
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):

August 9, 2010

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.)

1930 West Bluemound Road, Suite D,
Waukesha, Wisconsin

53186

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

262-695-6010

N27 W24025 Paul Court, Pewaukee, Wisconsin 53072

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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

At its annual meeting in May 2010, CIB Marine Bancshares, Inc. announced the promotions of its current Chief Credit Officer, Charles J. Ponicki, to the position of Chief Operating Officer and President, and its Chief Investment Officer, Patrick J. Straka, to the position of Chief Financial Officer. Both promotions were subject to approval by banking regulatory agencies.

The Board of Directors of the Registrant is pleased to report that regulatory approval has been received for Messrs. Ponicki and Straka and that both individuals have assumed these new titles at CIB Marine Bancshares and CIBM Bank, the Registrant's banking subsidiary, effective August 9, 2010. Mr. Ponicki has also joined the Board of Directors CIBM Bank.

Mr. Ponicki, 59, has served as Senior Vice President and Chief Credit Officer of CIB Marine since January 2008, and was Wisconsin Market President of Marine Bank from September 2007 to December 2007. From 2006 to September 2007, Mr. Ponicki provided acquisition sourcing and due diligence, credit policy and governance, and de novo formation consulting services to banks. From 2002 to 2005, Mr. Ponicki was Executive Vice President of Business Banking at Cole Taylor Bank. In conjunction with his promotion, the Board approved an increase in Mr. Ponicki's base salary of \$10,300.

Mr. Straka, 43, has served as Senior Vice President, Chief Investment Officer and Economist of CIB Marine since February 1999. Mr. Straka's base salary was not increased in connection with his promotion.

Mr. John P. Hickey, Jr., will continue to serve as the Registrant's CEO and Chairman of the Board of Directors. Mr. Hickey has advised the Board of Directors that he intends to retire from the position of CEO in late 2010 or early 2011. He will continue to serve as Chairman of the Registrant following his retirement as CEO. The Registrant has a Board-approved succession plan that it intends to follow upon Mr. Hickey's retirement and regulatory approval of his successor.

Item 8.01 Other Events.

CIB Marine Bancshares, Inc. issued a shareholder letter on August 10, 2010, a copy of which is furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

Exhibit 99.1 - Shareholder Letter issued August 10, 2010.

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.

August 10, 2010

By: *John P. Hickey, Jr.*

Name: John P. Hickey, Jr.

Title: Chief Executive Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Shareholder letter issued August 10, 2010.



- Net loss for the quarter ended June 30th improved from \$10.3 million in 2009 to \$2.9 million in 2010.
- Capital ratios are up from year end 2009 with the Tier 1 leverage ratio at 12.54% and total capital to risk-weighted assets ratio at 16.98%.
- Allowance for loan losses as a percentage of loans increased to 3.64% compared to 3.45% at year end 2009.
- Total nonaccrual loans decreased \$1.4 million from year-end 2009 to \$56.5 at June 30, 2010.
- The ratio of nonperforming assets to total assets increased from 7.4% at year end 2009 to 8.8% at June 30, 2010.
- Branch closures were announced in a continuing effort to reduce ongoing expenses.

August 10, 2010

Dear Shareholder,

Today, CIB Marine filed its quarterly report on Form 10-Q providing a detailed analysis of its second quarter 2010 operating results. As we discussed in prior shareholders' letters and the 2009 Form 10-K, the planned effect of the 2009 restructuring was to significantly improve CIB Marine's capital ratios and improve future operating results through the elimination of interest expense on its debentures that were the subject of the restructuring. The financial highlights from the second quarter of 2010 illustrate our progress (the full Form 10-Q is available on CIB Marine's website, www.cibmarine.com):

- Net loss for the second quarter of 2010 was \$2.9 million or \$0.16 per share. This compares to a net loss of \$10.3 million or \$0.57 per share for the second quarter of 2009, and \$2.4 million or \$0.13 per share for the first quarter of 2010.
- At June 30, 2010, total assets were \$657 million compared to \$710 million at December 31, 2009, reflecting lower loan and securities balances and a reduction in higher-cost funding sources.
- Net interest margin improved to 3.07% for the second quarter of 2010 compared to 1.50% for the second quarter of 2009. Accounting for most of this improvement was the elimination of \$2.2 million in interest expense on the debentures for the second quarter of 2010, which improved the net interest margin 133 basis points.
- Provision for loan losses expense for the second quarter of 2010 was \$2.4 million compared to \$6.2 million for the second quarter of 2009, reflecting lower levels of provisions for the home equity loan pools and construction and development loans, partially offset by higher levels of provisions for commercial real estate loans. Net loan charge-offs for the second quarter were \$3.7 million and \$6.2 million in 2010 and 2009, respectively.
- Noninterest expense for the second quarter of 2010 was \$5.9 million compared to \$7.6 million for the second quarter of 2009. This reflects cost reduction initiatives implemented throughout 2009 and 2010, combined with reduced professional service fees following the completion of the restructuring.

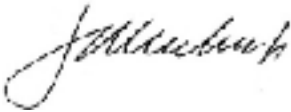
While we continue to benefit from the improved capital and net interest margin due to the 2009 restructuring, we have significant work ahead of us to reach some of our ultimate goals of returning CIB Marine to profitability and improving asset quality. As a result, we have announced we are taking further actions to reduce ongoing expenses by closing our Decatur, Illinois and our Grand Prairie Dr., Peoria, Illinois offices during the second half of 2010. During the rest of 2010, we will continue to work diligently on further improving asset quality and the results of operations.

On August 9, 2010, Edwin Depenbrok resigned as Chief Financial Officer of the holding company and bank. The resignation was an anticipated part of the company's restructuring and had previously been announced at our shareholders meeting in May. We thank Mr. Depenbrok for his invaluable service and guidance as CFO since January 7, 2008, and look forward to continuing to work with him as a consultant to the company.

In addition, we are pleased to announce the following promotions in our executive management team which became effective yesterday:

- Patrick Straka has been appointed Chief Financial Officer of the bank and holding company. Mr. Straka has served as the company's Chief Investment Officer for the past 11 years, a position he will retain in addition to his new position as Chief Financial Officer.
- Charles Ponicki has been appointed President of the bank and holding company. He will also serve as a Director of the bank. Mr. Ponicki currently serves as the company's Chief Credit Officer and will continue in the dual role of President and Chief Credit Officer until his credit duties can be transitioned to his replacement.
- I will continue in my position as Chairman of the Board and Chief Executive Officer of the bank and holding company. I have notified the Board of Directors of my intent to retire as CEO in late 2010 or early 2011, but I will continue in a leadership role with the company as its Chairman. The company has a Board-approved succession plan it intends to follow upon my retirement and regulatory approval of my successor.

Sincerely,



John P. Hickey, Jr.
Chief Executive Officer

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, 2009, and updated in Item 1A of Part II of CIB Marine's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010.