

# Why are Terms and Conditions so important

**What happens if you don't update your computer's operating system? Risk! Risk of security breaches and viruses. Likewise, not updating your institution's terms and conditions will leave you vulnerable to different types of risks, including:**

- **Regulatory risk** – including fines, risks to charter, loss of revenue, and increased scrutiny
- **Reputational risk** – negative publicity that is a threat to the good name and position of your institution
- **Capacity risk** – the risk of stretching your front-line teams with additional support tasks of responding to consumer questions about fee and process changes
- **Legal risk** – risks of lawsuits and copyright infringements
- **Operational challenges** – the challenge of ensuring that each client is given the proper treatment based on which version of terms and conditions you most recently communicated to them
- **Account acquisition and retention** – the loss of trust due to inconsistent messaging could impact account acquisition and retention efforts

## **Mitigating risks – Why banks and credit unions must keep their Terms and Conditions content updated**

Financial institutions' overdrafts and non-sufficient fund (NSF) fees practice have been under scrutiny for decades. We have seen increased litigation brought upon financial institutions for overdraft and NSF fees, among others. To avoid lawsuits and the associated risks, you must stay current and responsive to Regulator activities as well as what is happening on the litigation front. Most importantly, make sure your Terms and Conditions documentation matches your practice—"Do what you say you are going to do".

**Keep your account holders informed of any additions or amendments to your Terms and Conditions document. Send a change notice and protect your institution by:**

- ✓ Adopting a single policy and procedure across your client population
- ✓ Eliminating the need to validate the contract version or terms an account owner last received
- ✓ Having the benefits of the most current content applied across the board
- ✓ Preserving your reputation in the community you serve

### **License your change notice content**

If you use Wolter Kluwers' content in your terms and conditions, you must obtain an appropriate license before sending the change notice to your account holders. Contact your Sales Representative to verify if you have proper licensing or to obtain all your licensing options. Alternatively, you can contact customer support at 800-552-9410, Ext. 1123652.

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## Let us do the heavy-lifting

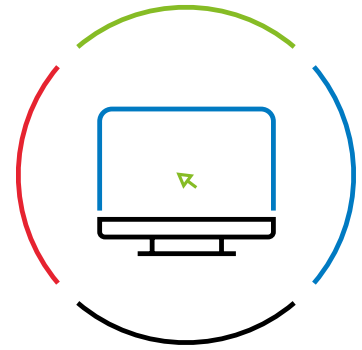
At Wolters Kluwer, we keep track of regulation changes, case laws, and customer feedback on a state and federal level to keep our Terms and Conditions up to date so that you don't have to do it. We strive to improve our Terms and Conditions to help you:

- Increase your compliance confidence going into your next review/audit
- Reduce the risk of regulatory fines and the negative publicity that comes with them
- Reduce the risk of disputes with account holders and other third parties
- Protect yourself from liabilities and lawsuits
- Make them easier to read and understand

With us by your side, you can focus on what is more important—your business.

Learn more about Wolters Kluwer's Terms and Conditions [here](#).

Also, is your IRA Amendments covered for the SECURE Act 2.0. Learn more [here](#).



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## About Wolters Kluwer Governance, Risk & Compliance

Governance, Risk & Compliance is a division of Wolters Kluwer, which provides legal and banking professionals with solutions to help ensure compliance with ever-changing regulatory and legal obligations, manage risk, increase efficiency, and produce better business outcomes. GRC offers a portfolio of technology-enabled expert services and solutions focused on legal entity compliance, legal operations management, banking product compliance, and banking regulatory compliance.

Wolters Kluwer (WKL) is a global leader in professional information, software solutions, and services for the healthcare; tax and accounting; governance, risk and compliance; and legal and regulatory sectors. We help our customers make critical decisions every day by providing expert solutions that combine deep domain knowledge with specialized technology and services. Wolters Kluwer reported 2021 annual revenues of €4.8 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 20,000 employees worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

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