

Terms and Conditions

Terms and conditions refer to the contractual rights and obligations of a party to any contract. They refer to the broader concept of guidelines that parties must follow in an agreement. Your business can create them for any formalized business agreement.

Terms of Service

In contrast, terms of service, also referred to as terms of use, are the eCommerce terms and conditions surrounding the use of a service or application and must comply with the [General Data Protection Regulation \(GDPR\)](#) guidelines. Software companies utilize them more often than other industries. Use terms of service when your company offers a business service, too.

Examples of Terms and Conditions

Terms and conditions are essential for any type of formal relationship. If you want to protect your legal rights, remember to always get it in writing. Otherwise, it's your accusation against the other party in case a future dispute arises.

Examples of when to use terms and conditions include:

- Engaging in business with others
- Working for a company as an employee
- Selling products to consumers online
- Organizing a sweepstakes or lottery for participation
- Selling policies an insurance provider
- Offering services as a real estate professional
- Providing services as a construction contractor
- Building websites for customers
- Drafting a [prenuptial agreement](#) for high net worth couples

- Lending money or offering services to bank customers
- Hiring a freelancer through a job talent marketplace
- Taking people out on adventure excursions commercially
- Renting out hotel rooms to consumers
- Including a [warranty](#) with a consumer product