PROPOSED DECISION

In the Matter of the Acquisition of Control of SU Insurance Company, the "Domestic Insurer"

by

Polaski Family Trust

Petitioner.

OCI Case No. 26-C46939

Amy J. Malm, Hearing Examiner, Presiding
Administrator, Division of Financial Regulation
Office of the Commissioner of Insurance
101 E. Wilson St
Madison, WI 53703

APPEARANCES

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PRELIMINARY RECITALS

On September 5, 2025, the above-named individual ("petitioner") filed a Form A with the Wisconsin Office of the Commissioner of Insurance ("OCI") seeking the acquisition and control of the SU Insurance Company ("domestic insurer"). A Form A is a regulatory filing submitted to a state insurance department by any person or entity seeking to acquire control of a domestic insurer. A Notice of Hearing was issued on September 4, 2026. Amy Malm, Deputy Commissioner of OCI, was duly appointed as the hearing examiner to oversee a Class 1 hearing.

Pursuant to due notice, a hearing was held by Microsoft Teams video conference on September 21, 2026. At the hearing, petitioner and the domestic insurer were represented by Thomas J. Nichols and Franklin W. Wong. Testimony was heard from Christopher Martin, OCI Insurance Financial Examiner – Principal.

The record consists of hearing exhibits 1-17 and the hearing recording.

LEGAL STANDARD

The legal standard of review for this Form A is Wis. Stat. § 611.72(3)(am) which creates a five-part test to evaluate the proposed acquisition of the domestic insurer. It reads:

> **(3) Grounds for disapproval.** (am) The commissioner shall approve the plan if the commissioner finds, after a hearing, unless a hearing is not required under sub. (3m), that it would not violate the law or be contrary to the interests of the insureds of any participating domestic corporation or of the Wisconsin insureds of any participating nondomestic corporation and that:
>
> 1. After the change of control, the domestic stock insurance corporation or any domestic stock insurance corporation controlled by the insurance holding corporation would be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for which it is presently licensed;
> 2. The effect of the merger or other acquisition

of control would not be to create a monopoly or substantially to lessen competition in insurance in this state;

3. The financial condition of any acquiring party is not likely to jeopardize the financial stability of the domestic stock insurance corporation or its parent insurance holding corporation, or prejudice the interests of its Wisconsin policyholders;

4. The plans or proposals which the acquiring party has to liquidate the domestic stock insurance corporation or its parent insurance holding corporation, sell its assets, merge it with any person or make any other material change in its business or corporate structure or management, are fair and reasonable to policyholders of the domestic stock insurance corporation or in the public interest; and

5. The competence and integrity of those persons who would control the operation of the domestic stock insurance corporation or its parent insurance holding corporation are such that it would be in the interest of the policyholders of the corporation and of the public to permit the merger or acquisition of control.

PROPOSED FINDINGS OF FACT

(1) Polaski Family Trust (the petitioner), is located at 111 East Kilbourn, 19th Floor, Milwaukee, WI 53202.

(2) SU Insurance Company, 9667 South 20th Street, Oak Creek, WI 53154, is a Wisconsin domestic stock insurance corporation.

(3) The petitioner filed with OCI an application for approval of the acquisition of SU Insurance Company.

(4) The petitioners fulfilled the filing requirements of Wis. Admin. Code § Ins 40.02.

(5) The plan will not violate the law or be contrary to the interests of the insureds of SU Insurance Company.

(6) After the acquisition of control, the domestic insurer will be able to satisfy the requirements for the issuance of a license to write the lines of insurance for which it is presently licensed.

(7) The effect of the acquisition of control will not be to create a monopoly or substantially to lessen competition in any type or line of insurance in Wisconsin.

(8) The financial condition of the petitioner is not likely to jeopardize the financial stability of the domestic insurer, or to prejudice the interests of its Wisconsin policyholders.

(9) There are no plans or proposals to liquidate the domestic insurer, to sell its assets (other than investment portfolio transactions in the ordinary course of business), or to consolidate or merge it with any person or make any other material change in its business or corporate structure other than as described in the plan.

(10) The competence and integrity of the persons who will control the operation of the domestic insurer, are such that it will be in the interest of the policyholders and the public to permit the acquisition of control.

DISCUSSION

The domestic insurer is a Wisconsin-domiciled insurer authorized to transact 2(a) Fire, Inland Marine, and Other Property Insurance and 2(n) Miscellaneous Insurance business.

Pursuant to the trust agreement, the petitioner intends that SUIC will issue 15,200 shares of non voting common stock in exchange for the surrender of 15,200 voting shares of SUIC common stock owned by the Michael H. Polaski Trust, u/a/d December 28, 2017 (Polaski Trust). After the exchange, 200 voting shares of SUIC common stock will be owned by the Polaski Trust, representing all of the Domestic Insurer's outstanding voting shares. Jennifer McFarland, Joseph Fallico, and Thomas Nichols (together the “Trustees"), will contribute all 200 voting shares from the Polaski Trust to the Polaski Family Trust.

As described by the petitioner in the Form A filing, there are no plans to significantly change the operations of the domestic insurer. Senior executives who manage day-to-day operations will remain the same.

After the change of control, the domestic insurer will continue to meet the requirements for the issuance of a license for its existing lines of authority, and the transaction will not create a monopoly or substantially lessen competition in insurance in this state. Wis. Stat. §§ 611.72(3)(am)1 and 2.

The financial statements reviewed by OCI are confidential pursuant to Wis. Stat. § 134.90(1)(c). After a review of those confidential materials and analysis by OCI, the financial condition of the acquiring party is not likely to jeopardize the financial stability of the domestic insurer or prejudice the interests of Wisconsin policyholders. Wis. Stat. § 611.72(3)(am)3.

The petitioner has no plans to declare an extraordinary dividend, liquidate the domestic insurer, sell the domestic insurer’s assets (other than investment portfolio transactions in the ordinary course of business), or merge it with any person or to make any other material changes in the domestic insurer’s business operations, corporate structure, or management. The acquiring party’s plans with respect to the insurer’s business and structure are fair and reasonable to policyholders and consistent with the public interest. Wis. Stat. § 611.72(3)(am)4.

As reflected in the hearing exhibits, OCI has conducted a thorough examination of the background of the applicant. The competence and integrity of the proposed control persons are such that approval is in the interest of policyholders and the public. Wis. Stat. § 611.72(3)(am)5.

PROPOSED CONCLUSION OF LAW

The proposed findings of fact set forth above establish that the requirements of Wis. Stat. § 611.72 and chs. 227 and 617 and Wis. Admin. Code ch. Ins 40, have been satisfied and approval of the plan should be granted.

PROPOSED ORDER

NOW, THEREFORE, based upon the findings of fact and conclusion of law, I hereby recommend that:

The petitioners’ request for approval of the plan for acquisition of control should be approved.

9/21/2026

Date

Amy J Malm

Amy Malm
Hearing Examiner