



LAW360

2016 Rising Star

Ross Kwasteniet

Since joining Kirkland & Ellis LLP out of law school, restructuring partner Ross Kwasteniet has worked with a variety of clients, recently Patriot Coal Corp. and Oaktree Capital Management LP, in high-profile restructurings, earning him a reputation as a go-to advocate and a spot on *Law360's* Rising Stars list of top bankruptcy lawyers under the age of 40.

Kwasteniet, who joined the 1,700-lawyer megafirm after getting his law degree in 2002 from the University of Michigan Law School, says his firm's "can-do culture" has allowed its restructuring department to thrive and grow over more than a decade.

"Our clients come to us with their biggest challenges, when the stakes are high, and it is very rewarding to be able to work with incredibly bright and dedicated lawyers across the firm to create exceptional outcomes," he said.

In October, he helped deliver a positive outcome for Oaktree Capital as it assumed a substantial majority of bankrupt clothier Quiksilver Inc. via a Chapter 11 loan and other financing. "There haven't been many successful

retail restructurings in recent years, and having the deal negotiated and funded from the outset was definitely a key to our successful outcome," he said. "Quiksilver has a European business unit that has euro bonds that are guaranteed by the U.S. parent, so we had to negotiate an amendment to those bonds to avoid tripping a default as a result of the U.S. bankruptcy filing or as a result of the change of control that occurred as a result of the Oaktree transaction."

Also in October, a Kirkland team including Kwasteniet helped beleaguered Patriot Coal confirm a second Chapter 11 plan in only a few years.

"We were able to negotiate a consensual resolution with the United Mine Workers of America

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that allowed the company to preserve jobs, and negotiated two different M&A transactions," he said.

Those transactions saw Blackhawk Mining LLC take over mining operations in exchange for funding

creditors, and also saw a nonprofit acquire Patriot's older operations and agree to assume future reclamation and water treatment obligations.

Kwasteniet currently is part of a Kirkland team that is working on another thorny energy-sector Chapter 11 — the case of oil and gas company Samson Resources Corp., which is suffering from valuation challenges in a down oil market.

“Falling prices have definitely made the Samson case more challenging. In the months leading up to Samson's Chapter 11 filing last September, we attempted to negotiate an out-of-court exchange offer and new money investment with Samson's unsecured noteholders. But commodity prices

and the credit markets for oil and gas companies softened during the course of those negotiations, and ultimately that deal fell apart,” he said. “We also attempted to negotiate a deleveraging transaction with Samson's second-lien lenders that would have also involved a substantial new money investment, but this deal also fell apart.”

More generally, Kwasteniet said he sees the exploration and production sector as vulnerable to a continued wave of bankruptcies if oil prices don't improve.

Other restructuring clients Kwasteniet has worked with include education company Cengage Learning, transportation business YRC

Worldwide, aircraft maker Hawker Beechcraft, Friendly's Ice Cream Corp., directory publisher Local Insight Media Holdings and U.S. Concrete.

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