

2025 MANNY KATTEN AWARD WINNER KEITH J. SHAPIRO'S ACCEPTANCE SPEECH

Good afternoon. I am so humbled and grateful to receive the prestigious Manny Katten Award. I had the privilege to work on cases with Manny as a young lawyer and knowing him and having seen him in action as both a practitioner and leader makes receiving this award even more special. Thank you also to AIRA Executive Director Jim Lukenda and to my old friend Steve Darr for the very kind introduction.

And thanks so much to AIRA founder Grant Newton, a truly kind and brilliant man, who got me started in AIRA as a Board member and then as its lawyer over 30 years ago. I was asked to share my journey with you, as well as something important that I've learned along the way. I've learned so much over the years, and continue to learn every day, but the thing I've learned that has enriched my life the most is that our identities need not be limited to the title on our business cards and that those of us who practice in the restructuring arena are uniquely qualified to excel at many things far beyond the restructuring world. We shouldn't sell ourselves short when constructing our path through our professional lives.

Steve highlighted the unconventional path I've taken through my various careers, doing seemingly disparate things in each chapter.

My journey started in a working-class Chicago home with parents who didn't have the opportunity to go to college. I studied finance at the University of Illinois and discovered bankruptcy law at Emory Law School, leading to a judicial clerkship and then job offers to practice bankruptcy law. Within a year of law school graduation, the company my dad worked for filed for Chapter 11 relief and he was out of work for about two years. From this I gained a massive chip on my shoulder and a deep appreciation of the financial stability and security that a steady paycheck provides. My career in law certainly provided that security.

I don't want to underestimate how much I loved my legal career. I started at the bottom and eventually worked on many of the biggest cases in the country and was honored to lead the American Bankruptcy Institute. I started Greenberg Traurig's twelfth office, in Chicago, in 1999 and had the privilege to serve as co-head



Keith J. Shapiro

and Chairman of that office. That decision was life changing for me, as the firm's unique entrepreneurial and collaborative culture empowered me to test and develop my business skills. They enabled me to risk failure on big dreams and mentored me and allowed me to play a central role in building a multi-billion-dollar global business. I gained enormous self-confidence and experience in the process.

Meanwhile, behind the scenes, since college I had developed an insatiable appetite for investing in businesses. From my early 30's I invested virtually every dollar I made into private deals. I became what I call "a professional passive investor," a capital source participating in hundreds of deals while I practiced law. Private equity, real estate, private credit and financial institutions, you name it. On my regular flights to Delaware and New York, my briefcase was always filled with private placement memos and deal updates alongside my legal pleadings. My investment strategy was the product of the endless permutations of what I saw businesses do wrong during my day job, trying to use my restructuring experience to identify and avoid potential future pitfalls in non-distressed deals. Although—and perhaps because—not every deal turned out as envisioned, it turned out to be a very lucrative endeavor. I started thinking about spending all of my time on the deal side of my life, but was terrified at the thought of walking away from the safety of a steady paycheck, the love and pride I felt for my law firm, and the respect and recognition I had earned as a well-known bankruptcy lawyer.

A little over a decade ago, in a spontaneous burst of courage, after my best year ever as a lawyer, I just did it. I wish I could tell you what I was thinking that day, or that I had some fancy plan, but it's mostly a blur. I know I was fatigued and no longer got an

adrenaline rush when I landed a big new matter or won a big decision. I felt a deep sense of satisfaction in what I had accomplished as a lawyer and law firm leader, like a chapter that had been completed; and I knew that I craved having a lot more time to meet with entrepreneurs and to play a more active role in my investments. I was lucky to have the unqualified support of Marci, my incredible wife, who has always believed in me and encouraged me to trust my instincts.

Today, two of my three sons now work me to death and run circles around me as my partners in Karlov Street Capital, investing our capital and that of our many investors in real estate and private equity opportunities through dozens of special purpose investment funds. We've deployed hundreds of millions of dollars. It turns out that my passion for private investments had laid the foundation for a second career that would provide me with deep satisfaction. By putting my safe and secure identity at risk, the adrenaline was back and I still wake up excited to this day. The identity reflected on my old business cards had become outdated.

So, about career number 3...In about 2005 I developed a fascination with restaurants after working on some high-profile restaurant meltdowns. I had observed that most restaurants failed due to a laundry list of reasons that could to a great extent be identified on the day they signed their leases and construction contracts. And I loved the joy and energy that fills the room when a restaurant is hitting on all cylinders. I started passively putting money into restaurant deals that met my criteria, always expecting to lose my money, and regularly modifying my model as I gained experience. It was my version of Vegas gambling, which incidentally is something in which I do not partake. My gambling need is more than satisfied by my day job.

Ultimately it proved to be no different than my private equity and real estate strategy, using my restructuring experience to identify risk factors in the balance sheet, lease and vendor agreements, corporate governance and strategy, that people who repetitively watch companies fail are uniquely able to spot. A warning: Please do not hear these comments and think I'm suggesting that you should invest in a restaurant! It is insanely risky and not for the faint of heart.

Shortly after I pulled back from law practice and before I started my investment firm, having enjoyed my restaurant investments and thinking a slow paced life was ahead of me, I teamed up with a very earnest and highly pedigreed husband and wife

chef team who sought a mentor and the capital to simultaneously start two adjacent restaurants, Smyth and The Loyalist. I did not realize that I was entering a world far removed from my passive restaurant investor hobby and that I would now endure sleepless nights and the kind of drama that we see on the many restaurant-focused TV shows these days.

And little did I know that this crazy, risky hobby would turn into career three, allowing me the surreal privilege and honor to walk the red carpet as one of only 14 Michelin 3-star restaurants in America, for Smyth to be listed by the Robb Report as one of the 20 greatest restaurants of the 21st Century and to be listed in 2025 as the #4 restaurant among North America's 50 Best. After 20 years in the restaurant space, I now get to spend time mentoring and supporting people who are true creative geniuses. Definitely not something anyone ever expected from a guy who has blown up several microwaves in his lifetime. As an offshoot of my restaurant life, I even had the chance to finance, seed, and serve as a Board member of a startup that originated in one of my restaurant investments and became a leading restaurant reservation system that was ultimately acquired by American Express.

These are fun stories, but the point here is that I might never have experienced these uniquely gratifying and unexpected moments in my life had I continued to identify solely as a bankruptcy lawyer. Because of my fear of failure and desire for safety and security, I may have sold myself short and missed the chance to push the boundaries of who I am and what I'm capable of doing; and to experience the high and lows of some incredible adventures.

I don't want to close without highlighting perhaps the best extension of the special skills that restructuring professionals share. And this one does NOT require giving up your day job! The skills we share have allowed an incredible number of restructuring professionals to hold incredible philanthropic leadership roles that have helped so many who are in need. If you have not deployed your talents in what for me has been a fourth career, I encourage you to do so. You have a portfolio of talents that can make a huge difference. I can tell you that this part of my professional life, to which I devote part of every day, has been the greatest source of joy and satisfaction of everything I've done.

What has become clear to me is that restructuring professionals are not just lawyers and financial advisors – we're problem solvers, strategists, and builders. And these skills transcend any one job title. The ability to identify risks, to solve seemingly unsolvable problems in the face of hundreds or

thousands of antagonistic counter-parties, and to stay calm and act decisively under incalculable pressure, is a skill set that allows us to successfully take our talents in so many directions.

A single job title does not do us justice. A job title can be just a chapter in a much richer story. When we stop defining ourselves by what we do and start exploring who we are, we can unlock opportunities and life experiences we never realized were possible. It's a lesson that took me decades to learn, and I hope sharing a bit of my journey helps some of you shortcut that path.

Thanks to AIRA again for this kind recognition. I wish you many years of continued success.

[This speech has been adapted and updated for publication.]

Keith Shapiro is the CEO and founder of Karlov Street Capital. He co-founded the Chicago office of Greenberg Traurig, served as Vice President of the firm, Chairman of Strategic Recruiting and a member of its Executive Committee for many years. He is a member of the American College of Bankruptcy. Keith currently serves on the Executive and Board of Governors of the Jewish Agency for Israel and on the Board of the Jewish Federation of Metropolitan Chicago, where he chaired the nearly \$100 million 2024 Annual Campaign.

His past Board service includes the American Bankruptcy Institute, Turnaround Management Association, INSOL, Tock, and the Jewish Theological Seminary, among others. He has proudly served as a Board member and then Special Counsel to AIRA for more than 30 years.

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