

## The Importance of Website Policies

This document helps explain what website policies are and how they help you comply with laws and also protect you by limiting your liability.

This document covers the three most common policies found on websites:

1. Privacy Policy (page 2)
  - a. May be required under multiple privacy laws
  - b. Required to utilize several third-party tools
  - c. Can apply to businesses of any size and location
2. Terms of Service (page 3)
  - a. Limits your liability for potential copyright infringements and third-party links
  - b. Answers commonly asked customer questions
  - c. Sets the rules for using your website
3. Disclaimer (page 3)
  - a. Limits your liability (if applicable)
4. Cookie Policy and cookie consent banner (page 4)
  - a. A Cookie Policy is required under several privacy laws.
  - b. A cookie consent banner helps collect consent prior to installing non-essential cookies onto a user's browser or device, a requirement under several privacy laws.

Honey Road Design does not employ lawyers and this is not legal advice. However, I believe this information is important and it can help you make the best decision for your website. Feel free to contact me at [hello@honeyroaddesign.com](mailto:hello@honeyroaddesign.com) with any questions or fill out our [online contact form](#).

Thank you!

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# 1. What is a Privacy Policy?

A Privacy Policy helps website owners comply with privacy laws by providing specific disclosure requirements such as how their website collects, uses, and discloses personally identifiable information and more.

## **A comprehensive Privacy Policy is required to comply with privacy laws**

Today's modern websites are built to provide a great user experience and motivate prospective customers to reach out and inquire about what you have to offer. This is done through the use of tools such as contact forms, website analytics, and more.

Contact forms ask users to submit their 'name' and 'email', which are examples of personally identifiable information. When a website uses analytics, it collects each visitor's IP address and shares that personally identifiable information with third-party data analytics providers. These are just a few examples of how websites collect and share personally identifiable information.

## **Penalties for non-compliance**

The collection of personally identifiable information is regulated under multiple privacy laws. For example, in the US, there are four state privacy laws that can apply to businesses, regardless of their location, and fines for non-compliance start at \$2,500 per "infringement" (per website visitor). Each of these privacy laws has specific disclosure requirements that have to be added to your Privacy Policy to be compliant.

On top of that, over two dozen privacy bills have been proposed on a state level, each with its own unique disclosure requirements and penalties for not complying. Some of these bills will enable citizens to sue businesses (**of any size or location**) for collecting their personally identifiable information without an up-to-date and compliant Privacy Policy. Due to the ever-changing nature of privacy laws, it's important that you not only have a comprehensive Privacy Policy in place but that you also develop a strategy to keep your policies up to date when these laws are amended or when new laws are implemented. Updates occur in our laws more often than most people realize.

## **Google requires your website to have a Privacy Policy**

Outside of the legal requirements, Privacy Policies are required to use popular third-party tools. For example, a website utilizing Google Analytics is required by Google to have a Privacy Policy. You can find this requirement within section 7 of Google's Terms of Service:

<https://marketingplatform.google.com/about/analytics/terms/us/>

## 2. What is a Terms of Service Agreement?

A Terms of Service Agreement limits the liability of businesses by stating the rules for using the website.

### Example disclosures:

**Third-party links:** When a website offers links to third-party websites, a Terms of Service can help explain to users that the business is not responsible if a user clicks those links. So, if a third-party link brings a user to a hacked website, the Terms of Service disclosure can help prevent you from being sued.

**DMCA Notice:** A Terms of Service agreement can also provide what's called a DMCA notice, which helps prevent a business from being sued by providing contact information in case the website is accidentally using copyrighted material (like images or content).

There are many additional disclosures that a Terms of Service can make, but these two are the most popular and easy ways to protect your website and your business.

## 3. What is a Disclaimer?

A Disclaimer is a document that helps limit your responsibilities and liabilities for your website in certain circumstances.

### Does your website:

**Advertise third-party products or services?** A Disclaimer will help you protect yourself if a user clicks on the third-party advertisement and gets a virus, is somehow injured by the product or service, or is not happy with the third-party product or service.

**Sell or display health products?** A Disclaimer will help you protect yourself in this case if the health products do not work as they should, do not deliver the expected results, or if the user gets injured by the health products.

**Participate in an affiliate program?** An affiliate program is a program whereby you list a particular link on your website and if the user clicks on that link or purchases the products that the link displays, you receive money from the manufacturer of that product. A Disclaimer will help you comply with the affiliate program's Terms of Service as most affiliate programs require you to provide a Disclaimer and will help you keep your user's trust.

**Provide health and fitness advice?** A Disclaimer will protect you in case the user gets injured after following your health and fitness advice, much like the beginning of those exercise videos that you will watch in January of next year.

**Provide information that could be seen by others as legal advice?** A Disclaimer will protect you here by stating that there is no attorney-client relationship here and that this advice is not legal advice, thus protecting you in case something goes wrong.

## 4. What is a Cookie Policy and cookie consent banner?

Cookies are little snippets of code that get inserted into the user's browser and device when visiting a website. They can help ensure a website properly functions (aka essential and functional cookies). They can also track website visitors for analytics and advertising purposes (aka marketing cookies). Several privacy laws require users to provide consent prior to implementing non-essential cookies on their browsers. This is commonly done through a cookie consent banner, which will ask your website visitors to choose their consent settings. It is important to identify what privacy laws apply to you, and determine if you are required to provide a cookie consent solution on your website along with a Cookie Policy further describing the purpose of each cookie.

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[Contact us](#) today for more information or to get started on your website policies.