuit or other proceeding, you must do so within one (1) year of the date you have a right to sue. Any clause of this Agreement declared invalid shall be deemed severable and not affect the validity or enforceability of the remainder.

**Our Right to Terminate this Agreement**

We reserve the right to terminate this Agreement and your access to Horizon Bank Online, in whole or in part, at any time and for any lawful reason.

Assignment

You may not assign this Agreement or any portion hereof. We may assign this Agreement to our parent corporation or to any now-existing or future direct or indirect subsidiary of us or our parent corporation. We may also assign or delegate certain of our rights and responsibilities under this Agreement to independent contractors or other third parties.

How to Contact Us

For all matters affecting this Agreement, you may call us at 360.733.1684 or toll free at 1.800.961.0055, or you may write to us at the following address: Horizon Bank, Electronic Banking Services, P.O. Box 32147, Bellingham, WA 98228.