Horizon Hobby, LLC (also referred to as "Horizon Hobby", "Horizon" or "we") is now offering customers (hereafter referred to as "you", or "your") a loyalty rewards program called Horizon RC Club (also referred to as simply "RC Club" or "rewards program"). The RC Club rewards program is available through the HorizonHobby.com website. By creating a Horizon RC Club account, you indicate that you have read and understood these terms and conditions ("Terms") and agree to be bound by them. Horizon reserves the right to change or modify portions of these Terms at any time without prior notice. If changes are made, notice will be posted on <a href="https://www.HorizonHobby.com/content/RCClub">www.HorizonHobby.com/content/RCClub</a> along with a date of last revision. Your use of the Horizon RC Club rewards program constitutes acceptance of any changes or modifications. If you do not agree to any current or future Terms, do not use the rewards program.

## Eligibility

Participation in the RC Club rewards program is limited to citizens of the United States, District of Columbia (D.C.), Puerto Rico, Guam, and U.S. Virgin Islands who are at least 14 years of age. If you are below the age of majority (in the U.S., this age is 18), you are not authorized to use these services without the approval of a parent or guardian who is the age of majority. Employees, sponsors, and agents (which includes retailers and distributors) of Horizon Hobby are ineligible to participate in this rewards program. By participating, you represent that you meet these eligibility requirements. Some benefits are restricted in certain U.S. territories and states outside the continental U.S. (i.e. Alaska and Hawaii).

## **Privacy Policy**

In addition to any Terms outlined here, by participating in the Horizon RC Club rewards program, you also agree to abide by Horizon Hobby's Privacy Policy, which can be found at <a href="http://www.horizonhobby.com/content/support-render-privacy-policy">http://www.horizonhobby.com/content/support-render-privacy-policy</a>.

## Enrolling in the Horizon RC Club Rewards

To use the Horizon RC Club rewards program, you must opt in to the rewards program. To opt in to the rewards program, go to your account profile settings and check the "Enroll in the Horizon RC Club Rewards Program" checkbox. If you do not already have an account profile, you must create one by clicking the Sign In/Register button on the HorizonHobby.com homepage. A direct link to the Create an Account page for new users can be found <a href="here">here</a>. You do not need to create a new account to receive the RC Club Service benefits; however, you must still opt in to the Horizon RC Club rewards program to receive the RC Club benefits. By creating or continuing to use a Horizon Hobby account profile, you indicate that you agree to maintain true, accurate, current, and complete information about yourself. Additionally, you also agree that you alone are responsible for maintaining the confidentiality of your password and account, and that you are fully responsible for any activities that occur while logged in to your account. You must notify Horizon of any unauthorized use of your password or account immediately. Horizon will not be liable for any loss or damage, personal or otherwise, arising from your failure to keep your account information confidential. Refer to Horizon's <a href="Privacy Policy">Privacy Policy</a> to see how we use the personal information you provide.

### Points — Earning

The Horizon RC Club rewards program enables you to earn points through qualified transactions, writing product reviews and participation in eligible social media interactions. Refer to the Member Award Earning Chart <a href="here">here</a> for more information about earning points through participation. Qualified transactions are defined as any purchase made on HorizonHobby.com or any purchase made via phone order to Horizon at 800-338-4639. Qualified transactions do not include the following: gift cards, interest accrued during financing, service fees, additional return or restocking fees, or purchases made at Horizon Hobby retailers. Any exceptions made to the above will be evaluated on a case by case basis. In the unlikely event that an exception is made, you understand that such action does not grant you past, present or future license to treat similar (or identical) instances as qualified transactions. Restrictions on qualified transactions are subject to change.

For every one (1) dollar (USD) you spend, you will receive ten (10) RC Club rewards points in return while enrolled at the Standard Rewards status. Points will accrue rounded to the nearest whole number and are calculated based on the in-cart subtotal (taxes and shipping charges will not award points). For example, if your subtotal on HorizonHobby.com is \$200.99, you will receive 2010 points. Accrual rates are subject to change at Horizon's sole discretion and may be affected by changes in your RC Club account status, current exchange rates, or a temporary rate change at Horizon Hobby's discretion. Foreign exchange rates are determined by Borderfree and are based on interbank rates of exchange. These rates correspond with the average aggregate exchange rates that would otherwise be applied in an e-commerce transaction. Horizon makes no guarantee to any rate of accrual you may experience at the time of enrollment. Any points you accrue via the Horizon RC Rewards Program will receive a 30-day pending status prior to being available for redemption. Points in active status that are ready to be redeemed can be viewed on your RC Club rewards account page. RC Club points have no value outside the interactions described in these terms and may not be redeemed for cash.

You must be logged in to your Horizon Hobby account profile prior to completing any point-earning action before you can earn points to add to your account. If you complete a qualified point-earning action and did not log into your account or provide your member ID beforehand, you may request points or credit within 30 days of purchase by contacting Customer Service at 888-959-2307.

### Points — Earning Reward Status

By enrolling the Horizon RC Club Rewards Program, you are enrolled at the Standard Reward Earning Level. If you have spent one thousand (\$1,000) USD in qualifying purchases in a calendar year, your rewards program account will be automatically upgraded to Pro Level Reward Status. Pro Level Reward Status includes additional benefits for eligible participants. If you have spent three thousand (\$3,000) USD in a calendar year, your rewards program account will be automatically upgraded to Legend Reward Status, which includes even more benefits for eligible participants. You may purchase Pro Level reward status at any time for a nominal fee, but Legend reward status must be earned via qualified purchases. Refer to the RC Club Rewards website for more details on each reward status and the benefits associated. Upgrades to your reward status will affect the rate at which you are able to accrue points.

Reward status benefits are subject to change. Some benefits are restricted in certain U.S. territories and states outside the continental U.S. (i.e. Alaska and Hawaii).

If you do not make a qualified transaction within a consecutive 12-month period, your reward status may be downgraded to the Standard reward status level, or your account may be suspended at Horizon's sole discretion. If your reward status level is downgraded, Horizon is under no obligation to compensate or reimburse any payment or benefit you have made or received as a result of obtaining a higher tier reward status.

## Points — Redemption

Points accrued via qualified transactions can be redeemed in multiple ways. To redeem your points for credit towards your next purchase, generate a Reward Certificate from your RC Club Rewards Program Dashboard. Reward Certificates will be made available from the Redeem Points dropdown and will calculated based on the current active point total in your RC Club Rewards account. Pending points will not be available for the Reward Certificate calculation. Reward Certificates are subject to Expiration restrictions. See the Reward Certificates — Expiration section below for more information.

### **Reward Certificates**

Reward Certificates are a form of useable currency that can be used towards your next purchase. RC Club Rewards Points must first be converted into Reward Certificates before they can be used towards a purchase. Use of Reward Certificates cannot exceed the subtotal of the product you are purchasing and cannot be used to pay for shipping and handling, taxes, or any other fees applied at checkout. Reward Certificates may NOT be redeemed for gift cards or other non-qualifying products or services and may NOT be used to purchase a higher reward program status. Using Reward Certificates will not earn you points, even if a Reward Certificate is used as part of a qualifying transaction that does earn you points. For example, if you apply a Reward Certificate to the purchase of a product whose subtotal is \$109.99, you will not earn 1100 points and instead will earn points prorated based on the amount of the Reward Certificate(s) you are applying to the purchase.

# Reward Certificates — Expiration

Reward Certificates will remain valid for fourteen (14) days after redemption. If you redeem your points for Reward Certificates and do not use the Reward Certificate within 14 days, your Reward Certificate will be forfeited.

Points — Expiration

POINTS WILL EXPIRE IF YOU DO NOT MAKE AT LEAST ONE (1) QUALIFIED TRANSACTION WITHIN A 12-MONTH CALENDAR YEAR.

For example, if your last qualifying transaction was made on November 1, 2017, you have until December 31, 2018 to make another qualifying transaction or all points in your account will be lost. If you make a qualifying transaction on January 1, 2018, you have until December 31, 2019 to make

another qualifying transaction or all points in your account will be lost. Redeeming points in a calendar year without making a purchase will not be enough to maintain any remaining points on your RC Club rewards point balance.

Horizon reserves the right to modify or discontinue, either temporarily or permanently, your RC Club rewards program (or any part thereof) with or without notice. By participating in this program, you agree that Horizon has no responsibility or liability for the deletion or failure to store any data or other content maintained or uploaded by the RC Club Rewards Program. You also agree that Horizon Hobby will not be liable to you or any third party (such as a debt collecting or lending agency) for any modification, suspension or discontinuance of the RC Club Rewards Program.

### Points — Returns

If you return an item in a qualifying transaction for which you have received points, we will deduct the corresponding number of points from your account. If you return an item where a Reward Certificate was used, we will only refund the value of the product less the value of the Reward Certificate. Reward Certificates applied to items that have been returned will not be refunded or credited back into your RC Club account.

## Points — Transferring

Horizon RC Club rewards points are not transferable and may not be combined, transferred, or conveyed in any way to any other RC Club reward members, friends, family members (living or dead), work associates, pets, androids, robots, inanimate carbon rods, or any other objects or entities of emotional (or non-emotional) attachment.

### Intellectual Property Rights

The Horizon RC Club rewards program may contain content or features that are protected by copyright, patent, trademark, trade secret, or other proprietary rights and laws. Except as explicitly authorized by Horizon Hobby, you agree not to modify, copy, sell, distribute or create any derivative works based on these services or content. Any technology or software used for the Horizon RC Club rewards program is the property of Horizon Hobby, and you agree not to copy, modify, reverse engineer, or otherwise attempt to discover any code related to the software. Other products, service names, and logos used as a part of marketing or advertising in the Horizon RC Club rewards program may or may not be endorsed or affiliated with Horizon Hobby, and nothing in these terms should be construed as granting, by implication or otherwise, any license or right to use any trademarks used in connection with the RC Club rewards program (or any other Horizon Hobby deliverable) without prior written permission in each instance. Any rights not expressly granted herein are reserved by Horizon Hobby.

### **User Content and Feedback**

You acknowledge that any questions, comments, suggestions, ideas, feedback or other information provided by you to Horizon Hobby will be treated as non-confidential material, and Horizon Hobby will

be entitled to unrestricted use and dissemination of any submitted content provided by you for any purpose, commercial or otherwise, without acknowledgment or compensation to you.

You also acknowledge that Horizon Hobby may preserve or disclose content provided by you if required to do so by law or while under the good faith belief that such preservation or disclosure is reasonably necessary to comply with legal processes, applicable laws or requests by law enforcement, an enforcement of these Terms, or to protect the rights, property, or personal safety of Horizon Hobby, its users, or the public.

### Indemnification

You agree to indemnify and hold Horizon Hobby, its affiliates, officers, employees, directors, consultants, service providers and agents (collectively "Released Parties") harmless from any and all losses, damages, and expenses, including reasonable attorneys' fees, rights, claims, actions of any kind, and injury (including, in the extremely unlikely event, death) arising out of or relating to your use of the Horizon RC Club rewards program, your account profile on HorizonHobby.com, and any other services used to access the Horizon RC Club rewards program, including any services that may result in your violation of these Terms or the rights of others.

### **General Conditions**

By participating in the RC Club rewards program, you agree to (a) release Horizon Hobby and all associated directors, officers, agents and employees from any and all liability for any claims, costs, injuries, losses or damages that arise by your participation, including the unauthorized or illegal access to personally identifiable or sensitive information, or the acceptance, possession, use, or misuse of the rewards program. You also agree that Horizon Hobby is not in any manner responsible or liable for any warranty, representation, or guarantee, expressed or implied, relative to rewards program redemptions (any written warranty by the manufacturer concerning the products will be provided with the product). Neither Horizon Hobby nor any service providers are responsible for incorrect or inaccurate transcription of information, or for any human or other errors, technical malfunctions, lost/delayed data or voice transmission, omission, interruption, deletion, defect, line failures of any telephone network, computer equipment, software, inability to access the online rewards program or Horizon Hobby website, or any other error or malfunction, which includes late, lost or misdirected mail, or any injury or damage to you or any other person's computer related to or resulting from participation in this rewards program.

CAUTION: ANY ATTEMPT BY YOU OR ANY OTHER INDIVIDUAL TO DELIBERATELY DAMAGE THE RC CLUB WEBSITE, TAMPER WITH THE REWARDS PROGRAM, OR OTHERWISE UNDERMINE THE LEGITIMATE OPERATION OF THE REWARDS PROGRAM MAY BE IN VIOLATION OF CRIMINAL AND CIVIL LAWS, AND, SHOULD SUCH AN ATTEMPT BE MADE, HORIZON HOBBY RESERVES THE RIGHT TO COOPERATE IN THE PROSECUTION OF ANY SUCH INDIVIDUAL(S) AND TO PURSUE ALL REMEDIES TO THE FULLEST EXTENT PERMITTED BY LAW.

Failure to enforce any Terms outlined herein shall not constitute a waiver of that provision. If for any reason the rewards program is not capable of being executed as planned and is affected by a computer virus, bugs, tampering, unauthorized intervention, fraud, action of RC Club reward members, technical failures or any other causes, which, in the opinion of Horizon Hobby, corrupt or affect the security, fairness, integrity, or proper conduct of the rewards program, Horizon reserves the right at its sole discretion to cancel, terminate, modify or suspend any RC Club rewards program account with or without notice to you.

# Disputes

You agree that any and all disputes, claims and causes of action arising out of, or connected with, the rewards program shall be resolved individually, without resort to any form of class action, and exclusively by the appropriate court located in Champaign County, Illinois. Any and all claims, judgments, and awards shall be limited to actual out-of-pocket costs incurred, including costs associated with participating in this rewards program, but in no event attorneys' fees. Under no circumstances will you be permitted to obtain awards for, and you waive all rights to, claim punitive, incidental and consequential damages and any other damages, other than out-of-pocket expenses, and any and all rights to have damages multiplied or otherwise increased. SOME JURISDICTIONS DO NOT ALLOW THE LIMITATIONS OR EXCLUSION OF LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE MAY NOT APPLY TO YOU. All issues and questions concerning the construction, validity, interpretation and enforceability of these Terms, your rights and obligations, or the rights and obligations of Horizon Hobby, shall be governed by and construed in accordance with the laws of the Illinois, without giving effect to any choice of law or conflict of law rules (whether of Illinois or any other jurisdiction), which would cause the application of the laws of any jurisdiction other than Illinois.

#### Termination

You agree that Horizon Hobby, unequivocally and in its sole discretion, may suspend or terminate your account (or any part thereof) if Horizon Hobby believes that you have violated or acted inconsistently with the letter or spirit of these Terms.

### **Contact Information**

If you have any questions about the Horizon RC Club Rewards Program, please contact us by sending a letter to:

Horizon Hobby, LLC ATTN: RC Club Rewards 4105 Fieldstone Road Champaign, IL 61822

You may also contact us by email at <a href="mailto:HorizonRCClub@horizonhobby.com">HorizonRCClub@horizonhobby.com</a> or by phone at 888-959-2307.