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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):

April 13, 2005

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 1.01. Entry into a Material Definitive Agreement.**

On April 13, 2005, registrant adopted a company-wide severance pay plan (the "Severance Plan") that permits the payment of severance benefits to all eligible employees, including executive officers, who are not otherwise provided severance benefits pursuant to a pre-existing agreement with registrant and/or its subsidiaries if the employee's employment is involuntarily terminated for reasons other than for cause, voluntary resignation or early retirement. The receipt of of any severance pay under the Severance Plan is conditioned upon the execution of a Separation Agreement and General Release by the eligible employee.

Under the Severance Plan, full-time employees with at least one year of service are eligible to receive two weeks of severance pay for each completed year of service with a minimum benefit of four weeks of severance pay. The maximum benefit paid to full-time employees shall be the lesser of thirty-six weeks, or the base compensation paid to the employee during the twelve months immediately preceding separation of service. Full-time employees with less than one year of service are eligible to receive two weeks of severance pay.

Part-time employees with at least one year of service are eligible to receive one week of severance pay per each completed year of service with a minimum benefit of two weeks of severance pay. The maximum benefit paid shall be the lesser of 12 weeks, or the base compensation paid to the employee during the twelve months immediately preceding separation of service. Part-time employees with less than one year of service are eligible to receive one week of severance pay.

The foregoing is only intended to be a summary of the terms of the Severance Plan and is qualified in its entirety by reference to the full text of the Severance Plan which is annexed as Exhibit 10.1 to this Current Report on Form 8-K.

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## 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.

*April 18, 2005*

By: *Stanley J. Calderon*

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*Name: Stanley J. Calderon*  
*Title: President and CEO*

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## Exhibit Index

| <u>Exhibit No.</u> | <u>Description</u>                             |
|--------------------|--|
| 10.1               | CIB Marine Bancshares, Inc. Severance Pay Plan |

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**CIB MARINE BANCSHARES, INC.  
SEVERANCE PAY PLAN**

CIB Marine Bancshares, Inc. and/or its subsidiaries (CIB Marine) shall pay each Eligible Employee involuntarily terminated for reasons other than for Cause, voluntary resignation or early retirement, severance pay based upon the current base compensation of the Eligible Employee pursuant to the following schedule:

| <u>Employment Status</u>           | <u>Less Than One Full Year of Service</u> | <u>One or More Years of Service</u>                  | <u>Maximum Benefit</u>   |
|------------------------------------|---|--|--|
| Full Time<br>(all position levels) | Two weeks                                 | Two weeks/year, with a minimum benefit of four weeks | The lesser of 36 weeks, or the base compensation paid to the Eligible Employee during the twelve months immediately preceding separation of service. |
| Part Time<br>(all position levels) | One week                                  | One week/year, with a minimum benefit of two weeks   | The lesser of 12 weeks, or the base compensation paid to the Eligible Employee during the twelve months immediately preceding separation of service. |

For purposes of this plan:

“Eligible Employee” shall mean any employee of CIB Marine and its subsidiaries who is not otherwise provided severance benefits pursuant to a pre-existing agreement, either approved by the appropriate federal banking regulators, with the concurrence of the FDIC, or, if regulatory approval was not necessary, the agreement was entered into prior to the implementation date of this non-discriminatory severance plan;

“Cause” shall mean:

- Death of the Eligible Employee;
- The inability of the Eligible Employee, due to illness, injury, physical or mental disability or incapacity or otherwise to perform his or her job functions;
- Conviction of the Eligible Employee in a court of law for any felony or act involving personal dishonesty, breach of trust, theft or misuse or misappropriation of funds or other property;
- Incompetence (as measured against standards generally prevailing in the banking industry), any breach of fiduciary duty involving personal profit, or the engaging in fraud, theft or misuse or misappropriation of funds or other property, embezzlement, personal dishonesty or like conduct by the Eligible Employee;
- The intentional failure or refusal of the Eligible Employee to perform the reasonable, necessary and lawful duties and responsibilities expected of the Eligible Employee;
- Any willful act of misconduct, including any willful violation of law, rule or regulation of the United States or any state of the United States (other than traffic violations or similar offenses) by the Eligible Employee, or any material violation of an employment policy of CIB Marine, which is, has had or is likely to have a material adverse effect on CIB Marine;

- Suspension, removal and/or prohibition (whether temporary or permanent) by any banking or similar regulatory authority from participation in the affairs of CIB Marine or any of its subsidiaries; or
- The Eligible Employee is substantially responsible for the insolvency of, the appointment of a conservator or receiver for, or the troubled condition of CIB Marine.

For purposes of this definition, no act or failure to act on the part of the Eligible Employee shall be considered “willful” unless done or omitted to be done by the Eligible Employee not in good faith and without reasonable belief that the Eligible Employee’s act or omission was in the best interest of CIB Marine.

In order to receive the benefits under this Severance Pay Plan, Eligible Employees shall execute and deliver to CIB Marine a Separation Agreement and General Release in a form prescribed by CIB Marine.

This Severance Pay Plan may be terminated, rescinded or amended at any time by CIB Marine in its sole and absolute discretion without prior notice to Eligible Employees. The language and all parts of this Plan shall in all instances be determined, construed and interpreted by CIB Marine, whose determination shall be final and conclusive.