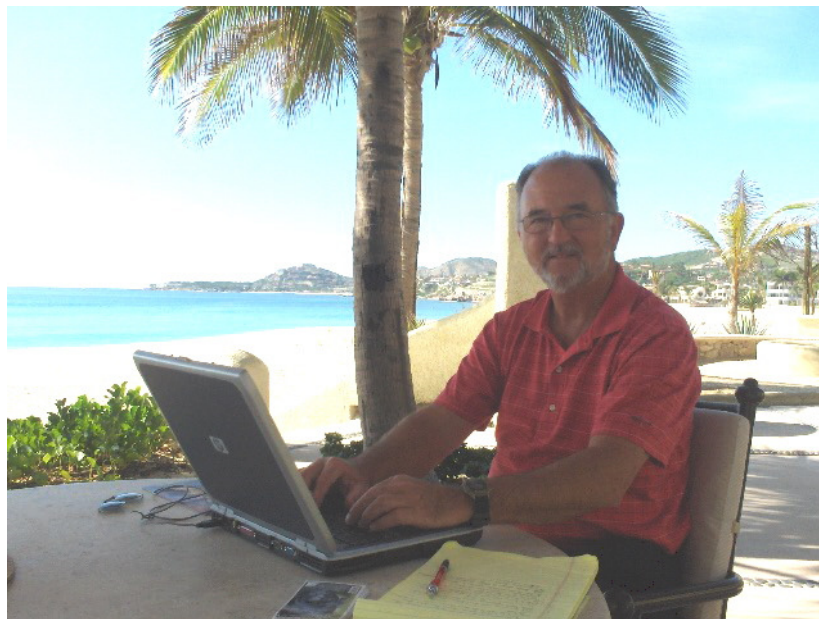


EXCERPTS from
Mastering “The Art of Retirement”

WHY YOU MUST prepare for your “golden years,”
and
HOW TO plan for and enjoy them!

Stuart Gustafson

www.stuartgustafson.com



SECOND EDITION

Table of Contents

| | | |
|------------|---|-----------|
| 1. | INTRODUCTION to "The Art of Retirement" | 1 |
| 2. | What I AM DOING now that I am "retired" Error! Bookmark not defined. | |
| 3. | Why you MUST START "retiring" 10 years in advance | 10 |
| 4. | Uncovering your PASSION and unleashing its Power | 12 |
| 5. | FINANCES are IMPORTANT, but they are not the only ingredient to a successful retirement..... | 13 |
| 6. | How to AVOID some of the MISTAKES made by many retirees | 14 |
| 7. | SIX DOCUMENTS that you must have | 15 |
| 8. | VACATION SECRETS from a seasoned traveler | 16 |
| 9. | FOUR PEOPLE you should know well, and vice versa..... | 17 |
| 10. | Reference Materials | 18 |
| 11. | 100% SATISFACTION GUARANTEE..... | 19 |
| | THANK YOU | 20 |

1. INTRODUCTION to “The Art of Retirement”

NOTES for the Second Edition: It has been a busy 9+ months’ since the First Edition of *Mastering “The Art of Retirement”* was released. Some of the things that have happened (not only to me, but world-wide events also) are in the text as appropriate. In the US we have seen an intensified campaign season for the Presidency; there has been a major setback in the sub-prime mortgage market; there are continued pressures for withdrawal from the military activities in the Mid-East region, and Tiger Woods will be out of professional golf for 8+ months. Why do I include the reference to Tiger? He has, and has had, the greatest single influence on a sport ever. His absence will be felt by viewers, television sponsors, the PGA Tour, and the other golfers who want to win tournaments and/or be #1 on the Tour. Oh, by the way, Tiger and I also share the same birthday – December 30 (although he is 28 years’ younger).

Continual learning is important to me, and I have certainly been learning more about retirement in the past year. Some of those new learnings have been added into this edition – a lot more websites have been listed in Reference Materials in Chapter 10; I have been asked to give talks on “retirement,” and I have included some of that information in Chapter 4; I have tweaked some of the content in the other chapters to make them more up-to-date. But one thing that has not changed is the 100% SATISFACTION GUARANTEE in Chapter 11. I still believe quite strongly that you **must** receive value for the money that you have given to me for this book.

Hi. My name is Stuart Gustafson, and I am in the group of tens of millions of Americans who are called “Baby Boomers.” I was born in late 1947, so I will not be among the first group of Boomers to reach 62 and thus become eligible to receive Social Security payments. My brother was born in January

1946, which means that he was among the very first Baby Boomers to achieve that plateau.

In case you are curious, the picture on the cover is a picture of me at “my desk” in San José del Cabo in Baja California. Not a bad place to work is it? I was staying at Playa del Sol Los Cabos Resort for four weeks while I was completing the first edition of this book. I am an owner at Playa del Sol, and I truly enjoyed the entire time I was there – the beach is clean; the waves are gentle, yet there is a world-class surfing beach a couple hundred yards away; everyone is friendly, both the staff and the vacationers. As I was considering where to go to complete writing this book on “The Art of Retirement,” I could not think of a better place to go. As you look at that picture – don’t you agree with me?

This book is written primarily for Baby Boomers. Why? Quite simply, January 2008 marked the date when the earliest of those Boomers reached the typical “retirement age” of 62. I know that age 62 is not the retirement age for everyone or for every line of work. The US armed services say you can retire, subject to a few limitations such as just receiving a promotion, when you have twenty years’ of active duty service. For some that might mean age 38 if they joined the military at age 18. But for all those I know who retired from the military, they all went on to choose a second career. They were able to draw their retirement pay, but they took a new job, and many of them ended up retiring from their second job and receiving a retirement pension from that job. Smart planning!

And then there are those of us who go to work for a company where we expect to be able to retire at a certain age or after a set amount of years with that company. The expectation as you start out is that you will receive a comfortable monthly pension as a “thank you” from the company for the many years of service, dedication, and contribution to the company’s growth and profits. This is the typical retirement benefit that one would expect to

receive from an employer for having been employed for a certain length of time with them. Stay there “long enough” and you can retire (or, as put into other words, move into “retirement”).

Recent turmoil in the worldwide business climate, combined with tougher economic situations within individual companies, has made some fairly wholesale changes to the retirement picture. Many companies have stopped their contribution to employee pension plans. Some have said that unless you were a certain age by a specific date, you would no longer be eligible for any retirement benefits – including the lifetime medical coverage that you were “promised” when you were hired. These are just a couple of the changes that are occurring that make “retirement” seem farther away and/or tighter from a budgetary viewpoint.

Retirement, however, is not just about staying with one particular employer long enough to receive retirement benefits. That can be one piece of it, and it could be a very important piece – but “retirement” is much more than that. Retirement should be the time in your life when you are mentally, physically, and financially able to do “whatever you want to do.” That might be going fishing every day; it could be traveling to those places that you have only heard about on the Discovery Channel; or it could be going to visit your children and grandchildren on your own schedule. That sounds pretty good, doesn’t it?

Most of us Baby Boomers were raised in a household where our parents would tell us of the struggles they had at work. Retirement to them was going to be relaxing and doing things on “their schedule,” not on the boss’s schedule. Our parents were going to do the things that they were never able to do while they were working. They were going to get in the car and “just drive” to wherever they wanted to go. That all sounds so idyllic – it even sounds like some great material for some 1960’s television programs – yet it was typically such a short-lived dream. Why? You will find out the specifics

why later in this book, but basically our parents **had not** mastered “The Art of Retirement.”

How could they have mastered “The Art of the Retirement”? They had never heard of it, so, of course, they could not master it. You have to realize that these people – the parents who brought us into the world and wanted us to have the things that were not a given to them – were so focused on making sure the family had a place to live, clean clothes to wear, food to eat, and an education so we could “go further” in life. They were much more focused on the basic elements of life, those things that we take for granted today. Let’s not trivialize that because our generation is so much stronger because of the work ethic and the family ethic that our parents’ generation had. Hopefully, some of that work ethic and family ethic has transferred down to our generation and then to the ones that follow.

Our parents’ generation did not have an easy time of living and of making a living. Many of them served in World War 2, and some of them served in the Korean Conflict – and some in both – as did my dad. Their financial view of retirement consisted of a company and/or military pension plus a monthly Social Security check. Most of them had a paid-off house (they were raised being told to have minimal debt, meaning pay off the house as soon as possible) and they had no other outstanding debt (they did not believe in having other loans or charge card balances). They were now going to enjoy the “good life,” something they “had earned” through their diligent and steadfast work. There is nothing wrong with that; they deserved it.

But something happened along the way that changed the way people looked at “retirement.” As I said earlier, retirement should be the time in your life when you are mentally, physically, and financially able to do “whatever you want to do.” So our parents’ generation were financially ready for the next phase in their lives (retirement) because of their hard

work and dedication, but many of them were not ready physically or mentally. Why do I say that?

Health care has come a long way in the twenty to thirty years' since "our parents" retired. The advances in medicine are allowing the current generation to stay healthier while they are younger as well as provide remedies for illnesses and other maladies that do arise. While these forms of remediation are also available for today's senior citizens, they did not have the better health care available to them when they were younger. Thus they are likely to have more medical problems affecting them than today's generation of upcoming retirees. Sure they might have a private insurance plan to go along with their Medicare coverage, but treating a problem is not the same as not having the problem in the first place. So now, rather than having a preventative plan against certain medical "problems," these people have a maintenance plan through prescription drugs. There is nothing wrong with taking prescription drugs, but wouldn't it be better to not have to take them rather than to have to take them?

I would be willing to bet that if you asked these same senior retirees about being "mentally prepared" to retire, they would either laugh in your face or ask you where you came up with that silly question. Of course they were mentally prepared. Why do you think they worked so hard all their lives – both at work and at home? It was so they would be able to retire and "enjoy the good life." Here is where the problem is – they did not know what the "good life" was going to be or was supposed to be. They just assumed that it would be a "good life." Whatever came along to them would, therefore, be "the good life" – the things that they had earned and now deserved. If you look at it from their point of view, you can't fault their logic; that is how they were brought up.

There is a saying, "When you fail to plan, you plan to fail." I am not saying that these people have failed in their retirement; just that they did

not make optimal use of their retirement planning. Their planning consisted mostly of financial preparation – but we do know that financial planning is important – without much regard to what they were actually going to do during their golden years of retirement. They would do just what they wanted to do, right? Hmmm, what do you think? Do you think they are doing, or have done, everything that they would really like to do?

Do this simple survey – ask some senior citizens if there is anything they would still like to do. Some will say they have done everything they wanted to do – everything that was on their “bucket list.” (By the way, I was promoting the idea of having a list of retirement activities before the movie “Bucket List” came out – you will find my template in Chapter 10 under “Retirement Activities.”) Others will be honest with you, and say that there are things they would like to do if their health was better; if it was easier to walk; if their vision was better; if, if, if. “If” is the most self-debilitating two-letter word in the English language. Eliminate it from your vocabulary – change it to the phrase “I will.”

The real question now is, “Do you want to be able to do everything that is available to you during your retirement?” I think you do, and the information in this book is going to help you do that. You have taken a great first step in achieving that goal by obtaining this book. I guarantee you that you will not be disappointed, and I back that up with my 100% SATISFACTION GUARANTEE that you will find in Chapter 11. I do not expect that you will want to take me up on that guarantee, but it is there because I am that confident in the information you are going to receive in this book.

With that said here is how I suggest that you take in and digest the information in the book. The book is written as a reference book that you can come back to at any time, which means that the chapters can be referred to “when needed.” In essence, that implies that you could read them in any order the first time that you read the book. But I do not

recommend doing that because I put the chapters in the book in a very orderly and logical manner. So if this is your first reading of the book, then I want you to read every chapter and every page in order from here through the end of the book. You will get most that is available from the book by reading it this way – I guarantee it.

Chapter 2 (What I AM DOING now that I am “retired”) is not about ego or bragging. This chapter details the activities that I am now doing and how I prepared myself (and my family) for them. While you will not be able to copy them exactly, you will see what I did and what you can do to enjoy your retirement. [**TIP:** I tell you in this Chapter how the IRS puts money in my pocket to sit at a beach in Mexico and write books.]

Chapter 3 (Why you MUST START “retiring” 10 years in advance) gives you the compelling reasons to begin your planning now. If you don’t start planning early enough, you might end up like our parents’ generation who just expected to be able to do whatever they wanted.

Chapter 4 (Uncovering your PASSION and unleashing its Power) highlights how you can find the passion that is hiding inside of you, and how to use it to launch a second career or have it be a key activity during your retirement.

Chapter 5 (FINANCES are IMPORTANT, but they are not the only ingredient to a successful retirement) reinforces the importance of financial readiness while also demonstrating the need for mental and physical readiness.

Chapter 6 (How to AVOID some of the MISTAKES made by many retirees) reveals some of the pratfalls made by retirees and how you can avoid making the same mistakes. It is not a condemnation of the things they did, just information so you can make “eyes wide open” decisions in your retirement.

Chapter 7 (6 DOCUMENTS that you must have) outlines the documents that are very important to your life as a retiree. Don't assume right now that you know what they are because you just may be surprised when you read what they are and why you must have them.

Chapter 8 (VACATION SECRETS from a seasoned traveler) reveals some of the travel tips that I have employed over the years as I have traveled literally around the world. From getting a better seat on the airplane to going on a timeshare presentation – I will share what only a few of my closest friends have learned from me. You can tell by the length of this chapter that I love to travel.

Chapter 9 (FOUR PEOPLE you should know well, and vice versa) tells you in no uncertain terms why these people become more important in your retirement years. You will find that there is actually a linkage between this and one other chapter in the book. This might be the hardest chapter for you to completely absorb, but do yourself and your family a favor – read this chapter in earnest and take it to heart.

Chapter 10 (Reference Materials) contains listings of web sites and other items that you will find valuable. You may already know of some of these, but a gentle reminder of them should be okay. Look at these websites, and use them often!

Chapter 11 (100% SATISFACTION GUARANTEE) is the chapter that I hope you will never have the need to use. It is there, however, in case you feel that this book did not live up to your expectations. I mean what I say when I state that **I guarantee your satisfaction 100%**. But if you did get your money's worth and more out of this book, please tell your friends and relatives about it. Thanks! Some authors hand out referral bonuses; I think that is putting pressure on your friends by offering you a bonus if they buy something. No, I am not cheap, just honest about the way I like to do business. I hope you agree with my philosophy.

Finally, when you find something in this book that was particularly helpful to you (saved you time, saved you money, made a vacation more enjoyable, etc.), please send an email to me telling me about your experience. I would love to be able to share with others how you benefited from the book – and I am confident that they would also appreciate them. Send your emails to stuart@stuartgustafson.com.

Are you ready? Great – let's get going!!!

3. Why you MUST START “retiring” 10 years in advance

For most people, “retirement” seems far off – many, many years into the future. It is something that is dreamed of; most people have certainly even talked about. But actually getting to retirement is not a reality that most people can grasp. The truth is that retirement will arrive faster than most people think it will arrive. Why is that? When you are not focused on an event occurring, you are obviously not thinking about it. You know it will eventually happen, but it will seem like a surprise. Don’t get me wrong, surprises are nice (did you ever have a surprise birthday party when you were young?), but something as important as retirement should not come as a surprise to you!

When I tell people that they must start their retirement ten years before the actual retirement date, the typical response is “Huh?” They don’t understand what I mean when I tell them to “start their retirement,” so I then explain it to them; which is what I am going to do for you now.

Starting your retirement is not as much about a certain date as it is about your state of mind and the activities in which you are currently engaged and the ones that you think you will want to do when you retire. The emphasis on “think” is intentional because you don’t know what you will do when you retire; you only think you know what you will do. Maybe the first couple of years will play out as you “think” they will; after that, however, could be really different.

I know this might be radical thinking for some people. After all, the traditional school of thought is that retirement is about getting to a time in which you have met some number of “years of service.” That requirement typically does exist in order for you to be able to receive “retirement benefits” from an employer. But your retirement is not going to be just about meeting some quantitative criteria; your retirement will be

concentrated on the activities that you want to do, and the accomplishments that you want to see occur. In other words, your retirement is **not** going to be a passive one where you do nothing but “sit around” all day long.

All of us have different activities that we want to pursue in our lives. This is true whether we are single and forty, a young couple in our twenties, or if we have “entered retirement.” This is not to say that our activities will remain the same throughout the different stages in our life. Some will definitely stay with us, but others will change as we change. And we will also take on new activities as we discover them or as they are introduced to us. The next chapter (Uncovering your PASSION and unleashing its Power) will focus on a very specific aspect of retirement activities – that special “calling” that many of us have during retirement or that we use to launch a second career. Sometimes these new activities that we did not even think about before retirement become a central part of our everyday life.

If I had not started retiring about ten years ago, my wife and I would not have been ready to accept the early retirement offer from my company because we would not have been ready both mentally and financially. What I mean by starting my “retiring” years ago is that we started to act as if we were retired and we did the things we were planning to do once we actually did retire.

AND THERE’S PLENTY MORE IN THE BOOK

4. Uncovering your PASSION and unleashing its Power

If I had not begun my “retiring” process many years ago, I would not be doing many of the activities that I am doing today. Why? The simple answer is that I would have expected that retirement would “show” me what I should be doing, rather than my entering retirement and doing the things that I wanted to do. A key factor in this difference is that my starting to retire years earlier allowed me to focus on what it was that I wanted to do once I actually retired. There was not this huge “Eureka!” moment; instead, it was a gradual process that eventually pointed out what I really wanted to do. And what was that?

What became apparent to me was that I enjoyed writing and helping other people through what I wrote. When this came to me – when it became apparent that it was very important to me – this is what I called “Uncovering the Passion.” What was it that I wanted to do that would allow me to express my feelings, and that I would devote hours and hours to doing regardless of the lateness of the evening or the early morning of the day? That passion to me was expressing my feelings and knowledge through the written word. I had always enjoyed “dabbling” in writing, and my first published book ***Parables for Life in the 21st Century*** was a product of a span of twenty years’ of writing. I have not done any polling, but I am going to guess that you cannot be too successful at writing if it takes you twenty years to get each book written.

WHAT IS YOUR PASSION? WHAT DO YOU WANT TO DO WHEN YOU RETIRE? DO YOU WANT TO WRITE, VOLUNTEER, GO BACK TO SCHOOL

5. FINANCES are IMPORTANT, but they are not the only ingredient to a successful retirement

I would love to know how many books have been published, and how many seminars are being offered, on the financial aspects of retirement. Can you say thousands and tens of thousands? There might even be more than that. Wow, that's a lot! If that tells you nothing else, all those books and all those seminars should be telling you that you must have your "financial stuff" all together when you are ready to retire. Is that news to you? I didn't think so. Let's acknowledge right now how important it is to be financially ready for retirement. I know that, you know that, and most of the millions of future retirees know that.

That's good because that means that I don't have to talk about that in this book.

As I have said before, you should always consult with a financial advisor when you are making serious financial decisions; and retirement is one of the most serious financial decisions that you will ever make! I have to make the assumption that you are already working with a financial advisor to ensure that your retirement will be financially sound – if you're not working with one, then I urge you to start working with one to make those plans.

KEEP READING

6. How to AVOID some of the MISTAKES made by many retirees

There are going to be some people who are a little set off (or maybe even more than “a little”) by what I am going to say in this chapter. You may have done some of these things, or you have friends and family who have done them. I apologize to you right now because I am calling them a mistake, which means that there is the implication that you, your friends, or your family has made these mistakes. We all have made mistakes; I know plenty of people who would gladly tell you that I have certainly made my share of them – maybe even more than my share.

The reason for this chapter is to tell you what I have observed that many retirees have done, and that I would caution you to be more prepared before you get into the same situation. As with many things in life, there is not always a single right or wrong answer to everything. You might know someone who did what I call a mistake, but that it was the best thing they could have ever done. Good for them. Remember, I am talking in generalizations here and also just from general observations. I have not performed any scientific studies; these are just from things that I have seen people do once they have gotten close to retirement, or they have done them after they retired. One last note: Even if you decide to knowingly do one of the following items, at least you will be more prepared for some of the possible results – knowledge can be a powerful tool.

THE BOOK LISTS THIRTEEN MISTAKES THAT MANY RETIREES MAKE – I DON'T WANT YOU TO MAKE ANY OF THEM!!!

7. SIX DOCUMENTS that you must have

You might already have most, if not all, of the six documents that I list in this chapter as being extremely important to you and to your retirement life. If you do already have them (or even half of them), let me say, "Good job." You have shown that you are already planning well for yourself and your family in your retirement transition. This is just my list; other might say you need to have many more medical documents, for example. I have no argument with them if they want to add more to my list. Perhaps you, too, can add more once you have the basic six. After reading this chapter and the rest of the book, you might even decide that there is one of these six documents that you feel that you do not need. That is okay; at least I have done my job of informing you of the main documents that most people entering retirement should have, and keep updated.

Please remember that I am not an attorney, and therefore I am not rendering any legal advice to you. **You should always work with a competent advisor with whom you are very comfortable when you are dealing in legal matters such as wills and powers of attorney.** The information I am providing, however, is deemed to be reliable and is from public sources.

MY WIFE AND I HAVE ALL SIX OF THESE DOCUMENTS. I AM WILLING TO BET THAT YOU HAVE THREE, MAYBE FOUR OF THEM. **YOU NEED ALL SIX!!!**

8. VACATION SECRETS from a seasoned traveler

I consider every day a “vacation day” now that I am retired. Of course, many of those vacation days are spent at home, and I am going to guess that you really don’t care much about those days or what I do when I go on a true vacation. What you do care about and what you want out of this chapter are the following:

- How you can get some good deals when you travel
- Why “vacation specials” might not be that special
- Some of the untold secrets of airline travel
- How I have “gotten the most” out of my travels, and how you can also
- Good, bad, and ugly views of timeshare properties
- Steps to planning your “ideal vacation”

You are probably wondering how I am qualified to tell you all these things because nowhere have I said anything about being in the travel industry. You are right; I have never been employed in the travel industry. What I have done is a LOT of travel; so much, in fact, that I had to have additional pages added to my passport because all the original pages had been filled with immigration stamps from countries all over the world. I have traveled for work; I have traveled for pleasure; sometimes I was even able to combine work and pleasure. When I was still working for my last company, there were times that our travel organization would actually call me to ask for my advice on certain overseas travel – what were the best routes to take; what hotels would I recommend to be close to “the office”; which seats are better than others on long flights; how should they get from the airport to the hotel, etc.? (MADE SMALLER TO FIT ALL ON ONE PAGE)

THIS IS THE LONGEST CHAPTER IN THE BOOK. WHY? BECAUSE I LOVE TO TRAVEL AND I WANT TO HELP YOU GET THE MOST OUT OF YOUR TRAVEL.

9. FOUR PEOPLE you should know well, and vice versa

This chapter could very well be considered the most controversial chapter in the entire book. I hope it is because that means that the readers are discussing the book's contents and evaluating which pieces are more important or more relevant. Frankly, I felt that all of the chapters are critical to the development of the book and its contribution to your own successful retirement. And I hope that you feel the same way.

The four people I discuss in the chapter are very important to a successful retirement in many different ways. Each one of these persons has their own skills which have been acquired through education and then continually honed through additional courses and study programs. While each one of these people may have an advanced degree (or maybe even more than one), it is not the diplomas on the wall that are going to help you in retirement; it is the knowledge and advice that each person provides to you that is important. You might be able to find the answer to a legal question by posting to an online newsgroup or looking for the answer in a search engine. But none of those answers or advice will compare to the competent legal advice that you will receive from a qualified person who can address your situation. Not only is it necessary for you to know these people, but they must also know you, your situation, and your condition. Okay, it's time to get off the soap box and to introduce you to four very important people.

DO YOU KNOW WHO THESE 4 PEOPLE ARE? YOU SHOULD!!!!

10. Reference Materials

RETIREMENT ACTIVITIES:

Here is the format I have used for my "Retirement Activities" list. Feel free to modify this table so it best works for you. You can see my entire list of "Retirement Activities" at www.stuartgustafson.com/retirement.html.

| Priority | Activity | When/How long | Done | When |
|----------|---|--------------------------------|------|--------------|
| 18 | Attend one of the 4 PGA slam events (Masters, US Open, British Open, PGA Championship) | 1 week | YES | US Open 6/08 |
| 1 | Camp in Idaho – several 1-2 week trips to different spots in Idaho | Various times in year | | |
| 2 | Re-gain "semi-fluency" in Russian | Ongoing – 2008-2009 | | |
| 3 | "Highlights" tour of Europe | 4 weeks | | May 2009 |
| 4 | "Drive Idaho" either in car or motor home | 1 month | | |
| 5 | Paris, France – rent a flat for 2 months in the city; side trips to countryside; live the French life | 2 months – summer 2010 or 2011 | | |

HEALTH SITES:

MY BOOKS:

OTHER BOOKS I HIGHLY RECOMMEND:

FINANCIAL SITES:

LEGAL "STUFF":

TRAVEL/VACATION:

SORRY – CAN'T LEAVE ALL THE WEBSITES IN HERE; I LOST TRACK BUT THERE ARE PAGES AND PAGES OF THEM IN THE BOOK!

11. 100% SATISFACTION GUARANTEE

You paid good money for this book, and I am not satisfied if you are not 100% satisfied with the book. Did you get value from it? Did you find hints and tips and references that saved you time AND money? I sure hope you did, because there are certainly dozens and dozens of time-saving and money-saving tips included.

But I stand by my original promise of offering you a 100% SATISFACTION GUARANTEE. That means that if you do not believe that you have received more than your money's worth from this book, then I will refund your purchase price. Of course, I am not in the business for giving books away for free, so I will have to ask you to do just a few things and then I will I refund your money.

YOU PAY GOOD MONEY FOR THE BOOK, AND I AM CONFIDENT THAT YOU WILL RECEIVE FAR MORE VALUE THAN THE PRICE – THUS I AM WILLING TO GIVE YOU A NO TIME LIMIT 100% SATISFACTION GUARANTEE.

WHO ELSE DOES THAT?

THANK YOU

I do want to sincerely thank you for buying and reading ***Mastering "The Art of Retirement."*** I trust that you learned a lot more about yourself as well as many things that you can put to good use as you plan for and enjoy your own retirement. Please tell your friends and family what you are using from this book to enhance your preparation and your retirement. Also, please send an email to me telling me about your experiences and what you have found most helpful in the book. I would love to be able to share with others how you benefited from the book with – and I am confident that they would also appreciate them. Send your emails to stuart@stuartgustafson.com.

Happy Retirement!