
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

September 15, 2009

CIB Marine Bancshares, Inc.

(Exact name of registrant as specified in its charter)

Wisconsin

000-24149

37-1203599

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

N27 W24025 Paul Court, Pewaukee,
Wisconsin

53072

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

262-695-6010

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.03 Bankruptcy or Receivership.

On September 15, 2009, the registrant filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code, in the United States Bankruptcy Court for the Eastern District of Wisconsin. The registrant will remain in possession of its assets and properties, and continue to operate its business as debtor-in-possession under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code.

A copy of a press release, dated September 16, 2009, issued by the Registrant announcing the filing of the Chapter 11 voluntary bankruptcy petition is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 8.01 Other Events.

The registrant issued a shareholder letter on September 16, 2009, a copy of which is furnished herewith as Exhibit 99.2 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

Exhibit 99.1 - Press release issued September 16, 2009.

Exhibit 99.2 - Shareholder letter issued September 16, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CIB Marine Bancshares, Inc.

September 16, 2009

By: *John P. Hickey, Jr.*

Name: John P. Hickey, Jr.

Title: President & CEO

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release Dated September 16, 2009
99.2	Shareholder Letter Issued September 16, 2009



FOR IMMEDIATE RELEASE
September 16, 2009

FOR MORE INFORMATION
Evan Zeppos
414-276-6237 / 414-491-6610

CIB MARINE BANCSHARES, INC. WINS APPROVAL FOR PRE-PACKAGED PLAN OF REORGANIZATION

Holding Company Files Plan of Reorganization, Exchange of Debt Securities for Preferred Stock Will Allow It to Emerge Stronger

Bank Unaffected and Remains in Strong Position

PEWAUKEE, WI – Bank holding company CIB Marine Bancshares, Inc. (PINKSHEETS: CIBH) today announced that it has received the requisite approval from holders of its trust preferred securities to exchange their debt securities for preferred stock, paving the way for the holding company to file a pre-packaged plan of reorganization under Chapter 11 of the bankruptcy code. CIB Marine Bancshares filed the plan of reorganization last night in federal court in Milwaukee.

“We are pleased that our trust preferred security holders saw the benefits of this reorganization effort,” said John Hickey, Jr., chairman and CEO of the holding company. “We are now asking the court to approve what is an orderly and efficient reorganization effort, somewhat similar to the recent effort by GM and Chrysler. The filing and confirmation of the plan of reorganization by the court are important steps in the reorganization and strengthening of the holding company.”

In July 2009, the holding company proposed to exchange all of the trust preferred securities for shares of its non-cumulative perpetual preferred stock. Holders of the debt securities initially had until August 17, 2009, to vote on the proposal. The voting deadline was twice extended to September 9th and 15th, respectively. Based upon information obtained from the trust preferred securities holders and their trustees during the extension periods, the holding company determined that, as of September 15, 2009, it had obtained the requisite approval of the plan and that it was able to proceed with seeking confirmation by the court.

With the filing yesterday, the reorganization is targeted to be complete in approximately 45 to 60 days, pending confirmation by the court. Once the plan is confirmed and implemented, the holding company will be in a stronger position to seek prospective business partners going forward, according to Hickey. The plan of reorganization filed with the court outlines how the holding company will reduce interest expense, cut debt and enhance the strength of the holding company.

“Upon completion of the reorganization, we will immediately renew our search for a strategic partner to combine with CIB Marine Bancshares,” said Hickey. “The improved capital position of the reorganized company should make it an attractive candidate for a combination partner.”

CIB Marine Bancshares is the holding company for the bank that operates as Central Illinois Bank in mid-state Illinois and as Marine Bank in the Milwaukee area, Indianapolis and Scottsdale. The bank and its branches are not affected by the holding company’s reorganization efforts.

“The bank remains adequately capitalized, and the restructuring of the holding company will have no direct impact on the operations of the bank,” said Hickey. He added that the bank is regulated separately from the holding company by both federal and state regulators and that its accounts are insured up to applicable limits by the FDIC. “Our bank remains committed to meeting the ongoing needs of our valued customers.”

CIB Marine Bancshares, Inc. is a one-bank holding company with 17 banking offices in central Illinois, Wisconsin, Indiana, and Arizona. Please visit www.cibmarine.com for additional information.

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This statement contains forward-looking information. Actual results could differ materially from those indicated by such information. Information regarding risk factors and other cautionary information is available in Item 1A of CIB Marine’s Annual Report on Form 10-K for the period ended December 31, 2008 and updated in Item 1A of Part II of CIB Marine’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2009.

September 16, 2009

Dear Shareholder,

Today, CIB Marine Bancshares, Inc. announced that holders of its trust preferred securities have given approval to exchange their junior subordinated debentures for non-cumulative perpetual preferred stock, paving the way for the holding company to file a pre-packaged plan of reorganization under Chapter 11 of the bankruptcy code. CIB Marine Bancshares filed that reorganization petition last night in Federal Court in Milwaukee.

We are pleased that our trust preferred security holders saw the benefits of this reorganization effort. We have asked the court to approve this orderly and efficient reorganization plan which is somewhat similar to the recent reorganization by GM and Chrysler. As a shareholder, you will be receiving additional information regarding the plan from the court in the coming days.

Under the reorganization plan, approximately \$105.3 million of high-interest cumulative indebtedness would be exchanged for 55,624 shares of Series A 7% fixed rate perpetual noncumulative preferred stock with a stated value of \$1,000 per share ("Series A Preferred") and 4,376 shares of Series B 7% fixed rate convertible perpetual preferred stock with a stated value of \$1,000 per share ("Series B Preferred" and, together with Series A Preferred, the "Company Preferred"). Each share of our Series B Preferred is convertible into 4,000 shares of our common stock only upon the consummation of a merger transaction involving the company. The Company Preferred would have no stated redemption date and the holders of the Company Preferred would not have the right to compel the redemption of any or all of the shares. Further, dividends are noncumulative and are only be paid at such time as a dividend is declared by the Company, at its discretion and subject to regulatory approval.

The effects on the company of the reorganization plan, if it is confirmed by the Court, will be to improve earnings by eliminating the interest burden associated with the TruPS-related indebtedness, and to significantly improve our capital position at the holding company. Upon completion of the reorganization, we will immediately renew our search for a strategic partner to combine with CIB Marine Bancshares. The improved capital position of the reorganized company should make it a more attractive candidate for a business combination partner.

Under the reorganization plan, your interests as common shareholders will not be impaired. The Company's capital position will be enhanced by the conversion of our outstanding trust preferred securities debt into preferred equity.

If all Series B Preferred shareholders were to convert their shares in connection with a merger, they would own slightly less than 50% of our outstanding common stock and have a right to participate at that level in any merger consideration paid to acquire our company, in addition to any rights they will have as holders of Series A preferred stock.

It is our intent to hold a shareholder meeting after we have exited from the reorganization process, which could be as early as the fourth quarter of this year.

The restructuring of the holding company will have no direct impact on the operations of the bank. The bank is regulated separately from the holding company by both federal and state regulators and its accounts are insured by the FDIC. Our bank remains committed to meeting the ongoing needs of our valued customers and has the capital and resources to maintain a safe and secure position. Effective August 17, 2009, we changed the name of our bank to CIBM Bank, however, the bank will continue to operate in Illinois as Central Illinois Bank and in metro Milwaukee, Indianapolis and Scottsdale as Marine Bank.

While this is been a complex and challenging process, we are eager to complete the restructuring and begin to move forward. We will continue to provide you with any important information about us that arises.

For additional information about the company, including our SEC filings, shareholder letters and other company news, please visit www.cibmarine.com.

Sincerely,



John P. Hickey, Jr.
President and CEO

This letter contains forward-looking information. Actual results could differ materially from those indicated by such information. Information regarding risk factors and other cautionary information is available in Item 1A of CIB Marine's Annual Report on Form 10-K for the period ended December 31, 2008, and updated in Item 1A of Part II of CIB Marine's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009.