

LIGHTHOUSE ONLINE INFORMATION SHEET, DISCLOSURES, AND ACCESS AGREEMENT

Welcome to Lighthouse Online

This Online Banking Agreement and Disclosure (the "Agreement") discusses how you can use Lighthouse Online (the "Service") to obtain information about your accounts, to transfer funds between your accounts, and to request certain other bank services. In addition, it contains the terms and conditions governing the Service.

If you previously registered for Lighthouse Online, this version of the Agreement replaces the agreement that you had with us. If you continue to use the Service, you are bound by these terms.

If you use Lighthouse Online, you thereby indicate your consent to these terms. You may print a copy of this Agreement for your records now, or you can refer to this document in the Online Help section later at your convenience.

SECURITY & PROTECTING YOUR ACCOUNT

Lighthouse Bank is strongly committed to protecting the security and confidentiality of our client account information. Lighthouse Bank uses state-of-the-art technology in the ongoing development of its Online PC Banking service to ensure this security. We use several different methods to protect your account information:

- You can only access Lighthouse Online with certain browsers that have a high security standard.
- Your account numbers are not displayed in full - only the last 4 digits can be viewed.
- You must have a valid User/Login ID and Password to logon.
- If no action is taken for 5 minutes, you will be automatically logged off Lighthouse Online.

Your Responsibility: You agree to:

- Not give out your identifying information such as your PC Password to any other person. The Bank may rely on your User/Login ID to identify you when providing banking services to you.
- Never write down or leave your account information displayed in an area accessible by others.
- Never leave your PC unattended while using Lighthouse Online.
- Always exit the system by clicking on EXIT after using Lighthouse Online.
- Notify Lighthouse Bank at (831) 600-4000 immediately if you suspect that your User/Login ID or Password has become known to any unauthorized person.
- Change all Passwords with sufficient frequency so as to protect confidentiality, and in any event no less frequently than every ninety (90) days.
- Maintain your case sensitive Password with a minimum of 8 characters, including at least one number, one letter, and one UPPER CASE (e.g., "E" and "e" are separate characters).

Neither Lighthouse Bank nor its suppliers will be liable for any transaction if: (i) you do not have available funds in your account to complete the transaction; (ii) a legal order prohibits withdrawals from your account; (iii) your account is closed or has been frozen; (iv) the transaction would cause your balance to go over the credit limit for any credit arrangement set up to cover overdrafts; (v) you, or anyone you allow, commits fraud or violates any law or regulation in connection with Lighthouse Online; (vi) any electronic terminal, telecommunication device or part of the electronic fund transfer system is not working properly; (vii) you did not provide us with complete and correct transfer information; (viii) you did not properly follow the instructions for use of Lighthouse Online; (ix) you knew that Lighthouse Online was not operating properly at the time you initiated the transaction or payment; (xi) there is postal delay; or (xi) circumstances beyond our control (such as fire, flood or improper transmission or handling by a third party) that prevent, hinder or delay the transaction.

LIGHTHOUSE ONLINE E-MAIL COMMUNICATIONS

Electronic messages sent and received via the "Contact Us" option in Lighthouse Online (i.e., once your User/Login ID and Password have been accepted by Lighthouse Bank and your browser shows that a secure connection has been established) are secure. Communications sent over the public Internet are not necessarily secure. Therefore, we will not send, and we strongly suggest that you do not send, any confidential account information unless using the electronic communication options provided in our Client Service section. You agree that we may take a reasonable time (no more than ten (10) business days) to act on any e-mail. Correspondence that requires expeditious handling -- for example, if you need to report an unauthorized transaction from one of your accounts, or if you need to immediately stop payment on a check you have issued, should be made by calling the Bank. You agree that Lighthouse Bank may send you electronic messages about other products or services we offer.

MONEY MARKET AND SAVINGS ACCOUNTS

If you use Lighthouse Online in connection with a Money Market or Savings Account, please read the information below.

While you can access your Money Market or Savings Account using Lighthouse Online, Federal regulations limit certain types of withdrawals and transfers (including those made by phone, pre-authorized, automatic, wire and advances for overdraft protection) to 6 per monthly statement cycle, only three of which may be made by check, draft, check/debit card or point-of-sale (POS).

FUNDS TRANSFER SERVICE

If you are a consumer, and you have a User/Login ID and Password from us, you will be able to transfer funds between your Lighthouse Bank accounts. If you do not want to have the ability to transfer funds between accounts using Lighthouse Online, or if you want to restrict the accounts from which you can transfer funds using your User/Login ID and Password, call us at (831) 600-4000, and we will make the necessary adjustments to this service for you, *which may require you to follow-up your request in writing*. Removing the funds transfer capability will also remove viewing capabilities.

The terms that apply to the Funds Transfer Service are set forth more fully below.

LIGHTHOUSE ONLINE FUNDS TRANSFER PROVISIONS

As a Lighthouse Online client, you can make immediate transfers between your Lighthouse Bank deposit accounts (including Money Market and Savings Accounts) over the Internet. All such transfers are subject to the terms of these Online PC Banking Funds Transfer Provisions (the "Transfer Provisions").

You can also use Lighthouse Online to transfer funds between certain line of credit accounts and your deposit accounts. Transfers are not permitted from one line of credit account to another line of credit account.

By using the Funds Transfer Service (the "Service"), you agree to these Transfer Provisions.

1. General Information.

- a. **Meaning Of Terms.** As used in the Transfer Provisions, the following words have the meanings given below.
 - "You" and "your(s)" refer to each person (including any business) who applies to use the Service, and each person who uses the Service with the permission of an applicant.

- "We," "us," "our(s)," "Lighthouse Bank," or "Bank" refer to the Lighthouse Bank depository institution that holds an account that is accessed by the Service.
 - "Business Day" means Monday through Friday, except banking holidays.
- b. Authorization to Charge Accounts. You are responsible for all transfers you or your authorized representative makes using the Service. You authorize us to debit your designated account(s) for any transactions accomplished through the use of the Service (including the transfer of funds from another deposit account or certain lines of credit that provides overdraft protection, if you have one of those services in effect). You agree that we may comply with transfer instructions entered by any one person using an authorized User/Login ID and Password, notwithstanding any provision that may be contained in other account documentation purporting to require more than one signature to withdraw funds from the account.

If you permit another person to use Lighthouse Online or give them your User/Login ID or Password, you are responsible for transfers, payments or advances that person makes from the deposit and credit accounts linked to your Service registration even if that person exceeds your authorization.

- c. Schedule of Fees for the Funds Transfer Service. Fees applicable to the funds transfer service are disclosed under Charges and Fees below.

2. Lighthouse Online Funds Transfer Service Particulars.

- a. Types of Transfers; Posting. You can transfer funds between your Checking, Money Market, Savings and Lines of Credit accounts using Lighthouse Online. (For more information on transfers from your Money Market and Savings Accounts, please see the section above titled Money Market and Savings Accounts.) All such transfers are effective when you complete the transaction online.

You can also transfer funds between your deposit accounts and certain line of credit accounts using Lighthouse Online. Transfers to a line of credit account will not be reflected in your line of credit account until the business day following the day on which you complete the transaction. You cannot transfer funds between multiple line of credit accounts using the Service.

- b. Limits on Transactions. There is a maximum dollar limit on any transfer equal to the available balance in your account plus the available balance or credit balance in any other account or line of credit attached to the deposit account to provide overdraft protection.
- c. Availability. Funds must be available in the account from which you wish to transfer funds on the date you enter the transaction.
- d. Restrictions on Transfers from Savings and Money Market Accounts. Under Federal Reserve Board Regulation D, you may make an unlimited number of deposits or transfers into a savings or money market account; however, you may make no more than six transfers or withdrawals out of such an account per monthly statement cycle (not counting transactions made at ATMs or at Lighthouse Bank). Transfers made by telephone, personal computer or funds automatically transferred from a savings or money market account to another deposit account for overdraft protection are counted toward the six total permitted monthly transfers or withdrawals. If your transactions exceed the legal limit, we will charge you a fee for each such transaction in excess of the legal limit. If you exceed the restrictions more than three times during a 12-month period, we will close your savings account or convert your money market account to a non-interest bearing checking account. On Money Market or Savings accounts, we charge a fee for each withdrawal or transfer in excess of six per month. The

amount of these fees and the minimum balances necessary to avoid these fees, where applicable, are set forth in the Schedule of Fees at the end of this Agreement.

- e. Insufficient Funds to Complete Transfer. If your account does not have sufficient funds to complete a transfer as of the date the transfer is scheduled to be made, the transfer may not be completed, but if we do complete the transfer as an accommodation to you, you are responsible for any overdraft created including any applicable NSF/OD fees.

Correcting or Canceling Your Transfer. You cannot cancel your transfer after it has been entered in Lighthouse Online and the information transmitted to us. You can correct information about a transfer before you send us the information, and you can use Lighthouse Online to reverse a transaction after it has been entered.

- f. Documentation and Verification of Transfers. The date and amount of transfers made through Lighthouse Online will be shown on the Transaction History, and will also be shown on your statements for the accounts from which and to which the transfer is made.
- g. Address and Telephone Number for Notification of Unauthorized Use. If you believe your User/Login ID or password has become known by an unauthorized person, or that someone has transferred money without your permission, call Lighthouse Bank immediately at: (831) 600-4000, or write to: Lighthouse Bank, P.O. Box 8317, Santa Cruz, Ca. 95061-0317. If you suggest that an unauthorized transfer may have occurred, we may require you to sign an affidavit.

Also contact us with any other questions or problems that you may have regarding the Service, including:

- You have a problem with a transfer you authorized, or your statement reflects a transfer you think is an error.
 - You need to obtain documentation concerning a transfer previously issued from your account. (There may be a fee for these requests, as disclosed in the Schedule of Fees at the end of this Agreement).
- h. Disclosure of Account Information. We may disclose information to third parties about your account or the payments or transfers you make:
 - When necessary for verifying or completing payments or transfers, or to resolve a problem related to a payment or transfer;
 - To verify the existence and status of your account for a third party such as a credit bureau or merchant;
 - At the Bank's discretion, to any of our subsidiaries or affiliates;
 - If you give us your written (including electronic message) permission; or as otherwise permitted or required in the Bank's Deposit Agreement and Disclosures or other applicable agreements, or by law or government regulations.

STOP PAYMENT SERVICES

The Customer acknowledges that the Stop Payment feature of the Services is an alternate entry system for issuing Stop Payment Orders. When utilizing this feature, customer warrants that the information describing the check or draft, including the check or scheduled transfer date, its exact amount, the check number and payee, is correct. Customer acknowledges that the exact amount of the check or draft is required, and if the incorrect amount or any other incorrect information is provided, the Bank will not be responsible for failing to stop payment on the item. Customer agrees that the Stop Order must be received by the Bank within a reasonable time for the Bank to act on the order prior to final payment of the check, or if an ACH/EFT transfer, at least three (3) business days preceding the scheduled date of the pre-authorized

ACH/EFT. A Stop Payment Order received by the Bank using this service will be accepted as if it were in written form, will be effective for six (6) months only, and will expire automatically at that time, without further notice, unless specifically renewed prior to expiration.

MISCELLANEOUS PROVISIONS RELATED AGREEMENTS

Your Lighthouse Bank accounts accessed by Lighthouse Online continue to be governed by the following Lighthouse Bank agreements and documents, as they are amended from time to time:

(1) Deposit Agreement and Disclosures, (2) the applicable Schedule of Fees, (3) the applicable Miscellaneous Fees. If you have overdraft protection that is accessed by the Service, they continue to be governed by the applicable agreements you have with Lighthouse Bank. If any inconsistency exists between such other documentation and this Agreement, then this Agreement shall control to the extent of the inconsistency.

NEW SERVICES

We may, from time to time, introduce new services that are part of Lighthouse Online. We will update this Agreement to notify you of these new services. By using Lighthouse Online after those new services become available, you agree to be bound by the terms contained in the revised agreement.

VIRUS PROTECTION

You agree that Lighthouse Bank is not responsible for any electronic virus that you may encounter using Lighthouse Online. We encourage you to routinely scan your PC and diskettes using any virus protection product you deem reliable to detect and remove any viruses found. Undetected or unrepaired, a virus may corrupt and destroy your programs, files and even your hardware.

DAMAGES AND WARRANTIES

In addition to the terms previously disclosed, Lighthouse Bank is not responsible for any losses, errors, injuries, expenses, claims, attorney's fees, interest or other damages, whether direct, indirect, special, punitive, incidental or consequential, (collectively, "Losses") caused by Lighthouse Online or in any way arising out of the installation, use or maintenance of your personal computer hardware or software, including any software provided by Lighthouse Bank or one of its suppliers. In addition, Lighthouse Bank disclaims any responsibility for any electronic virus(es) a Client may encounter after installation of such software or use of Lighthouse Online. Without limiting the foregoing, neither Lighthouse Bank nor its suppliers shall be liable for any: (i) failure to perform or any Losses arising out of an event or condition beyond their reasonable control, including but not limited to communications breakdown or interruption, acts of God or labor disputes; or (ii) the loss, confidentiality or security of any data while in transit via the Internet, communication lines, postal system or ACH network. Lighthouse Bank and its suppliers provide Lighthouse Online from their own sites and they make no representation or warranty that any information, material or functions included in Lighthouse Online are appropriate for use by you in your jurisdiction. If you choose to use Lighthouse Online, you do so, on your own initiative and are solely responsible for compliance with applicable local laws and regulations. Neither Lighthouse Bank nor its suppliers warrant the adequacy, accuracy or completeness of any information provided as a part of Lighthouse Online, the Bill Payment Services, or contained in any third party sites linked to or from Lighthouse Bank's web site. LIGHTHOUSE BANK MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY, FUNCTIONALITY OR PERFORMANCE OF LIGHTHOUSE ONLINE, OR ANY SOFTWARE THAT MAY BE USED IN CONNECTION WITH SAME. LIGHTHOUSE BANK DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ERROR-FREE OPERATION.

OUR LIABILITY

Except as specifically provided in this Agreement or where the law requires a different standard, you agree neither Lighthouse Bank nor any third party service providers engaged by Lighthouse Bank to perform any of the services connected with Lighthouse Online shall be responsible for any damages, loss, property damage or bodily injury, incurred as a result of your using or attempting to use the Lighthouse Online Service, whether caused by the equipment, software, Internet browser providers such as Netscape (Netscape Navigator browser) or Microsoft (Microsoft Internet Explorer browser), Internet access providers or on-line service providers or an agent or subcontractor of any of the foregoing. Nor shall Lighthouse Bank or any third party service providers engaged by Lighthouse Bank be responsible for any direct, indirect, special or consequential, economic or other damages arising in any way out of the installation, use or maintenance of the equipment, software, Lighthouse Online or Internet browser or access software, or from the unavailability of Lighthouse Online or for any errors in information provided through that service.

INDEMNIFICATION

Client shall indemnify, defend and hold harmless Lighthouse Bank and its officers, employees, directors, suppliers and agents, in their individual capacities or otherwise, from and against any Losses arising out of: (i) Client's negligence; (ii) Client's failure to comply with applicable law; or (iii) Client's failure to comply with the terms of this Agreement.

ADDITIONAL REMEDIES

Due to the likelihood of irreparable injury, Lighthouse Bank shall be entitled to an injunction prohibiting any breach of this Agreement by Client.

OUR ABILITY TO TERMINATE SERVICES

You are responsible for complying with all the terms of this Agreement and with the terms of the agreements governing the accounts to or from which transfers are made using the Service. We can terminate your electronic banking privileges under this Agreement without notice to you if you do not pay any fee when due, or if you do not comply with any agreement governing your accounts, or if any such account is not maintained in good standing.

We can also terminate the Service if we believe that an actual or potential unauthorized use of your User/Login ID, Password or account may be occurring.

Lighthouse Bank reserves the right to terminate your access to the Lighthouse Online Service or any portion of it in its sole discretion, without notice and without limitation, except as may be required by law.

AMENDMENT

We can amend this Agreement upon notice to you, which you agree may be sent by e-mail. Any notice will be effective no later than ten (10) days after we send the notice (unless a law or regulation requires a longer notice period), whether or not you have retrieved the notice by that time.

Changes in Terms: Lighthouse Bank reserves the right to terminate, change the charges, fees or other terms described in this Agreement at any time. When changes are made, we will notify you by either: 1) electronic mail; 2) physical mail at the address shown in our records; and/or 3) update of our web site.

APPLICABLE RULES, LAWS, AND REGULATIONS

You submit to the jurisdiction of, and this Agreement shall be governed by the laws of, the State of California, U.S.A., as well as the federal laws of the U.S.A. Venue for any action arising out of this Agreement shall be in a state court of competent jurisdiction covering County of Santa Cruz, California, U.S.A. The prevailing party in any such action shall be entitled to the recovery of its reasonable attorney's fees, costs, and expenses.

ASSIGNMENT

Lighthouse Bank may assign its rights and/or delegate all or a portion of its duties under this Agreement to a third party.

INTEGRATION

This Agreement constitutes the entire understanding of the parties with respect to the subject matter of this Agreement, and all prior agreements, understandings and representations concerning such subject matter are canceled in their entirety. Notwithstanding the foregoing, this Agreement is in addition to any other agreements between you and Lighthouse Bank.

SEVERABILITY

If there is a conflict between the terms and conditions of this Agreement and one or more terms contained in another agreement between you and Lighthouse Bank, this Agreement will control.

WAIVER

Lighthouse Bank shall not, by the mere lapse of time, without giving notice or taking other action, be deemed to have waived any of its rights under this Agreement. No waiver by Lighthouse Bank of a breach of this Agreement shall constitute a waiver of any prior or subsequent breach of this Agreement.

FORCE MAJEURE

Neither party shall be liable for any loss nor damage due to causes beyond its control, including fire, explosion, lightning, pest damage, power surges or failures, strikes or labor disputes, water, acts of God, the elements, war, civil disturbances, acts of civil or military authorities or the public enemy, inability to secure raw materials, transportation facilities, fuel or energy shortages, acts or omissions of communications carriers, or other causes beyond that party's control. Either party may terminate this Agreement immediately on written notice if the other party is prevented from performing its obligations under this Agreement for a period of more than thirty (30) days due to the reasons set forth in this subsection.

CONSTRUCTION

This Agreement shall be construed equally against the parties regardless of who is more responsible for its preparation. If there is a conflict between a part of this Agreement and any present or future law, the part of this Agreement that is affected shall be curtailed only to the extent necessary to bring it within the requirements of that law.

CHARGES AND FEES

Client Service requests for which you may be charged by Lighthouse Bank include: ordering copies of checks, copies of statements or other requests made through the 'Send a Request' option. These service requests are subject to Lighthouse Bank's normal service charges that were disclosed at account opening and in any subsequent editions of or amendments to your Schedule of Fees brochure. Please refer to the latest version of your Schedule of Fees & Disclosure document and any applicable amendments.

Transfers of funds using Lighthouse Online are free except as follows: If you have a Money Market or Savings Account, the number of transactions that you are allowed during a monthly statement cycle is

limited. If a transfer from a deposit account draws funds from an overdraft line of credit, or you directly make a transfer from your line of credit, you may be charged a fee for each advance, as stated in your line of credit agreement.

On Money Market and Savings accounts, the number of transfers that you are allowed during a monthly statement cycle is limited. (Does not apply to Personal Overdraft Savings) Transfers through Lighthouse Online are included, and if you exceed the total number of authorized transactions for these accounts, your account may be charged an excessive activity fee. The fees are as follows:

Schedule of Fees:

Stop Payment Fee

Per Stop Payment \$20.00

Excessive activity fees for accounts with transaction limitations:

Money Market

After six pre-authorized transfers or three third party checks/payments per monthly Statement cycle, each occurrence \$15.00*

Regular Savings (Does not apply to Personal Overdraft Savings)

After six per monthly statement cycle, each occurrence \$5.00*

* includes withdrawals and transfers at ATMs, teller lines, by telephone, or any other electronic means.

HOLIDAY SCHEDULE

Our banking days include all days except Saturdays and Sundays and the following standard holidays that are observed by Federal Reserve Bank in San Francisco:

- ✓ New Years Day
- ✓ Martin Luther King, Jr. Day
- ✓ Presidents Day
- ✓ Memorial Day
- ✓ Independence Day
- ✓ Labor Day
- ✓ Columbus Day
- ✓ Veterans Day
- ✓ Thanksgiving Day
- ✓ Christmas Day

HOLIDAYS FALLING ON SUNDAY: IF A HOLIDAY OCCURS ON A SUNDAY, THE HOLIDAY WILL BE OBSERVED THE FOLLOWING MONDAY

ENTIRE AGREEMENT

This Agreement may be amended from time to time.

YOUR AGREEMENT TO THESE TERMS AND CONDITIONS

Your registration for Lighthouse Online confirms (1) your agreement to be bound by all the terms and conditions of this Agreement; and (2) your acknowledgment that you received and understand the terms of this Agreement.