

NEW M&I CORP  
Form S-3ASR  
November 06, 2007  
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As filed with the Securities and Exchange Commission on November 6, 2007.

Registration No. 333-

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM S-3**  
**REGISTRATION STATEMENT**

*UNDER*

*THE SECURITIES ACT OF 1933*

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**MARSHALL & ILSLEY CORPORATION**

(Exact name of registrant as specified in its charter)

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**Wisconsin**  
(State or other jurisdiction of  
incorporation or organization)

**20-8995389**  
(I.R.S. Employer  
Identification No.)

**770 North Water Street**

**Milwaukee, Wisconsin 53202**

**(414) 765-7801**

(Address, including zip code, and telephone number,  
including area code, of registrant's principal executive offices)

*Copies to:*

**Randall J. Erickson**  
**Marshall & Ilsley Corporation**  
**770 North Water Street**  
**Milwaukee, Wisconsin 53202**  
**(414) 765-7801**  
 (Name, address, including zip code, and telephone  
 number, including area code, of agent for service)

**Christopher B. Noyes**  
**Godfrey & Kahn, S.C.**  
**780 North Water Street**  
**Milwaukee, Wisconsin 53202**  
**(414) 273-3500**

**Approximate date of commencement of proposed sale to the public:** From time to time after the effective date of the Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. "

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. x

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. x

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. "

**CALCULATION OF REGISTRATION FEE**

<b>Title of each class of securities to be registered</b>	<b>Amount to be registered</b>	<b>Proposed maximum offering price per unit</b>	<b>Proposed maximum aggregate offering price</b>	<b>Amount of registration fee</b>
Senior Debt Securities, Subordinated Debt Securities, Common Stock, \$1.00 par value, Preferred Stock, \$1.00 par value, Depository Shares (1), and Warrants (2)	(3)	(3)	(3)	(3)

(1) In the event the Registrant elects to offer to the public fractional interests in shares of the preferred stock registered hereunder, depository receipts will be distributed to those persons purchasing such fractional interests and the preferred stock will be issued to the depository under the deposit agreement. No separate consideration will be received for the depository shares.

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- (2) This Registration Statement also covers such indeterminate amount of securities as may be issued in exchange for, or upon conversion or exercise of, as the case may be, the securities registered hereunder and delayed delivery contracts that may be issued by the Registrant under which the counterparty may be required to purchase senior debt securities, subordinated debt securities, common stock, preferred stock, depositary shares or warrants or pursuant to the antidilution provisions of any of the securities registered hereunder. In addition, any of the securities registered hereunder may be sold separately or as units with other securities registered hereunder.
  
  - (3) An indeterminate amount of securities to be offered at indeterminate prices are being registered pursuant to this Registration Statement. In accordance with Rules 456(b) and 457(r), the Registrant is deferring payment of all of the registration fees.
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**PROSPECTUS**

**Debt Securities**

**Common Stock**

**Preferred Stock**

**Depository Shares**

**Warrants**

**offered by**

**MARSHALL & ILSLEY CORPORATION**

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Marshall & Ilsley Corporation may offer from time to time to sell, in one or more series, any combination of the securities described in this prospectus.

We may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continued or delayed basis.

The principal executive offices of Marshall & Ilsley Corporation are located at 770 North Water Street, Milwaukee, Wisconsin 53202, and the telephone number is (414) 765-7801.

We will provide the specific terms of these securities, and the manner in which they are being offered, in supplements to this prospectus. These securities cannot be sold unless this prospectus is accompanied by a prospectus supplement. You should read this prospectus and the applicable prospectus supplement carefully before you invest.

Our common stock is listed on the New York Stock Exchange under the symbol MI.

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**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

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The debt securities are not deposits or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other governmental agency.

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This prospectus is dated November 6, 2007.

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**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission using a shelf registration process. Under this shelf registration process, we may sell any combination of the securities described in this prospectus in one or more offerings.

This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. Such prospectus supplement may also add, update or change information contained in this prospectus. If there is any inconsistency between the information in the prospectus and the applicable prospectus supplement, you should rely on the information in the prospectus supplement. You should read this prospectus and the applicable prospectus supplement together with the additional information described under the heading **Where You Can Find More Information**.

The registration statement that contains this prospectus, including the exhibits to the registration statement, contains additional information about us and the securities offered under this prospectus. You can find the registration statement at the SEC's website or at the SEC office mentioned under the heading **Where You Can Find More Information**.

Unless the context otherwise indicates, the terms **M&I**, **we**, **our** or **us** mean Marshall & Ilsley Corporation and its subsidiaries.

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports and proxy statements and other information with the SEC. Our SEC filings are available over the Internet at our website at <http://www.micorp.com> or at the SEC's website at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for more information on the SEC's public reference room. You may also inspect our reports at the New York Stock Exchange, 20 Broad Street, New York, New York 10005. Information contained on our website is not a part of this prospectus.

For further information about us and the securities we are offering, you should refer to our registration statement and its exhibits. This prospectus summarizes material provisions of contracts and other documents that we refer you to. Since the prospectus may not contain all the information that you may find important, you should review the full text of these documents.

We incorporate by reference into this prospectus the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. Some information contained in this prospectus updates the information incorporated by reference, and information that we file subsequently with the SEC will automatically update this prospectus. In other words, in the case of a conflict or inconsistency between information set forth in this prospectus and/or information incorporated by reference into this prospectus, you should rely on the information contained in the document that was filed later. We incorporate by reference the following documents (excluding any portions of such documents that have been furnished but not filed for purposes of the Securities Exchange Act of 1934, as amended, which we refer to as the **Exchange Act**):

Old Marshall & Ilsley's (as defined below) annual report on Form 10-K for the year ended December 31, 2006;

Old Marshall & Ilsley's quarterly report on Form 10-Q for the quarterly periods ended March 31, 2007 and June 30, 2007;

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Old Marshall & Ilsley's current reports on Form 8-K dated January 12, 2007, February 9, 2007, April 3, 2007, April 24, 2007, April 26, 2007, July 2, 2007, July 8, 2007, August 10, 2007, August 31, 2007, October 5, 2007, and October 25, 2007;

Marshall & Ilsley's current report on Form 8-K dated November 1, 2007; and

The description of our common stock incorporated by reference in Amendment No. 4 to our registration statement on Form 10, filed August 10, 2007 pursuant to Section 12 of the Exchange Act, including any amendment or report filed with the SEC for the purpose of updating this description.

We also incorporate by reference reports we file in the future under Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act (excluding any portions of any such documents that are furnished but not filed for purposes of the Exchange Act), including reports filed after the date of the initial filing of the registration statement and before the effectiveness of the registration statement, until we sell all of the securities offered by this prospectus or terminate this offering.

You may request a copy of any of the documents referred to above, other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing, at no cost, by contacting us in writing or by telephone at:

Secretary

Marshall & Ilsley Corporation

770 North Water Street

Milwaukee, Wisconsin 53202

Phone: (414) 765-7801

You should rely only on the information incorporated by reference or presented in this prospectus or the applicable prospectus supplement. Neither we, nor any underwriters or agents, have authorized anyone else to provide you with different information. We are only offering these securities in states where the offer is permitted. You should not assume that the information in this prospectus or the applicable prospectus supplement is accurate as of any date other than the dates on the front of those documents.

**FORWARD-LOOKING STATEMENTS**

Statements included or incorporated by reference in this prospectus and the applicable prospectus supplement which are not historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements include: (1) statements made in Old Marshall & Ilsley's annual report on Form 10-K for the year ended December 31, 2006 under Item 1, Business, and Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, including, without limitation, statements with respect to internal growth plans, projected revenues, margin improvement, future acquisitions, capital expenditures and adequacy of capital resources; (2) statements included or incorporated by reference in our future filings with the SEC; and (3) information contained in written material, releases and oral statements issued by, or on behalf of, us including, without limitation, statements with respect to projected revenues, costs, earnings and earnings per share. Forward-looking statements also include statements regarding the intent, belief or current expectation of M&I and its officers. Forward-looking statements include statements preceded by, followed by or that include forward-looking terminology such as may, should, believes, expects, anticipates, estimates, continues or similar expressions.

All forward-looking statements included or incorporated by reference in this prospectus and the applicable prospectus supplement are based on information available to us as of the date of this prospectus or the applicable prospectus supplement. We do not undertake to update any forward-looking statements that may be made by or on behalf of us in this prospectus, the applicable prospectus supplement or otherwise. Our actual results may

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differ materially from those contained in the forward-looking statements identified above. Factors which may cause such a material difference to occur include, but are not limited to, the factors listed in Item 1A, Risk Factors, of Old Marshall & Ilsley's annual report on Form 10-K for the year ended December 31, 2006.

**MARSHALL & ILSLEY CORPORATION**

Marshall & Ilsley Corporation, incorporated in Wisconsin in 2007, is a registered bank holding company under the Bank Holding Company Act of 1956 and is certified as a financial holding company under the Gramm-Leach-Bliley Act of 1999. On November 1, 2007, we completed a corporate reorganization in connection with the separation of our data services subsidiary, Metavante Corporation, from the organization. As part of this transaction, old Marshall & Ilsley Corporation, which we refer to as Old Marshall & Ilsley, was separated into two publicly traded companies, us and Metavante Technologies, Inc. WPM, L.P., a limited partnership organized by Warburg Pincus Private Equity IX, L.P., a global private equity investment fund managed by Warburg Pincus LLC, acquired 25% of the outstanding common stock of Metavante Technologies, Inc. in exchange for a \$625 million investment in Metavante Technologies, Inc. We received a contribution of approximately \$1.665 billion in cash from Metavante Technologies, Inc. and Old Marshall & Ilsley received \$982 million from Metavante Corporation as repayment of debt owed to it as part of this separation.

Immediately following the cash contribution by Metavante Technologies, Inc., the shareholders of Old Marshall & Ilsley received three shares of our common stock and one share of Metavante Technologies, Inc. common stock in respect of every three shares of Old Marshall & Ilsley common stock held by the shareholders. Through this distribution, the shareholders of Old Marshall & Ilsley received in the aggregate common stock equal to 100% of the outstanding shares of our common stock and 75% of the outstanding shares of Metavante Technologies, Inc. common stock.

As a result of this transaction, we acquired 100% of the outstanding membership interests of Old Marshall & Ilsley, which was converted to a Wisconsin limited liability company and renamed M&I LLC. M&I LLC is an interim bank holding company and will continue to own all of the outstanding capital stock of the organization's banking and non-banking subsidiaries. Through this corporate reorganization, we have become the new top-tier bank holding company for the organization. We were renamed Marshall & Ilsley Corporation and are the registrant for SEC reporting purposes.

As of June 30, 2007, Old Marshall & Ilsley had consolidated total assets of approximately \$58.3 billion and consolidated total deposits of approximately \$35.0 billion, making us the largest bank holding company headquartered in Wisconsin. Our pro forma total assets as of June 30, 2007 were \$55.8 billion and our pro forma consolidated total deposits as of June 30, 2007 were \$35.2 billion. Our executive offices are located at 770 North Water Street, Milwaukee, Wisconsin 53202 (telephone number (414) 765-7801).

Our principal assets are the stock of our bank and nonbank subsidiaries, which, as of November 1, 2007, included five bank and trust subsidiaries and a number of companies engaged in businesses that the Board of Governors of the Federal Reserve System has determined to be closely related or incidental to the business of banking. We provide our subsidiaries with financial and managerial assistance in such areas as budgeting, tax planning, auditing, compliance assistance, asset and liability management, investment administration and portfolio planning, business development, advertising and human resources management.

Our primary business consists of banking, which includes accepting deposits, making loans and providing other services such as residential and commercial mortgage banking, cash management, foreign exchange and correspondent banking to a variety of commercial and retail customers. Our other businesses include wealth management, which consists of trust services, private banking and brokerage services, as well as a capital markets group, insurance services and commercial leasing.



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Marshall & Ilsley Corporation is a legal entity separate and distinct from its subsidiaries. Our principal source of funds to pay dividends on our capital stock and interest on our debt is dividends from our subsidiaries. Various federal and state statutes and regulations restrict the amount of dividends our subsidiaries may pay to us. Our subsidiaries are not obligated to make required payments on our debt or other securities. Accordingly, our rights and the rights of holders of our debt and other securities to participate in any distribution of the assets or income from any subsidiary is necessarily subject to the prior claims of creditors of the subsidiary. In addition, our bank and savings association subsidiaries hold a significant portion of their mortgage and investment portfolios indirectly through their ownership interest in direct and indirect subsidiaries. The ability of our bank and savings association subsidiaries to participate in any distribution of the assets or income of the direct or indirect subsidiaries is likewise subject to the prior claims of creditors of those direct and indirect subsidiaries.

**USE OF PROCEEDS**

Unless we indicate a different use in an accompanying prospectus supplement, the net proceeds from the sale of the offered securities will be added to our general funds and may be used for:

debt reduction or debt refinancing, including the refinancing of our outstanding commercial paper;

investments in or advances to subsidiaries;

acquisitions of bank and non-bank subsidiaries;

repurchase of shares of our common stock or other securities; and

other general corporate purposes.

Until the net proceeds have been used, they may be temporarily invested in securities or held in deposits of our affiliated banks.

**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth Old Marshall & Ilsley's consolidated ratio of earnings to fixed charges on a historical basis for the periods indicated and our Consolidated ratio of earnings to Fixed charges on a pro forma basis for the period ended June 30, 2007. For purposes of computing the ratio of earnings to fixed charges, earnings represent income before taxes and fixed charges. Fixed charges, excluding interest on deposits, consist of interest expense and one-third of rental expense for all operating leases, which we believe to be representative of the interest portion of rent expense. Fixed charges, including interest on deposits, consist of interest expense, one third of rental expense and interest on deposits.

	Pro Forma Six Months Ended June 30, 2007	Historical	Years Ended December 31,				
		Six Months Ended June 30,					
		2007	2006	2005	2004	2003	2002
<b>Ratio of earnings to fixed charges:</b>							
Excluding interest on deposits	2.62x	2.57x	2.73x	3.28x	4.24x	3.71x	3.27x
Including interest on deposits	1.70x	1.65x	1.68x	2.05x	2.64x	2.46x	2.17x



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**DESCRIPTION OF M&I SENIOR AND SUBORDINATED DEBT SECURITIES**

This section describes the general terms and provisions of our senior debt securities and subordinated debt securities, which are sometimes referred to in this section as debt securities. The applicable prospectus supplement will describe the specific terms of the series of debt securities offered through that prospectus supplement and any general terms outlined in this section that will not apply to those debt securities.

The senior debt securities will be issued under a senior indenture between us and The Bank of New York, as trustee, dated as of November 5, 2007. The subordinated debt securities will be issued under a subordinated indenture dated November 5, 2007 between us and The Bank of New York, as trustee. Copies of the indentures have been filed as exhibits to the registration statement of which this prospectus forms a part.

We have summarized the material terms and provisions of the indentures in this section. You should read the indentures for provisions that may be important to you.

The indentures under which the debt securities will be issued do not limit the amount of debt which we or our subsidiaries may incur.

**Terms of the Securities**

The debt securities will not be secured by any of our assets. The indentures do not limit the amount of debt securities that we may issue and provide that we may issue debt securities from time to time in one or more series. The indentures do not limit the principal amount of any particular series of debt securities. The senior debt securities will rank equally with all of our other unsecured and unsubordinated indebtedness. The subordinated debt securities will be subordinate to the prior payment in full of any of our senior indebtedness.

Each prospectus supplement will specify the particular terms of the debt securities offered. These terms may include:

the title of the debt securities;

any limit on the aggregate principal amount of debt securities of that series;

the date or dates on which the debt securities will mature;

the interest rate or rates of the debt securities, if any, and the date or dates from which interest will accrue;

the interest payment dates, the dates on which payment of any interest will begin and the regular record dates;

whether payment of interest will be contingent in any respect and/or the interest rate reset;

any remarketing or extension features of the debt securities;

any mandatory or optional redemption provisions applicable to the debt securities;

any mandatory or optional sinking fund or similar provisions applicable to the debt securities;

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whether the debt securities are senior debt securities or subordinated debt securities;

the terms on which the debt securities may be repayable before final maturity;

the portion of the principal amount payable upon acceleration of maturity;

events of default;

if other than U.S. dollars, the currency or currencies in which payments on the debt securities will be payable;

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whether the debt securities will be issuable only in global form, which is known as a global security, and, if so, the name of the depository for the global security and the circumstances under which the global security may be registered for transfer or exchange in the name of the person other than the depository; and

any other specific terms of the debt securities.

Where appropriate, the applicable prospectus supplement will describe the United States federal income tax considerations relevant to the debt securities.

Some of the debt securities may be issued as original issue discount securities. Original issue discount securities bear no interest or bear interest at below-market rates and will be sold at a discount below their stated principal amount. Any applicable prospectus supplement will also contain any special United States federal income tax or other information relating to original issue discount securities.

### **Subordination of Subordinated Debt Securities**

The subordinated debt securities will be subordinate to all of our senior indebtedness. Senior indebtedness includes any of our obligations to our creditors, other than:

any of our obligations that expressly provide that they are not senior indebtedness; and

any subordinated debt securities issued under the subordinated indenture.

If we fail to pay principal, premium or interest on any of our senior indebtedness when the payment is due and payable, then, unless and until the default is cured or waived or ceases to exist, we will not make, or agree to make, any direct or indirect payment of principal, premium or interest on the subordinated debt securities. We will pay all senior indebtedness, including any interest that accrues after any of the following proceedings begin, in full before we make any payment or distribution to any holder of any of the subordinated debt securities in the event of:

any insolvency, bankruptcy, receivership, liquidation, reorganization, readjustment, composition or other similar proceeding relating to us, our creditors or our property;

any voluntary or involuntary proceeding relating to our liquidation, dissolution or other winding-up;

any assignment we make for the benefit of creditors; or

any other marshalling of our assets.

If any of the above events occur, we will pay any payment or distribution which would otherwise, not taking into account the subordination provisions, be payable or deliverable in respect of the subordinated debt securities directly to the holders of senior indebtedness in accordance with the priorities then existing among those holders until all senior indebtedness, including any interest which accrues after the commencement of any such proceedings, has been paid in full. If the trustee or any holder of any subordinated debt security receives any payment or distribution under the subordinated debt securities in contravention of any of the terms of the subordination provisions, the payment or distribution will be received in trust for the benefit of and will be paid to the holders of the senior indebtedness at the time outstanding in accordance with the priorities then existing among those holders for application to the payment of all senior indebtedness remaining unpaid, to the extent necessary to pay all of the senior indebtedness in full.

The subordinated indenture does not limit the issuance of additional senior indebtedness. Our obligations with respect to the subordinated debt securities of any series will be equal to our obligations with respect to subordinated debt securities of each other series.



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**Limitations on Disposition or Issuance of Stock of Certain Subsidiaries**

Under the senior indenture we may not, and may not permit a subsidiary to, sell, assign, transfer or otherwise dispose of or issue any shares of stock of any subsidiary or any securities convertible into stock of any subsidiary which is:

a subsidiary bank whose assets constitute 10% or more of the total assets of all subsidiary banks, which is referred to below as a principal constituent bank; or

a subsidiary that owns shares of stock or any securities convertible into stock of a principal constituent bank.

However, we or any of our subsidiaries may dispose of or issue stock of any subsidiary or any securities convertible into stock of any subsidiary under the following circumstances:

when acting in a fiduciary capacity for any other person;

to us or any of our wholly owned subsidiaries; or

the merger or consolidation of a principal constituent bank with and into any other bank that is our subsidiary.

In addition, we may sell, assign, transfer, otherwise dispose of or issue shares of stock of a principal constituent bank or a subsidiary that owns shares of stock or any securities convertible into stock of a principal constituent bank under the following circumstances:

to qualify a person as a director; or

to comply with a court or regulatory authority order or as a condition imposed by a court or regulatory authority in order for us to acquire any other corporation or entity.

We may also dispose of or issue shares of stock or any securities convertible into stock of a principal constituent bank or sell stock or any securities convertible into stock of any subsidiary that owns shares of stock or any securities convertible into stock of a principal constituent bank under the following circumstances:

the sale, assignment, transfer, other disposition or issuance is for fair market value (as determined by our board of directors) and, after giving effect to such disposition and to any potential dilution, if applicable, we and our wholly owned subsidiaries will own directly not less than 80% of the stock of such principal constituent bank or subsidiary; or

a principal constituent bank sells or issues additional shares of stock to its shareholders at any price, so long as immediately after the sale, we own at least as great a percentage of the principal constituent bank's stock as we owned prior to the sale or issuance of additional shares.

The senior indenture does not restrict the sale or other disposition of non-bank subsidiaries. The subordinated indenture does not contain the restrictions described above.

**Limitations on Liens**

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Under the senior indenture, we may not, and may not permit any subsidiary bank to, incur any lien upon any shares of stock of any subsidiary bank without securing the senior debt securities then outstanding under the senior indenture equally and ratably with the lien. The subordinated indenture does not contain this limitation.

### **Limitations on Acquisitions**

Under the senior indenture, we may not acquire stock of any corporation and we may not acquire substantially all of the assets and liabilities of any corporation, unless, immediately after the acquisition, we would be in full compliance with the senior indenture. The subordinated indenture does not contain this limitation.



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### **Events of Default**

**Senior Debt Securities.** The following will be events of default under the senior indenture with respect to senior debt securities of a series:

our failure to pay principal of, or any premium on, any debt security of that series when the payment is due;

our failure to pay any interest on any debt security of that series when the interest payment is due, and the failure continues for 30 days;

our failure to deposit any sinking fund payment for any debt security of that series when due;

our failure to perform any other covenants in the indenture, other than a covenant included in the indenture solely for the benefit of a different series of debt securities, which has continued for 90 days after we have been given written notice of the default as provided in the indenture;

the occurrence of certain events in bankruptcy, insolvency or reorganization involving us or a principal constituent bank; and

any other event of default regarding that series of debt securities.

If an event of default in connection with any outstanding series of senior debt securities occurs and is continuing, the trustee or the holders of at least 25% in principal amount of the outstanding debt securities of that series may declare the principal amount due and payable immediately. Subject to certain conditions, the declaration of acceleration may be rescinded and annulled by the holders of a majority of the principal amount of senior debt securities of that series.

**Subordinated Debt Securities.** An event of default under the subordinated indenture with respect to subordinated debt securities of any series occurs upon certain events in bankruptcy, insolvency or reorganization involving us and any other event of default regarding that series of debt securities. If an event of default in connection with any outstanding series of subordinated debt securities occurs and is continuing, the trustee or the holders of at least 25% in principal amount of the outstanding debt securities of that series may declare the principal amount due and payable immediately. Subject to certain conditions, the declaration of acceleration may be rescinded and annulled by the holders of a majority of the principal amount of subordinated debt securities of that series.

In addition, the subordinated indenture also provides for defaults, which are not events of default and do not entitle the holders to accelerate the principal of the subordinated debt securities. The following are defaults under the subordinated indenture with respect to subordinated debt securities of a series:

our failure to pay principal of, or any premium on, any debt security of that series when the payment is due;

our failure to pay any interest on any debt security of that series when the interest payment is due, and continuance of this default for 30 days;

our default in the performance, or breach, of any of our covenants or warranties in the indenture, other than a covenant or warranty included in the indenture solely for the benefit of a different series of subordinated debt securities, which has continued for 90 days after we have been given written notice of the default as provided in the indenture;

any event of default under the subordinated indenture; and

any other default regarding that series of debt securities.

If there is a default in payment of principal or interest (not cured within 30 days) in connection with any outstanding series of subordinated debt securities and upon demand of the trustee, we will be required to pay the whole principal amount (and premium, if any) and interest, if any, then due and payable on the subordinated debt securities of that series to the trustee for the benefit of the holders of the outstanding subordinated debt securities of that series.

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### **Modification and Waiver**

Each indenture provides that, subject to certain exceptions, modifications and amendments to that indenture may be made by us and the trustee with the consent of the holders of 66-<sup>2</sup>/<sub>3</sub>% of the principal amount of the outstanding debt securities of each series affected by the modification or amendment. However, no modification or amendment may, without the consent of each holder affected:

change the stated maturity of the principal of or any installment of principal or interest on, any debt security;

reduce the principal amount, the premium or interest on any debt security;

change the place of payment or currency in which any debt security or any principal, premium or interest on that debt security is payable;

impair the right to institute suit for the enforcement of any payment on any debt security;

reduce the percentage of the principal amount of debt securities of any series necessary for waiver of compliance with certain provisions of the applicable indenture or for waiver of certain defaults under the indenture; or

in the case of the subordinated indenture, modify the provisions of the indenture with respect to the subordination provisions in a manner adverse to the holders of the subordinated debt securities.

In certain circumstances, we may enter into supplemental indentures with respect to each indenture without the consent of holders of any outstanding debt securities to evidence a merger, the replacement of the trustee or for other specified purposes.

The holders of at least 50% of the principal amount of the outstanding debt securities of any series may waive compliance by us with certain provisions of the indentures. The holders of a majority of the principal amount of the outstanding debt securities of any series may waive any past default under the applicable indenture with respect to that series, except a default in the payment of principal, or any premium or interest payable on any debt security of that series or of a provision which under the applicable indenture cannot be modified or amended, without the consent of each affected holder.

### **Consolidation, Merger and Sale of Assets**

Under each of the indentures, we may not consolidate with or merge into, and we may not transfer substantially all of our assets as an entirety to, any entity, unless:

the successor corporation assumes our obligations on the debt securities and under the indentures;

there is no event of default (or, in the case of the subordinated indenture, no default);

after notice or lapse of time, there is no event that occurred and is continuing that would become an event of default (or default); and

certain other conditions are met.

**Registration and Transfer**

Each series of the debt securities will be issued in registered form only, without coupons.

Unless otherwise indicated in the applicable prospectus supplement, the debt securities issued in certificated form will be issued in integral multiples of \$1,000. No service charge will be made for any transfer or exchange of the debt securities, but we may require payment of an amount sufficient to cover any tax or other governmental charge payable in connection with a transfer or exchange.

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### **Payment and Paying Agent**

Our subsidiary, M&I Marshall & Ilsley Bank, will initially serve as paying agent. Unless otherwise indicated in the applicable prospectus supplement, we will pay the principal, interest and premiums, if any, on fully registered debt securities at the office of the paying agent in Milwaukee, Wisconsin. At our option, payment of interest on fully registered debt securities may also be made by check mailed to the persons in whose names the debt securities are registered.

### **No Protection in the Event of a Highly Leveraged Transaction**

The indentures do not protect holders from a sudden and dramatic decline in our credit quality resulting from takeovers, recapitalizations, or similar restructurings or other highly leveraged transactions.

### **Global Securities**

The debt securities of a series may be issued in whole or in part in the form of one or more global securities that will be deposited with a depository that we will identify in a prospectus supplement. Unless and until a global security is exchanged in whole or in part for individual certificates in definitive form which evidence the debt securities represented by a global security, a global security may not be transferred except as a whole by the depository to a nominee of that depository or by a nominee of that depository to a depository or another nominee of that depository.

The specific terms of the depository arrangements for each series of debt securities will be described in the applicable prospectus supplement.

### **Additional Provisions**

Subject to certain limitations, we may in certain circumstances set any day as the record date for the purpose of determining the holders of outstanding debt securities of any series entitled to give or take any request, demand, authorization, direction, notice, waiver or other action as provided or permitted by the indentures.

The trustee has the duty to act with the required standard of care during default. The trustee is not otherwise obligated to exercise any of its rights or powers under either indenture at the request or direction of any of the holders of the debt securities, unless the holders have offered the trustee reasonable indemnification. The indentures provide that the holders of a majority of the principal amount of outstanding debt securities of any series may, in certain circumstances, direct the time, method and place of conducting any proceedings for any remedy available to the trustee, or exercising any trust or other power conferred on the trustee.

No holder of a debt security of any series will have any right to institute any proceeding for any remedy under the applicable indenture, unless:

the holder has provided the trustee with written notice of a continuing event of default or default regarding the holder's series of debt securities;

the holders of at least 25% in principal amount of the outstanding debt securities of a series have made a written request, and offered reasonable indemnification to the trustee, to institute a proceeding for remedy;

the trustee has not received a direction during such 60-day period inconsistent with such request from the holders of a majority in principal amount of the outstanding debt securities; and

the trustee has failed to institute the proceeding within 60 days after receipt of such request.

However, the holder of any debt security will have an absolute right to receive payment of principal, premium and any interest on such debt security on the due dates expressed in such debt security and to institute suit for the enforcement of any such payment.



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### **Satisfaction and Discharge**

Each indenture provides that we will be discharged from certain of our obligations under that indenture relating to the outstanding debt securities of a series if we deposit with the trustee funds sufficient for payment of all principal, premium, interest and additional amounts, if any, on those debt securities when due. In that event, holders of those debt securities will only be able to look to the trust fund for payment of the principal, premium and interest on their debt securities until maturity.

### **Conversion and Exchange**

If any offered debt securities are convertible into preferred stock, depositary shares or common stock at the option of the holders or exchangeable for preferred stock, depositary shares or common stock at our option, the prospectus supplement relating to those debt securities will include the terms and conditions governing any conversions and exchanges.

### **Governing Law**

Each indenture and the securities will be governed by and construed in accordance with the laws of the State of New York.

### **Reports to the Trustee**

We are required to furnish the trustee an annual statement regarding whether we are in default under the indentures.

### **The Trustee**

We or our affiliates may be customers of, or engage in transactions with, or perform services for, the trustee and its affiliates in the ordinary course of business. Because debt securities issued under the senior and subordinated indentures do not rank equally with each other, upon a default under one of the indentures, the trustee would have a conflicting interest if debt securities were outstanding under the other indenture. As a result, the trustee may be required to resign as trustee of one of the indentures and we may be required to appoint a successor trustee.

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**DESCRIPTION OF COMMON STOCK**

We have summarized the material terms and provisions of the common stock in this section. We have also filed our restated articles of incorporation and our amended and restated by-laws, each as amended, as exhibits to the registration statement of which this prospectus is a part. You should read our restated articles of incorporation and our amended and restated by-laws for additional information before you buy any securities which may be exercised or exchangeable for or converted into common stock.

**General**

**Authorized and Outstanding Shares.** As of November 1, 2007, our authorized common stock, par value \$1.00 per share, was 700,000,000 shares. From these authorized shares, we had issued and outstanding \_\_\_\_\_ shares. Shares of our common stock, when issued against full payment of their purchase price, and shares of our common stock issuable upon conversion, exchange or exercise of any of the other securities offered by this prospectus, will be validly issued, fully paid and non-assessable.

**Voting Rights.** The holders of our common stock are entitled to one vote per share on all matters to be voted on by shareholders, except to the extent that the voting power of shares held by any person in excess of 20% of the voting power in the election of directors may be limited (in voting on any matter) to one-tenth of the full voting power of those shares under Section 180.1150 of the WBCL. The holders of common stock are not entitled to cumulative voting rights. The WBCL and our amended and restated by-laws require a plurality of all votes cast at a meeting at which a quorum is present to elect directors. For most other shareholder votes, the WBCL and our amended and restated by-laws provide that an action is approved if the votes cast in favor of the action exceed the votes cast opposing the action at a meeting at which a quorum is present, unless our restated articles of incorporation, our amended and restated by-laws or the WBCL provide otherwise.

**Dividends.** Holders of our common stock are entitled to receive dividends when, as and if declared by our board of directors out of funds legally available for payment of dividends, subject to any preferential rights of any outstanding preferred stock.

**Liquidation.** In the event of our liquidation or dissolution, the holders of our common stock will be entitled to share ratably in all assets remaining for distribution to shareholders, subject to any preferential rights of any outstanding preferred stock.

**Other Rights.** Except as set forth in any written agreement between us and any shareholder, holders of our common stock have no preemptive or other subscription rights, and the shares of common stock are not subject to further calls or assessment by us. There are no conversion rights or sinking fund provisions applicable to the shares of our common stock.

**Listing.** The outstanding shares of our common stock are listed on the New York Stock Exchange under the symbol MI. The transfer agent for our common stock is Continental Stock Transfer & Trust Company.

**Wisconsin Law and Certain Articles and By-Laws Provision; Anti-Takeover Measures**

Certain provisions of our restated articles of incorporation and our amended and restated by-laws and the WBCL may delay or make more difficult acquisitions or changes of control of M&I not approved by our board of directors. These provisions may also make it more difficult for third parties to replace our current management without the concurrence of our board of directors. In addition, Federal Reserve Board approval is required for certain acquisitions of our common stock or other voting stock. All of these provisions could have the effect of discouraging third parties from making proposals that shareholders may otherwise consider to be in their best interests, including tender offers or attempts that might allow shareholders to receive premiums over the market price of their common stock.



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***Size and Classification of Board of Directors.*** Our restated articles of incorporation and amended and restated by-laws provide that our board will consist of not less than three directors (exclusive of directors, if any, elected by the holders of one or more classes or series of preferred stock pursuant to the restated articles of incorporation applicable thereto), the number of which may be established within such limits by resolution adopted by the affirmative vote of a majority of the entire board of directors then in office; provided, that, the board of directors may not decrease the number if the term of any incumbent director would thereby be affected. Except as otherwise provided by the WBCL and subject to the rights of the holders of any class or series of capital stock having a preference over the common stock as to dividends or upon liquidation, special meetings of our shareholders may be called only by the Chief Executive Officer or the President pursuant to a resolution approved by not less than a majority of the board of directors or upon the demand, in accordance with the procedures set forth in an amended and restated by-laws, of the holders of record of shares representing at least ten percent (10%) of all the votes entitled to be cast on any issue proposed to be considered at the proposal special meeting. These provisions have the effect of making it difficult for a potential acquirer to gain control of our board of directors.

***Removal of Directors for Cause.*** Exclusive of directors, if any, elected by holders of one or more classes of preferred stock, holders of common stock may remove a director only for cause and then only by a vote of two-thirds of the outstanding shares of our capital stock entitled to vote at a meeting of shareholders called for that purpose. Cause is defined solely as malfeasance arising from the performance of a director's duties which has a materially adverse effect on the business of M&I. This provision could deter or discourage a party seeking to obtain control of M&I by removing one or more directors from our board.

Our restated articles of incorporation provide that any newly created directorship resulting from an increase in the number of directors and any other vacancy on our board of directors, however caused, shall be filled by vote of a majority of the directors then in office, although less than a quorum (or by a sole remaining director). Any director so elected to fill any vacancy in our board of directors, including a vacancy created by an increase in the number of directors, shall hold office until the next annual meeting of our shareholders and until his or her successor shall be elected and shall qualify. Notwithstanding the foregoing, whenever the holders of any one or more series of preferred stock issued shall have the right, voting separately by series, to elect directors at an annual or special meeting of shareholders, the election, term of office, filling of vacancies and other features of such directorship shall be governed by the terms of the restated articles of incorporation.

***Advance Notice of Proposals to be Brought at the Annual Meeting.*** Pursuant to our amended and restated by-laws, any shareholder who intends to bring business before an annual meeting of shareholders must provide M&I with notice of such intention, the nature of such proposal, the reasons for conducting such business at the annual meeting and certain information regarding the shareholder bringing the proposal not less than 90 days prior to the anniversary date of the annual meeting of shareholders in the immediately preceding year. This provision could render more difficult or discourage an attempt to obtain control of M&I through a proposal brought before an annual meeting of shareholders. M&I would have to be given advance notice of any such proposal in accordance with our amended and restated by-laws which notice to M&I may discourage the making of such proposal.

***Advance Notice of Nominations of Directors.*** Pursuant to our restated articles of incorporation and our amended and restated by-laws, any shareholder who intends to nominate directors for election at a meeting called for that purpose must provide M&I with notice of such intention, a written consent of the nominee to serve as a director, certain information regarding the proposed nominee and certain information regarding the nominating shareholder not less than 90 days prior to the anniversary date of the annual meeting of shareholders in the immediately preceding year. This provision could deter or discourage a party seeking to obtain control of M&I by electing directors to our board. Any such party would be required to comply with our restated articles of incorporation and amended and restated by-laws in nominating directors to our board and such compliance could deter or discourage such party from nominating directors to our board.

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*Authorized and Unissued Stock.* As of November 1, 2007, our authorized capital consisted of 5,000,000 shares of preferred stock, all of which are unissued, and 700,000,000 shares of common stock, of which &n