

June 1, 2004

Dear Shareholder,

On April 19, 2004, we informed you of the proposed joint Cease and Desist Orders to be issued by the Federal Deposit Insurance Corporation and the applicable state banking regulators with respect to four of our banking subsidiaries: CIB Bank – Chicago, Central Illinois Bank, Marine Bank – Wisconsin and CIB Bank – Indiana. The joint orders have now been finalized, and became effective May 29, 2004. The respective banks have consented to the issuance of the final orders. The provisions of the final orders are substantially similar to the proposed orders as described in our April 19 letter. The complete text of each of the orders has been filed by CIB Marine with the Securities and Exchange Commission as an exhibit to Form 8-K filed on June 1, 2004. The orders are available on the websites of the Federal Deposit Insurance Corporation (www.fdic.gov); the Securities and Exchange Commission (www.sec.gov); and CIB Marine Bancshares, Inc. (www.cibmarine.com).

Additionally, On May 29, 2004, CIB Marine Bancshares, Inc. entered into a Written Agreement with the Federal Reserve Bank of Chicago which provides for commitments from CIB Marine to strengthen the organization's internal controls, risk management, capital, earnings, enterprise-wide compliance with the policies of the organization, including those related to loan and credit administration, and correcting violations of law related to affiliate transactions. The agreement also restricts payment of dividends, redemption of shares and increases in borrowings by CIB Marine without Federal Reserve Bank approval. The complete text of the Agreement has also been filed as an exhibit to the Form 8-K and is available on the websites of the Federal Reserve at www.federalreserve.gov, the SEC and CIB Marine.

If you have any questions or would like a copy of the orders or the agreement mailed to you, please call our Investor Relations department at (262) 695-6010.

Sincerely,

The Board of Directors