



## Welcome to the FitBUX Refinancing Guide!

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You are interested in refinancing your student loans and have a few questions?

FitBUX offers you a way to gain flexibility and potentially save thousands of dollars!

The refinance process is complex so we've created this guide to answer questions you may have and hopefully simplify the process. For additional information, visit [FitBUX Articles](#) and our [frequently asked questions](#) page.

If you still have questions we are always happy to help you learn and save! Send us your questions at [info@fitbux.com](mailto:info@fitbux.com).

Sincerely,

The FitBUX Team

# Overview:

## What is Student Loan Refinancing?

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When you refinance a loan, a finance company “buys out” your existing student loans from your current lender such as Sallie Mae or Wells Fargo. Your existing loan no longer exists and you have a new loan with the new finance company.

Similarly, when refinancing your student loans with FitBUX, FitBUX will “buy out” your existing loans and these loans no longer exist. The difference is that your loans will be replaced with a FitBUX Income Share Agreement. In this scenario, your repayment amounts are based on a percentage of your earnings. This allows you to gain flexibility and potentially save money. FitBUX will also allow you to consolidate multiple existing student loans or refinance only a portion of your loans if you so desire.

## Why Does Student Loan Refinancing Exist?

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Refinancing exists because finance companies may be willing to provide you superior terms (such as lower monthly payments) than your original student loans.

**The reasons superior terms are available can happen for three primary reasons:**

- Lower interest rates.** Market interest rates are at all-time lows and may be lower than your current rates.
- Lower risk of default.** When you graduate, gain employment, and establish work history you are considered a better borrower because your chance of default is lower.
- Personalized offers.** New companies such as FitBUX are introducing new consumer friendly options that are customized to your personal situation.

# Steps To Refinance Your Student Loans

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- 1** Research and find a finance company willing to refinance your student loans. Make sure you get terms that best suit your personal needs.
- 2** Submit your application. The application process varies for each finance company. You will have to have your student loan details handy.
- 3** Select the offer that you like, verify the information you supplied on the application, and accept your new financing.

The complete process of refinancing your loan varies for each finance company but can be expected to take a few weeks.

## What Are The Steps At FitBUX?

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FitBUX makes this process transparent and helps you create your complete financial profile along the way. You'll not only get financial flexibility but also unmatched insight in minutes.



### Create Your Profile

Get the ball rolling minutes



### Get Your FitBUX Score

See how your complete financial picture provides you the best terms for your income share agreement.



### Choose Your Offer

Receive personalized offers and select the one that's right for you.

# Things to Consider

## Tip!

Consider refinancing only your high interest loans. There are some federal loans you may want to keep.

## Shorter Term vs. Longer Term

There are trade-offs when choosing the length of your agreement. Below is a chart that highlights these trade-offs:

	<u>Short-Term</u>	<u>Long-Term</u>
Advantages	<ul style="list-style-type: none"> <li>Cumulative repayment is less</li> <li>Total finance payment (repayment above the borrowed amount) is less</li> </ul>	<ul style="list-style-type: none"> <li>More financial flexibility</li> <li>Lower monthly payments</li> </ul>
Disadvantages	<ul style="list-style-type: none"> <li>Higher monthly payments</li> <li>Higher payments result in less financial flexibility</li> </ul>	<ul style="list-style-type: none"> <li>Cumulative repayment is greater</li> <li>Greater finance payment</li> </ul>

## Fixed Rate and Variable Rate Loan vs. Income Share Agreement

	<b>Fixed</b>	<b>Variable</b>	<b>ISA</b>
<b>Interest Rate</b>	Rate will not change during the term	Rate will change based on an underlying benchmark	There is no interest rate
<b>Monthly Payments</b>	Monthly payments remain constant throughout the term	Monthly payments fluctuate based on market rates	Monthly payments fluctuate based on earnings.
<b>Payment Flexibility</b>	Predictable payments but no flexibility	Payment fluctuate based on factors out of <u>your</u> control	Your earnings go up? pay off quicker. Your earnings go down? so do your payments

# Repaying your Student Loans

## How Much Earnings Should Go Towards Repayment?

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In regards to financing your education, you should limit your monthly payment to 15% of your gross income.

If it is above this amount you may be eligible for various federal programs. (Note: We do not promote nor demote federal income based plans. Each individual has their own circumstances and must use the best option for their situation.)



## Let Us Know What Your Financing Needs Are!

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FitBUX is here to help with your student loans. See how we can provide you flexibility and potential savings! If you have any questions email us at [info@fitbux.com](mailto:info@fitbux.com).

Build your free profile today!

Cheers!

**The FitBUX Team**