



HOW I PLANNED FOR RETIREMENT

A 50-year lawyer who retired eight years ago describes how he stepped away from his practice and how he spends his time now.

WRITTEN BY IRA EINSOHN

*“Strive to do what you love for as long as you can do it.”
But prepare, prepare, prepare.*

I started work in the summer of 1971 only one week after the Texas Bar Exam. I also worked part time during my third year of law school. I was chomping at the bit. I couldn't wait! I retired and chose inactive status in January 2013. I couldn't wait then either: I didn't love law practice nearly as much and that was affecting my desire to perform at my very best and to grow in the practice.

Retirement is a personal decision. If you love law practice and can do it, have at it. For most of us, though, the time will come, for whatever number of reasons, to “hang 'em up,” “call the dogs and [put out] the fire,” or decide that “the price of eggs ain't worth the wear and tear on the hen's [tail].”² Here is how I addressed the issues of retirement, and some of the matters you may wish to consider, depending on your personal circumstances.

Will you be able to afford retirement? Not only *financially*, but also *emotionally*, *mentally*, and *physically*? My advice is the same as you got on your first day of law school: “Prepare, prepare, prepare.” If you haven't started, do it now.

PREPARE FINANCIALLY

This will not be a list of the many ways to cut expenses, no warnings about paying off your credit cards each month. I won't even refer you to the many publications where you will find such advice, or where to invest what you have left each month. You're on your own for all that. Here are two steps that worked for me.

Take advantage of ERISA.³

Participate, through your own and your firm's plans to the extent allowed and available. Let the U.S. help you build your retirement nest egg with its tax advantaged plans. If your firm does not have retirement plans under the Employment Retirement Income Security Act, urge them to see the light. The firm I retired from made no year-end distributions to owners until its retirement plans were fully funded. Consider what discretionary expenditures you could delay or do without until you and your firm have “maxed out” each year. I did that from 1974, the year ERISA became law, until I retired in 2013. I may not have had the choice to retire when I did if I had not. I could not have afforded it financially without using the provisions of ERISA.

Hire the best financial planners you can find.

As this is being written, Elton John is preparing for his farewell tour. I promise he will not be handling travel arrangements. He's not as good at that as the people he would hire, and he needs to focus on the performance. It's worth the money if he hires the right people and they provide him the right services.

Ask around. There are plenty of lawyers, friends, and others you trust who can recommend good financial planners. Although it is a plus, the planners don't necessarily have to have a lot of lawyers as clients, but you should inquire as to the general net worth, age, and other circumstances of their client base. Also, of course, it is important to talk to their clients whom you know and trust and to ask a lot of questions about the planning team.

The planners you interview should give you copies of the forms of reports of monthly portfolio positions and changes, and other forms of monthly reports they normally provide, and hold at least two formal meetings a year. One should cover all aspects of your financial condition and plans, including expenses you never thought about until they asked you, insurance, estate planning, proposed capital spending, and what your goals are over various time periods. The other meeting should focus primarily on your investment portfolio.

Not promptly returning your correspondence or calls, or the lack of a good referral network of other professionals, such as CPAs, life insurance agents and brokers, fire and casualty agents, etc., are red flags. Communications and a caring, responsive, and trustworthy financial team are essential to retirement success.

PREPARE EMOTIONALLY

Be ready to be a self-motivator. There are no partners or firm “executives” or “managers” to remind you of your budgetary commitments, no clients to send you papers to review at all hours after they go home to dinner, no opposing counsel to believe that harassing you is the way to win or just plain fun. You're independent! The motivation to get up and after whatever it is must come from within. Don't put that on your spouse or significant other. That is a death sentence. As one lawyer put it, “My spouse would kill me.”

Also, although you may not appreciate it now, be prepared not to have the assistance of your staff or to share the common interests and daily discussions with your colleagues. Be prepared to leave behind the status, deference, and respect from your clients, those who work with you, and those who look up to you and seek your counsel. No one should define themselves

by what others think of them. However, all that reinforcement might disappear when you retire—some of it immediately, much of it over time. To the extent it does, don't worry. It is just as likely that it will be replaced with new and old friendships. You win. It's one of the best things about retirement.

Delegate. Your job is to make sure that your clients and those lawyers who have supported you get to know each other better or at least have that opportunity. Retire believing you did what you could to make that happen.

Finally, regarding being emotionally prepared, use preparation for retirement to begin spending more time with your friends and family, enjoy the privilege you have been given to live and practice law in this country, and appreciate the value you have added to society. Also, appreciate those who have mentored you and others on whose shoulders you have stood. Instead of competing with your colleagues and those opposing counsel who always seemed to get under your skin, empathize. Be glad they were there to challenge you. Enjoy their successes and the role you may have played.

Find something that will challenge you and that you love. Active service on a nonprofit using your experience and wisdom, not only your financial resources, can be very fulfilling. If it is a cause you care about and challenges you, the satisfaction, challenge, and even the tiniest steps of success can also replace from the inside what you thought you left behind.

PREPARE PHYSICALLY AND MENTALLY

Keep moving! What you do is yours to choose. Everyone's parts run out of warranty the older you become. Do what you can to

fight back. Get up from your desk and walk around the office or block—whatever your doctor says is OK for you to do. Try to choose primarily those physical activities that you are passionate about, keep you moving, and involve your mind. Likewise, try to choose those mental activities that involve or at least give you time for staying in good enough shape to enjoy them. After 15 years on the Dallas Theater Center Board of Trustees, I chose acting for the former. I wanted to know how the actors do what they do. I am still learning. It is a challenge. For the latter, I chose golf after many years of a love-hate relationship. It remains a challenge and is played, as they say, "between the ears." I love both acting and golf.

And I love retirement. Good luck! **TBJ**

NOTES

1. Jane E. Brody, *A Birthday Milestone: Turning 80!*, The New York Times (May 21, 2021), <https://www.nytimes.com/2021/05/17/well/family/jane-brody-birthday.html>.
2. Only in Texas will you find these colorful phrases used in business or legal proceedings. Ain't it GREAT? The bracketed words are cleaned-up versions of the actual content.
3. The Employee Retirement Income Security Act of 1974 (ERISA), 29 U.S.C. 18.



IRA EINSOHN

was born in New York City but got to Dallas as soon as he could, at age six months. He is known for having represented financial institutions with their syndicated credit facilities, both helping to structure and close them and, if required, restructuring them, outside or inside of Chapter 11 bankruptcy. In retirement Einsohn is enjoying film and television acting, golf, and time with his friends and family.

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