

# 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, risk 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.



## 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 the latest Regulation CC \(Funds Availability\) Cost of Living adjustments →](#)

## About Wolters Kluwer Financial & Corporate Compliance

Wolters Kluwer (EURONEXT: WKL) is a global leader in information solutions, software and services for professionals in healthcare; tax and accounting; financial and corporate compliance; legal and regulatory; corporate performance and ESG. We help our customers make critical decisions every day by providing expert solutions that combine deep domain knowledge with technology and services.

Wolters Kluwer reported 2024 annual revenues of €5.9 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 21,600 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

Wolters Kluwer shares are listed on Euronext Amsterdam (WKL) and are included in the AEX, Euro Stoxx 50, and Euronext 100 indices. Wolters Kluwer has a sponsored Level 1 American Depositary Receipt (ADR) program. The ADRs are traded on the over-the-counter market in the US (WTKWY).

©2025 Wolters Kluwer Financial Services, Inc. All Rights Reserved.

For more information, visit [www.wolterskluwer.com](https://www.wolterskluwer.com). Follow us on [LinkedIn](#), [Facebook](#), [Youtube](#), and [Instagram](#).