



→ Todd L. Padnos

Partner

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Todd L. Padnos is a partner in the Business Trial and Finance & Bankruptcy Practice Groups in the firm's San Francisco office.

Areas of Practice

For nearly thirty years, Todd has represented clients in advisory, regulatory, transactional, litigation and restructuring matters throughout the country.

Todd devotes the principal portion of his practice to the representation of insurance companies operating across the United States. He counsels insurers on a broad range of compliance matters, including rate regulation, pricing, product formation, underwriting, claims handling, operations, premium tax, reinsurance, corporate governance, licensing, market conduct and financial examinations, consumer complaints and deceptive practice claims, and internal and regulatory investigations, as well as legislative and rulemaking matters. In addition, Todd regularly represents insurers before state insurance departments, administrative tribunals and state and federal courts across the country on a wide variety of matters, including compliance, ratemaking and restructurings.

Todd devotes the balance of his practice toward the representation of distressed companies, creditors and asset purchasers in workouts, restructurings and bankruptcy cases.

Experience

Representative Insurance Matters – Property & Casualty

- Allstate Insurance Company, in the industry's first effort to utilize the Fama-French derivation of the capital asset pricing model to calculate its cost of capital when developing its rates.
- Allstate Insurance Company, in the industry's first challenge to the application of California's new prior approval ratemaking regulations relative to the calculation of homeowners and auto insurance rates.
- Liberty Mutual Insurance Company, in the insurance insolvency of Golden Eagle Insurance Company.
- KB Insurance Company regarding enterprise risk management reporting.
- Automobile Club of Southern California regarding auto insurance compliance matters.
- Infinity Insurance Company regarding auto insurance compliance matters.
- Wawanesa General Insurance Company regarding auto insurance compliance matters.

- Start-up auto insurer in the development and roll-out of its insurance program across the country.

Representative Insurance Matters – Health Care

- California Association of Health Plans in lawsuits challenging enforcement practices and regulations.
- Multiple insurers and health care service plans in compliance, enforcement and transactional matters.
- Highly regarded university relative to the development of a self-insured student health plan.

Representative Insurance Matters – Title

- Fidelity National Financial, Inc., in real property title insurance ratemaking and ratemaking-related matters in jurisdictions across the country, including California, Colorado, District of Columbia, Florida, Indiana, Louisiana, Maryland, Michigan, Nebraska, Nevada, New Mexico, New York, Puerto Rico, South Carolina, Texas, Utah and Washington.
- Fidelity National Financial, Inc., in the nation's first personal property title insurance rate hearing.
- Fidelity National Financial, Inc., in regulatory investigations and enforcement actions brought by insurance regulators across the country, as well as an investigation conducted by the General Accountability Office at the direction of the United States House of Representatives Committee on Financial Services.
- Fidelity National Financial, Inc., in challenges to regulations proposed by regulators across the country.

Representative Insurance Matters – Workers Compensation

- Zurich American Insurance Company, in California's first regulatory enforcement test case seeking to invalidate all large deductible workers' compensation collateral agreements.
- Accident Fund Insurance Company of America, in defense of a reverse false claims action alleging that insurers failed to comply with their reimbursement obligations under the Medicare Secondary Payer Act.
- United Wisconsin Insurance Company, in license expansion and reinsurance matters.
- YRC, Inc., with respect to self-insured workers' compensation insurance collateral determinations.
- CompWest Insurance Company, in claims handling and employee-classification disputes.
- California State Compensation Insurance Fund, in compliance matters.

Representative Insurance Matters – Financial Guaranty

- Star Insurance & GoldenTree Asset Management, in the acquisition of Syncora Guarantee.
- Ambac Assurance Corporation, in its rehabilitation.

Representative Insurance Matters – Criminal

- Co-authored the mitigation plan used to convince the Justice Department not to indict an insurer.
- Various insurers in internal investigations and negotiation of non-prosecution agreements.

Representative General Litigation Matters

- Principal shareholder of Tiger Electronics, defense of a \$100+ million securities fraud and duress lawsuit related to the sale of Tiger Electronics to Hasbro.
- Hilco, prosecution of fraud lawsuit against officers & directors of liquidating consumer electronics chain.

- Chairman of leading financial services holding company, prosecution of fraud lawsuit against a hedge fund.
- Dish Network, in a dispute with a supplier of componentry used in the manufacture of satellite transceivers.
- Bank shareholders, in defense of purchaser's lawsuit alleging breach of representations and warranties.

Representative Debtor Restructuring Matters

- Ambac Financial Group, Inc. & Ambac Assurance Corporation, in the restructuring and the creation, administration and rehabilitation of a segregated account of insurance liabilities, in what was described by U.S. News & World Report as "the biggest bankruptcy of the year."
- HA-LO Industries, Inc., the country's leading promotional products distributor, in its chapter 11 restructuring.
- Murray Energy Corporation, in the coal mining company's out-of-court restructuring.
- Leading life insurance company, in its out-of-court restructuring.

Other Representative Restructuring & Insolvency Matters

- American Blue Ribbon Holdings, LLC, representing its parent, debtor-in-possession lender and exit-financing lender, Cannae Holdings, Inc., in one of the earliest successful chapter 11 reorganizations of a restaurant chain during the COVID-19 pandemic.
- LandAmerica Financial Group, Inc., representing Fidelity National Financial, Inc. in its contested acquisition of Commonwealth Land Title Insurance Company and Lawyers Title Insurance Corporation, which required approval of the Bankruptcy Court administering the parent holding company's chapter 11 case, the Nebraska state court administering the rehabilitation cases of the target companies, three state insurance commissioners and the Federal Trade Commission.
- Aviza Technology, Inc., representing Applied Materials in its acquisition of the debtor's patent portfolio.
- Fleetwood Enterprises, Inc., representing indenture trustee Deutsche Bank Trust Company Americas in the chapter 11 restructuring and liquidation of this manufacturer of recreational vehicles and fabricated housing.
- KineMed, Inc., representing MidCap Financial Trust in its capacity as the senior secured lender in the chapter 11 restructuring of this biotechnology company.
- Biosolids processing facility, representing indenture trustee Deutsche Bank National Trust Company in the out-of-court restructuring of this facility.
- Foxwoods Resort Casino, representing indenture trustee Deutsche Bank Trust Company Americas in the out-of-court restructuring of the Mashantucket Western Pequot Tribal Nation-owned casino.
- AbitibiBowater Inc., representing Bank of New York as collateral agent in restructuring of paper producer.
- Global Container Lines, Ltd., representing Triton Container in restructuring of global shipping company.
- ProtoStar I, Ltd., representing Echostar Corp. in its pursuit of the debtor's satellite assets.
- Conso International Corp., representing a lending consortium in the restructuring of this textile manufacturer.
- Tranz Rail, representing a lending consortium in the restructuring of the New Zealand National Railroad.
- Dillingham Construction, representing a lending consortium in restructuring of global construction firm.
- West Contra Costa Healthcare District, representing Principal Financial in restructuring of public hospital.
- Intellisys Group, Inc., representing Fleet Business Credit as the senior secured lender in the chapter 11 bankruptcy sale of this leading audio-video systems integration company.

- Midpac Lumber Company, Ltd., representing CIT Group/Business Credit in defense of lender liability claims.
- Pacesetter Industries, Inc., representing Fleet Business Credit as the senior secured lender in the chapter 11 restructuring of one of the country's largest manufacturers of modular commercial buildings.
- Kids Creek Partners L.P., representing Leighton Holdings, Inc. in the defense of lender liability claims.
- Purchaser of portfolios of distressed assets from the Resolution Trust Corporation in monetizing assets.

Representative Pro Bono Matters

- San Francisco Chamber of Commerce, Google, Inc., H5 and Levi Strauss & Co. in the submission of an *amicus curiae* brief to the California Supreme Court seeking to uphold the marriages of same-gender couples performed prior to the effective date of California Proposition 8's ban on same-gender marriage.
- Representation of Swords to Plowshares in a matter threatening its military veteran housing program.
- Representation of military veterans in pursuit of benefits from the Department of Veterans Affairs.

Articles

- Contributing Editor, *The Rutter Group California Practice Guide on Insurance Litigation: Statutory and Administrative Regulation* (2016 to present)
- Board of Editors, *The Bankruptcy Strategist* (2005 to present)
- Editor, *The Sheppard Mullin Finance & Bankruptcy Blog* (2013 to present)
- Co-author, "CDOs are Less Bankruptcy Remote Than You Thought – Strategies for Increased Protection for Junior Noteholders," *The Bankruptcy Strategist*, Volume 29, Number 3 (January 2012)
- Co-author, "Exchange-Traded Solvency Derivatives: Considerations for the Restructuring Community," *The Bankruptcy Strategist*, Volume 24, Number 6 (April 2007)
- Co-author, "Debtor Strategies for Avoiding Unfavorable Tax: Consequences from Debtor Collection of Employee Loans," *The Bankruptcy Strategist*, Volume 23, Number 12 (October 2006)
- Co-author, "Collecting D&O Insurance Proceeds: Winning the Race," *The Bankruptcy Strategist*, Volume 22, Number 9 (September 2005)
- Co-author, "Sales Pursuant to Section 363 of the Bankruptcy Code -- the Perspective of the 'Stalking Horse'" (2003)

Insurance Law Blog

- "California Fair Claims Settlement Practices Regulations Upheld Following a Near-Decade Long Legal Challenge to their Enforceability," October 1, 2018

Media Mentions

3rd-Party Release Case Looms Over Ch. 11 Mass Tort Claims
08.31.2023

3 Firms Guide \$393M GoldenTree Insurance Deal
Law360, 08.15.2019

Practices

Bankruptcy and Restructuring

Bankruptcy Litigation

Distressed Acquisitions Under Bankruptcy Code
§ 363

Insurance

Litigation

Industries

Financial Services

Insurance

Space & Satellite

Education

J.D., Loyola University Chicago School of Law, 1992

B.A., Emory University, 1989

Admissions

California

Illinois

U.S. Court of Appeals, 2nd Circuit

U.S. Court of Appeals, 7th Circuit

U.S. Court of Appeals, 9th Circuit

U.S. District Court, Northern District of Illinois

U.S. District Court, Northern, Southern, Eastern and Central Districts of California