



Your Bankruptcy Survival Kit

A Step-by-Step Guide to Taking
Back Control



Welcome to Your Fresh Start

Dear Friend,

If you're reading this, you've already taken a powerful first step. At Athena Legal Group, we believe bankruptcy isn't failure — it's a tool for a fresh start.

It means you're choosing strength, not defeat. You're protecting your future, your family, and your peace of mind.

Financial hardships happen to good people. That's why bankruptcy laws exist — to help you survive, rebuild, and thrive.

You are not broken. You are resilient.

This isn't the end — it's the beginning of a new chapter.

We're honored to walk this journey with you.

Your comeback starts today.



With encouragement,
Athena Legal Group
“Your Trusted Legal Partner”



Quick Quiz – Is Bankruptcy Right for Me?

(Tally Your YES Answers!)
Answer each question honestly:

Are you behind on your mortgage, rent, or car payments?

☐ Yes ☐ No

Are you using credit cards to cover basic living expenses like groceries or gas?

☐ Yes ☐ No

Are debt collectors calling, texting, or mailing you frequently?

☐ Yes ☐ No

Are you only able to make minimum payments on your credit cards — or falling behind?

☐ Yes ☐ No

Do you owe more in debt than you could realistically pay off in the next 3–5 years?

☐ Yes ☐ No

Are you worried about wage garnishment, lawsuits, or bank account freezes?

☐ Yes ☐ No

Have you been borrowing from friends, family, or payday loans to stay afloat?

☐ Yes ☐ No

Is worrying about debt affecting your health, sleep, or relationships?

☐ Yes ☐ No

***More than 3 Yes answers? It's time to explore your options.**






What Bankruptcy Can (and Can't) Do

Bankruptcy is a powerful reset button — but it's important to understand what it can (and can't) do, so you can make the most empowered choices moving forward. 💡

Bankruptcy Can...

- ✓ Stop creditor calls, lawsuits, and wage garnishments
- ✓ Erase credit card debt
- ✓ Eliminate medical bills and personal loans
- ✓ Protect most of your household items and essentials
- ✓ Give you breathing room and peace of mind

Bankruptcy Can't...

- ✗ Erase student loans (without proving extreme hardship)
 - ✗ Remove child support or alimony obligations
 - ✗ Clear criminal fines, penalties, or court fees
 - ✗ Automatically stop foreclosure without a repayment plan
 - ✗ Fix long-term financial habits without new planning
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Documents To Gather

Income Documents

Last 6 months of pay stubs or income statements
Records of any side income, freelance work, or business income
Documentation of unemployment, disability, or Social Security benefits

Bank Statements

Last 3–6 months of bank account statements
Savings, checking, retirement, and investment account records

Tax Returns

Federal and state tax returns for the last 2 years
W-2s, 1099s, or other tax forms

Debt and Creditor Information

Recent credit card statements
Medical bills, personal loans, payday loans, and utility bills
Any collection letters or lawsuit paperwork
Mortgage and car loan statements

Property and Asset Information

Deed or mortgage paperwork for your home
Vehicle titles or lease agreements
Documentation for valuable personal property (jewelry, collectibles, etc.)

Other Legal Documents

Divorce decrees or child support orders
Court judgments, lawsuits, or wage garnishment orders
Previous bankruptcy filings (if any)

Bonus Tip:

Start a simple folder (digital or paper) where you collect and organize these documents.
Having everything ready helps your attorney build the strongest case for you — and makes the process much faster.

The Red Flag List



Before you file, it's important to protect your case and avoid costly mistakes.

Here are some red flags to watch out for:

✗ Don't Max Out Your Credit Cards

Racking up new debt before filing can be considered fraud.
Avoid large purchases or cash advances.

✗ Don't Transfer Property to Family or Friends

Moving assets out of your name before filing can backfire.
The court may undo these transfers — or worse, deny your case.

✗ Don't Pay Off Favored Creditors

Paying back a friend, family member, or one creditor over others could create "preferential payment" issues.
Let your lawyer guide you on what (and when) to pay.

✗ Don't Drain Your Retirement Accounts

Your 401(k) and IRA are often protected in bankruptcy.
Avoid cashing them out to pay debts unless an attorney advises you to.

✗ Don't Hide Information

Full honesty about your assets, income, and debts is critical.
Hiding property or debts could get your case dismissed — or even result in penalties.

✗ Don't Ignore Lawsuits or Collection Notices

Just because you're thinking about filing doesn't stop court dates or deadlines.
Stay proactive — your attorney can help you manage them.

Understanding Exemptions (2025 Update)

When you file for bankruptcy, certain assets are protected by law — meaning you can keep them instead of losing them to creditors.

Here's what you can keep under the updated 2025 federal exemption limits:

- 🏠 **Homestead Exemption** Protects your home equity up to \$31,950
- 🚗 **Motor Vehicle Exemption** Protects equity in your car up to \$5,000
- 🛋️ **Household Goods Exemption** Protects items like furniture, clothes, appliances — up to \$800 per item
- 🎯 **Wildcard Exemption** Flexible protection up to \$15,425 for anything you choose



⚖️ Disclaimer:

This information is provided for general educational purposes and may be subject to change. It does not constitute legal advice. For advice specific to your situation, please consult with Athena Legal Group or another qualified attorney.

Emotional Survival Guide

Reclaim Your Confidence

Filing for bankruptcy is more than a financial decision — it's an emotional journey too. It's normal to feel fear, guilt, shame, or even relief as you take these next steps.

At Athena Legal Group, we want you to know:




You are not your debt.

You are not your past.

You are allowed to begin again — stronger, smarter, and free.

Use the journal prompts below to reconnect with your strength and imagine the future you're building:

Journal Prompts:

-  1. What does a fresh start look like for me?
(Imagine your life one year from now — free from the stress you're carrying today.)
-  2. What am I proud of surviving so far?
(List the hard things you've overcome. Remind yourself how resilient you are.)
-  3. What can I let go of today?
(Fear? Guilt? Pressure to be “perfect”? Release whatever no longer serves your future.)

A Reminder:

You are not starting over from scratch.
You are starting over from experience.
You've already survived your hardest days —
now it's time to build your best ones.

Life After Bankruptcy



Build Back Stronger

Bankruptcy isn't the end — it's your opportunity to rebuild smarter, stronger, and more confidently than before.

Here are a few simple steps to help you move forward with purpose:

Rebuilding Credit

Check your credit reports: Request free copies from Equifax, Experian, and TransUnion to make sure debts are properly discharged.

Open a secured credit card:

Start small — use it responsibly and pay the balance in full each month.

Make payments on time:

On-time payments are the fastest way to rebuild your credit history.

Creating a Basic Budget

List your monthly income: Include salary, benefits, or side income.

Track your real expenses:

List everything — rent, food, utilities, gas, savings, debt payments.

Build an emergency cushion: Even saving \$25–\$50 a month builds the habit of protecting yourself.

Goal: Spend intentionally. Save consistently. Plan wisely.

Setting 6-Month Financial Goals

Small, realistic wins first: Example: Save \$500 in emergency funds, pay off a small recurring bill, or increase your credit score by 20 points.

Be clear and measurable: (Ex: “Save \$1,000” vs. “Save more money.”)

Celebrate every milestone: Progress — no matter how small — is still progress.

 **Final Thought:**

You didn't lose.

You learned.

You are moving forward — not backward.

At Athena Legal Group, we're proud to support you every step of the way.

How Athena Legal Group Can Help

You Don't Have to Do This Alone

Filing for bankruptcy is a big decision — but you don't have to figure it out by yourself.

At Athena Legal Group, we specialize in helping good people find fresh starts with clarity, compassion, and the right legal strategy for their unique situation.



Contact Us Today

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