

6. Managing Outstanding Short-Term Service Contracts and Related Bills

This chapter will help you to: (a) get your short-term service contracts and related bills in order, and (b) decide whether and how to terminate these contracts.

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Each Chapter is intended to provide generalized information on a particular topic. In many cases, laws may differ from state to state. Therefore, this information is not intended to replace state-specific legal assistance. Nothing in this manual is intended to create an attorney-client or fiduciary relationship.

Examples of Short-Term Service Contracts

Common examples of the many different kinds of short-term service contracts are listed below to help you identify contracts you may have.

- Phone and internet plans
- Digital subscriptions such as streaming, music, news, and gaming
- Utilities such as gas, electric, water, trash, and recycling
- Others such as food delivery and gym memberships

Initial Action Items

First, collect the information in one place. As you collect contracts and bills, remember, if you do not understand something, ask someone for help or contact the provider with questions (and/or to see if they can provide the contract in your preferred language). When contacting the provider, it's recommended to start with their website, then use email/chat, and as needed/available, call them by phone or go to the store. Be sure to save emails and notes. Consider sharing the information with a trusted person in the U.S. who may be able to help you after you leave.

Compile Your Contracts and Related Documents

- Make a list that includes details such as: the service, provider name and contact information, account holder name and account number, amount owed, due date(s) (or payment frequency), whether autopay is set up, termination date, and space for notes. Keep the list updated.
- Put the list and a copy of each contract in a file (physical and/or electronic).
- Include a copy of the last bill and receipt of the last payment made for each contract.

Does the Provider Offer Services in the Country Where You Are Going?

If “yes,” coordinate with the provider to ensure coverage is transferred under the contract.

Note: this likely only applies to some services such as phone and internet plans.

Can You Put Another Person on the Account Who Can Take Action?

If “yes”:

1. Talk to the person you want to add;
2. Ensure they understand and consent;
3. Provide them the relevant documents and information discussed above under “Compile Your Contracts;” and
4. Provide them specific (and ideally written) instructions about how/when to access the account and assist in your absence. Follow the instructions in the contract to add another person.

If “no,” or unclear, contact the provider.

Note: don't forget to evaluate the potential liability of adding another person.

Does the Contract Have a Termination Section?

If “yes,” see if there is an early termination fee and specific information on how to terminate. Add the information to your list.

If “no” or unclear, contact the provider. See below for additional information.

Terminating a Contract

Most service contracts will include information about termination. This is often found in a section “Terms of Service,” or “Termination,” or “Cancellation.” If you cannot find the termination section or the language is unclear, contact the provider.

Each contract is different. Often you can terminate through your online account, but sometimes you have to appear in person or call customer service. Sometimes there is a termination fee, or a deposit refund, or other considerations. Check each contract to determine the process and considerations.

When time is limited, contact providers to determine if you can add another person who can help manage your account. If “yes,” try to do so right away.

If you are not able to add another person to manage the account and there is insufficient time, you should contact the provider and give your new contact information.

Example of Termination and Transfer Provisions

Sample Verizon Mobile Customer Agreement.

A sample Verizon Mobile Customer Agreement allows users to terminate/cancel service through their online account. The sample below also explains possible results of termination, based on factors such as how soon after accepting the agreement the user terminates, if the user returns certain equipment on time, and the type of payment plan. The termination provision from a sample Verizon agreement:

“You can cancel a line of Service within 30 days of accepting this Agreement as long as you return, within the applicable return period, any equipment you purchased from us or one of our authorized retailers in connection with your acceptance of this Agreement, but you'll still have to pay for your Service through that date. If you financed your device with Verizon and cancel your Service(s) after 30 days, your outstanding balance may immediately become due. Canceling service may also impact promotions associated with that line(s). You may manage your Service at any time at Verizon.com. If you signed up for Prepaid Service, no refunds will be granted after 30 days or if your account has been activated. See verizon.com/support/return-policy/ for complete details and information on returning your equipment.”

The sample Verizon agreement also includes a separate section about transferring the agreement or service to another person:

*“Can I have someone else manage all or a portion of my [. . .] account?
No problem – just tell us by phone, in person, or in writing . . .”*

What Happens if You Don’t Pay the Bills or Terminate the Contract?

Each contract has its own terms but generally you will continue to be responsible for the contract and unpaid amounts. There may also be additional fees and charges for unpaid bills. Depending on the state and provider, sometimes the provider can suspend service (but you may still be responsible to pay). Many of these contracts automatically renew unless terminated. Some switch to month-to-month arrangements. Be sure to review each contract.

Checklist: Short-Term Service Contracts and Related Bills

- Compile the following:
 - List of contracts
 - o *Include details such as: the service, provider name and contact information, accountholder name and account number, amount owed, due date(s) (or payment frequency), whether autopay is setup, termination date, and space for notes. Keep the list updated.*
 - Copy of each contract.
 - Copy of the last bill and receipt of the last payment made for each contract.
 - Consider sharing the compiled folder with a trusted person in the U.S. who may be able to help you after you leave.
- Review each contract and/or coordinate with the provider to find answers to the following questions:
 - Does the provider offer services in the country where you are going?
 - Can you put another person on the account who can take action? If “yes,” did you add someone? Who?
 - In the case of a phone/mobile plan, are you able to transfer your current phone number? If “yes,” have you taken the steps necessary to ensure the transfer can occur? If “no,” do you have a new phone number that will work once you’re outside the U.S.? Have you shared this with providers?
 - What are the steps needed to terminate each contract? Are there fees or other considerations associated with termination?
 - Did you send the information to a trusted person in the U.S.?