2017 ANNUAL MEETING OUTLINE
[Slide #1]

CALL TO ORDER
(Mark Elste)

[Slide #2]

- **Chairman calls the meeting to order:**

Good afternoon ladies and gentlemen, my name is Mark Elste, Chairman of CIB Marine Bancshares, Inc. I would like to call this annual meeting of the shareholders to order and welcome all of you who are participating in person or telephonically. Please note that copies of our presentation are available on our website at cibmarine.com – by clicking on the "2017 Annual Shareholder Meeting Information" link on the left hand side of the page.

[Slide #3]

- **Forward Looking Statements**:

Before we proceed further, I would like to inform all of the participants in today's meeting that statements made during today's presentation may contain forward-looking information. Forward-looking statements are subject to significant risks and uncertainties and actual results may differ materially. Please see Slide #3 for complete forward looking statement information.

- **Meeting Organization:**

Similar to last year, we have segmented our presentation today into three parts. First, the official segment of the meeting which addresses the shareholder vote; second, my colleague, the Company's CEO, Brian Chaffin, will review the financial results of 2016, along with a discussion of where your company is headed in 2017; and finally, we will answer the questions that have been submitted. Following the meeting, the executive officers and board members will be available to meet with shareholders. We encourage those in attendance today to introduce yourself.

- **Meeting Order:**

We also wish to point out that only business properly noticed and brought before this meeting by the Board of Directors may be considered. The only business before this meeting today is the election of the properly nominated directors and the proposals made in our Proxy Statement. According to the Company's By-Laws, no other motions will be considered.

The reason for this provision within the By-Laws is a practical one and commonplace with the vast majority of companies: that is, the majority of our shareholders vote by proxy. These shareholders have not been given notice of any other proposals and we will not take action on any such motion without first giving notice to all shareholders so they have the opportunity to consider any matter prior to a vote.

- **Quorum & Voting:**

Now, for the official business of the shareholders today. I have been advised by the Secretary of the Company that the Notice of Meeting has been duly mailed and that a quorum is present for the topics to be considered, with over 73% of the shares represented in person and by proxy as of the start of the meeting. The final tally will be tabulated and included with the minutes of the meeting after final adjustment for any additional proxies received and any shares represented in person.

[Slide #4]

- **Director, Accountant, & Guest Introduction:**

Attending or participating in today's meeting are a number of my colleagues and key guests. Allow me to first introduce our Board members:

DIRECTORS	
Charles E. Baker, CPA	Retired Partner of Ernst & Young, LLP
Willard Bunn III	Managing Director of Colonnade Advisors, LLC
J. Brian Chaffin	President, CEO & Director of CIB Marine Bancshares
Mark D. Henderson	Chief Information Officer for the University of Illinois – Urbana/Champaign
John P. Hickey, Jr.	Retired President, CEO & Chairman of the Board of CIB Marine Bancshares
Gary L. Longman, CPA	Retired President & CEO of Sunny Ridge Family Center and Retired Partner of KPMG LLP
Charles D. Mires	Retired Director of Fixed Income & Alternative Strategies for private investment management firm and trust company
Steven C. Palmitier	President & COO of North American Company for Life & Health Insurance and Midland National Life Insurance Company
Ronald E. Rhoades	President & CEO of Plastic Container Corp.

[Slide #5]

Also, joining us today:

- **The public accounting firm of Crowe Horwath, LLP**
  Crowe Horwath is the Company's independent auditor. With us today is Brian Sterwald.
- **Our securities and banking counsel, Patrick Murphy, from the law firm Godfrey & Kahn, is present.**
- **Computershare, is also in attendance**
  Computershare serves as CIB Marine's transfer agent and handles all shareholder accounts, stock transfers, replacement of lost certificates, and other things of this sort. The individual representing Computershare at our meeting today is Andrew Waford. For any shareholder who has not voted, or any shareholder who has voted by proxy but now wishes to vote in person, ballots are available on the registration table. Ballots need to be completed and returned to the registration table before the conclusion of the meeting in order to be counted.

[Slide #6]

Finally, I am joined by…

- **Key members of our organizations management team:**

MANAGEMENT TEAM	
J. Brian Chaffin	President & CEO of CIB Marine Bancshares & CIBM Bank

Patrick J. Straka	Chief Financial Officer of CIB Marine Bancshares & CIBM Bank
Paul C. Melnick	Chief Credit Officer of CIB Marine Bancshares & CIBM Bank
Daniel J. Rasmussen	Chief Administrative Officer & General Counsel of CIB Marine Bancshares & CIBM Bank
James P. Mullaney	Director of Corporate Banking of CIBM Bank
Gary A. Maughan	Mortgage Banking Director of CIBM Bank
Joseph M. Arie	Director of Government Guaranteed Lending of CIBM Bank
Mark V. Wilmington	Director of Retail Banking of CIBM Bank
Joanne M. P. Blaesing	Director of Community Development of CIBM Bank
Lee W. Abner	Director of Technology Services of CIBM Bank

[Slide #7]

FORMAL BUSINESS
(Mark Elste)

There are four items of business on the agenda for submission to a vote of the shareholders at today's meeting: (i) election of directors; (ii) approval of an amendment to our Amended and Restated Articles of Incorporation; (iii) an advisory, non-binding proposal regarding the adoption of a Net Operating Loss Rights Plan; and (iv) ratification of the appointment of our independent public accounting firm.

- **Election of Directors**

The Board of Directors has nominated the following persons as directors who will serve a 3-year term ending at the Annual Meeting of Shareholders in 2020, or until their successors are duly elected and qualified. They are, Willard Bunn III, Gary L. Longman, and Steven C. Palmitier.

As no other nominations have been received in proper order, according to the procedures in the Company's By-Laws, nominations are closed.

I have been advised by the Secretary that, as of the start of the meeting, each of the nominees has received votes in favor of his election representing 92% or more of the votes cast with respect to the nominee. 8% or fewer of the votes cast were withheld for each nominee. Accordingly, the nominees are elected.

[Slide #8]

- **Amendment to Articles of Incorporation**

The second proposal on the agenda is the common shareholder approval of amendments to the Company's Amended and Restated Articles of Incorporation, which if approved by the common and preferred shareholders, will allow the Company to engage in non-mandatory, non-pro rata, preferred stock repurchases upon terms established by the Board of Directors.

The amendments to be implemented are discussed in detail in the Proxy Statement, and include the following:

- Removal of the preferred stock four-quarter dividend payment condition as a prerequisite to any preferred stock repurchase;

- Removing the requirement that any redemption of less than all of the Series A or Series B preferred must be done on a pro rata basis;
- Removal of the requirement that Series A be repurchased prior to Series B in a non-mandatory repurchase program;
- Adding language to permit the issuance of rights to common shareholders in connection with the NOL Rights Plan as described in Proposal 3; and
- An amendment to clarify that the Company's duty to notify preferred shareholders of the non-payment of a dividend is triggered solely upon the Board's declaration of a dividend;

I have been advised by the Secretary that, as of the start of the meeting, Proposal 2 has received votes in favor of the Amendment of the Amended and Restated Articles of Incorporation representing 92.89% or more of the votes cast. 6.6% of the votes cast were against the proposal and 0.51% of votes abstained.

Accordingly, the common shareholders have approved Proposal 2. It is important to point out that, for the item to become effective, Proposal 2 must also be approved by the holders of Series A and Series B preferred stock. In the coming months, the Company will solicit the vote of all classes of preferred stock and will report back to the common shareholders the results of that vote.

[Slide #9]

- **Net Operating Loss Rights Plan Advisory Vote**

The third proposal on the agenda is a non-binding vote to approve a plan put forward by the Company's Board of Directors to protect the valuable deferred tax asset the Company holds. To be clear as to the potential value of this proposal, in 2016, the Company used some of its deferred tax assets and eliminated approximately $1.8 million of tax that would have otherwise been payable – this accrued directly to the shareholders accordingly.

Tax laws provide that certain ownership changes can impair or cause the Company to lose the use of the deferred tax assets. The Board is considering an NOL Rights Plan to protect the assets that would include the following steps: (1) amend the Articles of Incorporation to provide for a new series of preferred stock; (2) enter into an Internal Revenue Code Section 382 Rights Agreement with the Company's stock transfer agent; and (3) declare a dividend of a "right" to acquire shares of a new series of preferred stock for each share of common stock; for the purpose of dis-incentivizing an event that would trigger the impairment or loss of the deferred tax asset.

I have been advised by the Secretary that, as of the start of the meeting, non-binding Proposal 3 has received votes in favor of the NOL Rights Plan representing 84.03% or more of the votes cast. 14.97% of the votes cast were against the proposal and 1.00% of votes abstained. The Board will take the results of this vote under advisement as it considers whether or not to implement the NOL Rights Plan.

[Slide #10]

- **Ratification of Crowe Horwath**

The fourth proposal on the agenda is the ratification of the appointment of Crowe Horwath LLP as the Company's independent public accounting firm for the fiscal year that will end on December 31, 2017. I have been advised by the Secretary that votes in favor of the ratification of Crowe Horwath's engagement represent more than 98.01% of the votes cast, with 1.68% votes cast against, and 0.31% votes abstaining. Accordingly, the appointment of Crowe Horwath is ratified.

All voting results discussed today are as of the beginning of today's meeting. The final voting results will be tabulated and included with the minutes of the meeting.

- **Close and segue**

There being no further official business, the Annual Meeting is adjourned, and we will continue with the presentation of our operating results.

Now, I would like to introduce Mr. J. Brian Chaffin, your President and CEO, who will discuss the results of 2016 and what we have to look forward to in 2017 and beyond.

[Slide #11]

CEO PRESENTATION

(J. Brian Chaffin)

Good afternoon. It is my pleasure to share with you some of the operating results from 2016 and the first quarter 2017, as well as some of our plans for 2017. For a complete review of 2016 financials, I encourage all shareholders to review the audited financial statements provided with this year's proxy.

During last year's annual meeting we highlighted an expense reduction plan and new revenue strategies designed to improve our earnings performance. We also provided an earnings guidance for 2016, which I'm very pleased to announce was exceeded.

As highlighted in our 2016 annual report, our consolidated net income for the year was $4.1 million, exceeding our guidance range of $2.6 million to $3.8 million.

[Slide #12]

Expense Reduction Plan

- Much of our expense reduction plan focused on costs saves from consolidating two non-branch offices into available space in existing branches and staffing adjustments.
- We consolidated our loan operations center, previously located in Franklin Wisconsin, into available space at our bank branch in Elm Grove, Wisconsin. We also relocated our Deposit Operations group from rented space in Naperville Illinois, into space at our bank branch in Champaign Illinois. These actions reduced our occupancy and premise expenses, net of closing and moving costs, only nominally in 2016, but the cost savings are projected to be $180,000 for the full year of 2017.
- Our Loan Operations team, led by Jill Sikorski and Pam Mitchell, as well as our Deposit Operations team led by Linda Wolken and Barb Carroll, did an outstanding job in managing the relocation of these groups. In particular, the relocation of our Deposit Operations group had the highest implementation risk, as it required moving this function one hundred and fifty miles south and resulted in significant staffing changes. Linda and Barb, along with the rest of their team, did an outstanding job in making this transition seamless to our client base.
- The planned reduction of 12 full-time equivalent employees resulted in net costs savings of $0.6 million as reported in 2016, with projected annual cost savings of $0.8 million in 2017.

- As a result of the staffing reductions, sub-component compensation costs have improved. The combined expenses of Salary and Wages and Benefits for CIBM Bank, excluding the Mortgage Division, were down $0.5 million in 2016.
- It's important to note we also added new revenue positions in 2016 in our new Government Guaranteed Lending Division and Retail Banking Division.
- I also want to recognize the outstanding contribution of our Information Technology group, led by Lee Abner and Janet Nicholas. In addition to making changes to our main telecommunications contracts, which went into effect late in 2016 and provide annualized savings of $115,000, Lee and Janet, along with Jeff Nickels, Ray Vanna, and Dan Marcus, work tirelessly to support our growth needs and are ever vigilant in maintaining all of our networks in a secure manner. Cyber security is a top priority for our bank. We are fortunate to have a talented group of IT professionals to guide our institution.

[Slide #13]

2016 Results & 2017 Revenue Strategies

Our revenue growth strategies included an expansion of our Residential Mortgage Division; continued growth of our Corporate Banking Division; new technology to assist in revenue growth in our Retail Banking Division; establishment of a Government Guaranteed Lending Division focusing on SBA 7(a) lending and related activities; and, creation of a new, specialized, Trust Division.

[Slide #14]

- **Mortgage Banking**
  2016
  - Expansion of our Residential Mortgage Division started at the end of 2015 with the addition of 20 new mortgage loan officers located in the northwest suburbs of Chicago and Indianapolis. The Indianapolis office included lenders in the South Bend, Indiana, and East Lansing, Michigan, markets. The addition of these new lenders, along with receiving our Direct Endorsement authority for FHA loans and a strong refinance market generated a significant increase in our mortgage revenue and profitability in 2016.
  - We developed a new Affordable Loan Program in 2016 designed to assist homeowners in low and moderate income areas that often cannot qualify for traditional conventional financing. We started gaining good traction with this new product later in 2016 and are very excited to see this product grow in 2017.
  - I also want to acknowledge the leadership transition that occurred in our mortgage division during 2016. Last year we announced that David Pendley wanted to return to his roots as a mortgage loan officer and utilize his skills in the recruiting and development of mortgage lenders. Gary Maughan succeeded David as Mortgage Banking Director and, along with David and an excellent leadership team including Lorraine Quintao and Jeff Mallers, implemented a seamless management transition. David's new duties have already made a mark in development of additional mortgage revenue.

  2017
  - As we entered 2017, we anticipated the increase in interest rates to have a negative impact on the residential refinance market, and thus far that has proven out.
  - Total loan application volume was down in the first quarter compared to last year, in

part due to this change in the mix of refinancing versus purchase money business, shifting from 49% refi and 50% purchase in 2016 to 26% refi and 74% purchase in 2017.
    - We have continued the expansion of the Mortgage Division with the addition of a Central Illinois mortgage team at the end of 2016 and beginning of 2017. We've added seven new mortgage loan officers spread between Peoria, Bloomington, Decatur and Champaign, and we will continue to add new lenders to our other markets as well.
    - We have also begun implementation of a new loan origination system for our Residential Mortgage Division. We expect to realize improved efficiencies, quality of service, and reporting capabilities once fully installed.

[Slide #15]

- **Corporate Banking**
  2016
    - Our Corporate Banking Division continued their excellent new production results under the leadership of Jim Mullaney – generating $75 million in new loans in 2016, which resulted in a net increase of $38 million after pay-downs, or 8.6% growth in balances.
    - We are pleased that we continue to see our new loan production spread throughout our geographic footprint.
    - We also continue to expand our capabilities of providing high quality treasury management services to our business clients.

  2017
    - While loan balances where flat in the first quarter of 2017, we see a return to our historical loan growth trend coming in the 2nd quarter.
    - And, we recently added to our Corporate Banking team in our Indianapolis market and our Wheaton market with the hiring of two additional Commercial Lenders.

[Slide #16]

- **Retail Banking**
  2016
    - Our Retail Banking Division, led by Mark Wilmington, continues to assist in our funding needs as total retail deposits grew 6.1%.
    - During 2016, we implemented a new customer relationship management system. This new technology has allowed our retail team to more effectively and efficiently narrow their focus in a proactive sales approach. In the first quarter of 2017, we've seen sales activities increase by 47%, closed referrals are up 71%, and new core account openings increased 27%. Needless to say, we are excited about the results we are seeing and how our employees have embraced the new technology to assist and service our clients.
    - Also in 2016, we added a new Business Development position to our Retail Banking Division by reallocating resources from existing positions. We believe this move will be important in growing deposits and small business loans in those markets going forward.

  2017
    - In 2017, we continue to add, improve, and refine online banking and e-banking services to meet the needs of our customers.
    - And new sales tools have been added to our customer relationship management system which should create new sales opportunities.

[Slide #17]

- **Government Guaranteed Lending**

  2016
  - Our Government Guaranteed Lending Division was created in 2016 to expand our services to small businesses and generate non-interest income from originating and selling the government guaranteed portion of SBA 7(a) loans. Joe Arie joined CIBM Bank in August of 2016, with roots in the Champaign/Urbana market and over 25 years' experience in the SBA lending industry.
  - The business model that best describes this new division is one of modest overhead with reliance on proven outside third-party professionals, consistency with our existing credit culture, and higher dollar/lower numbers of loans.
  - Just getting off the ground in 2016, we originated $3.2 million in SBA 7(a) loans, sold $0.8 million of the government guaranteed portion of a loan, and reported $68,000 in gains on sales. In the first quarter of 2017, we sold $3.7 million of the government guaranteed portion of SBA 7(a) loans and reported $432,000 in gains on sale. We are pleased with the momentum that continues to build in this new business unit.

  2017
  - In 2017, we have added an experienced underwriter to our Government Guaranteed Lending team during the first quarter.
  - The addition of Tasha Richer will improve responsiveness of our lending team and Tasha will also be generating new loan opportunities as well.
  - Throughout 2017 we will continue to look for new lenders for this team.

[Slide #18]

- **SBA Reverse Repo**
  - In the second quarter of 2016, the bank began funding an SBA 7(a) loan asset financing facility also known as Reverse Repurchase Agreements, or a Reverse Repo.
  - This new business line has been immediately profitable, with limited overhead and start-up costs, and a relatively quick transition to acquisition of significant earning assets of the bank.
  - This asset is secured by the U.S. government guaranteed portion of SBA 7(a) loans not generated by CIBM Bank, and is considered a high quality asset.
  - Once we reach a stabilized capacity for this asset it will be used by our newly formed Trust Division to provide a higher rate on cash balances for existing and prospective clients.
  - While not insured by the FDIC, the SBA Reverse Repo is secured with SBA 7(a) Guaranteed Interest Certificates that have the full backing of the U.S. government for the repayment of principal and interest.

[Slide #19]

- **Trust Division**
  - In the fourth quarter of 2016, we received our certificate of authority from the Illinois Department of Financial and Professional Regulation, which is required to form a Trust Division. As I mentioned, initially, our Trust Division will utilize the SBA Reverse Repo asset to offer a higher rate to customers with high cash balances who seek the security of the SBA guaranty.
  - Dan Rasmussen, General Counsel and Chief Administrative Officer, will lead this

business unit for the company.
    - The Trust Division had no assets under management in 2016. Operations are expected to commence in the second half of 2017.

[Slide #20]
- **Credit Administration**
    - Our Credit Administration team, led by Paul Melnick, continues to perform at a high level in meeting the demands of increased new loan production; managing the risk profile of our total loan portfolio; and resolving the inevitable problem loans that occur in our business.
    - To review, here are some of the key asset quality highlights:
        - The bank has diversified its loan portfolio across markets, as heard and seen earlier, as well as across our loan segments. Although the two largest portfolio segments have both grown over the last 3 years, total first lien residential mortgage loans relative to the total loan portfolio has grown from 11.3% at the end of 2013 to 25.8% at the end of 2016; and, correspondingly, commercial real estate has changed from 52.4% to 48.3% of the total portfolio over the same time period. At this time, we do not anticipate a significant increase in the residential portfolio's share of the total loan portfolio in the future.

[Slide #21]
        - Over the longer term, our nonperforming assets to total assets have improved dramatically. At the end of 2009 the nonaccrual loan to total loan ratio at the Company was 10.80% and its non-performing asset ratio was 7.40%; at the end of 2016 these were 1.26% and 1.67%, respectively.
        - Annualized net charge-offs were 0.31% in 2014. We then reported net recoveries of 0.11% and 0.02% in 2015 and 2016, respectively, thanks to the solid collection activities by our Credit Administration department and generally lower charge-off rates at the bank and in the industry.
        - Substandard and doubtful loans have improved from 3.5% of the total loan portfolio at the end of 2013 to 2.19% at the end of 2016, reflecting improved credit metrics overall in the loan portfolio.

[Slide #22]
- **Community Development**
    - In the fourth quarter of 2016, Joanne Blaesing was appointed to a new and important position for our bank – Director of Community Development.
    - Integrated in CIBM Bank's motto "*Service, Solutions and Integrity*" – the word "service" not only applies to how we approach every customer interaction, it also applies to the commitment we have to the communities we live and work in.
    - Joanne will help identify and coordinate various activities across the markets we serve focusing on providing financial education, volunteering, charitable giving, and community investment opportunities.

[Slide #23]
2016 Summary of Results
    - So, to summarize our performance in comparison to the outlook provided last year, we ended the year with a consolidated net profit of $4.1 million compared to our outlook

range of $2.6 million to $3.8 million.

- Total assets ended the year at $654 million versus our outlook range of $615 million to $640 million.
- Return on average assets for the year was 0.71% compared to our outlook range of 0.44% to 0.63%.
- Basic earnings per share was $0.24 versus a range of $0.14 to $0.21 and, on a fully diluted basis, actual results were $0.12 versus a range of $0.07 to $0.11.
- Other important financial measures as of December 31, 2016, and for the year include:
  - Net interest income increased $1.8 million over the prior year due in large part to loan growth;
  - Non-interest income improved by $5.0 million due primarily to the growth in the Residential Mortgage Division;
  - Our efficiency ratio improved 16 percentage points to 86.94% due to improved revenues and our expense management activity;
  - Non-performing assets declined to 1.67% from 2.25% the prior year; and
  - The book value per share of common stock improved 71% from $0.31 at year-end 2015 to $0.53 per share at the end of 2016.

[Slide #24]

First Quarter 2017 Results

Our planning for 2017 centered on the expense management and revenue generating activities started in 2016. We continue to look for technology options to improve efficiency and reallocate resources toward revenue producing activities. Although the credit cycle has extended and there are some soft areas in both our markets and the nation as a whole, we are optimistic about continued low levels of unemployment and the outlook for business investments going forward.

The company opened the year with a solid first quarter, some of the highlights were as follows:

- Net income was $0.9 million. This reflects improved earnings quality versus the $1.0 million reported in the first quarter of 2016. If you compare the earnings after removing some volatile components, like provision for loan losses and net gains from sale of OREO net of other write-downs, then the first quarter results for 2017 were $0.6 million higher than 2016.
- Net interest income improved $0.9 million on an annualized basis over the prior year first quarter.
- Non-interest income reflects the lower mortgage volumes, but it also shows $0.4 million in gains on sale of SBA 7(a) loans versus none in the first quarter of 2016.
- The efficiency ratio improved to 82.88% compared to 84.40% for the same period in 2016.
- Nonperforming assets to total assets was 1.77%, up slightly from the year-end of 2016 and down from 1.94% one year prior at March 31, 2016.
- The book value per share of common stock was $0.60 compared to $0.53 at year end 2016 and $0.41 one year prior at March 31, 2016.

[Slide #25]

2017 Earnings Outlook

To follow up on the forward looking guidance we provided at the 2016 Annual Meeting, our guidance for 2017 remains very similar to what we projected at last year's meeting:

- Our earnings outlook is $3.1 million to $4.5 million;
- Total assets of $635 million to $670 million;
- Return on average assets of 0.50% to 0.70%; and

- Basic earnings per share of $0.17 to $0.25; and on a diluted basis $0.09 to $0.13.

The key elements to meeting this forecast are:

- Continued moderate to strong growth in commercial loans;
- Modest to strong growth in core deposits;
- Maintenance of our net interest margins;
- Solid growth in new SBA lending activities;
- Lower residential refinance volume and higher home purchase volume;
- Stable operations and staffing conditions; and
- Expense management, including outside vendor, legal and accounting expenses.

To finalize my comments, I want to acknowledge the contribution of Patrick Straka, our CFO, and his very dedicated team: Todd Sommers, Lisa Seamans, Annette Esteves, Sheryl Schmidt and Trista Gray. Patrick and his team are able to produce an amazing amount of financial reporting for our internal use, and we consistently receive very favorable remarks from outside parties charged with the responsibility to audit and review our internal controls.

Allow me now to turn the podium back over to Mark Elste.

[Slide #26]

CHAIRMAN PRESENTATION
(Mark Elste)

Ladies and gentlemen, I would like to take this opportunity to discuss the Amendments to our Articles of Incorporation that were brought before you today and to clarify your Board's position on this subject as well as the discussion that is associated with the issue.

[Slide #27]

First, your Board is committed to creating shareholder value. In the last year, the value of the Company's common stock has increased from $0.40 per share on March 31, 2016, to $1.08 on December 31, 2016, and $1.30 per share on March 31, 2017, based on trades reported on OTCQB. This represents a 325% and 20% increase for these respective time periods.

To further drive the point on shareholder value delivered, please note the next slide – Slide #28 – which demonstrates shareholder value created relative to the Keefe Bruyette Woods Regional Banking Total Return Index.

[Slide #28]

This chart plots the total return performance of CIB Marine common stock since December 31, 2009, to that of the KBW index noted. The red dots accumulate to the growth of $100 invested in CIB Marine, whilst the blue line is that of the KBW Index.

[Slide #29]

Having just listened to Mr. Chaffin's report you can, no doubt, appreciate how these share performance metrics have occurred.

With this increase in share price, there has also been an associated increase in liquidity for common shareholders as interest in our Company stock has improved.

We have demonstrated ordinal reference to improved common stock liquidity on the slide before you now.

The Company understands that providing increased liquidity opportunities for the preferred shareholders is an objective that needs pursuit. However, not at any cost. By this I mean at the expense of the common shareholders.

The Board feels that providing ever-increasing liquidity opportunities for both common and preferred shareholders is a worthy endeavor.

The Board feels that true market value per share is achieved only when willing buyers and sellers engage in arm's length transactions.

The Board should not artificially establish the relative value of common versus preferred shares within the enterprise value of the Company as a whole.

The amendment to your Company's Articles of Incorporation just approved by the common shareholders is meant to provide liquidity opportunities to preferred shareholders. Final approval of the proposed changes by the preferred shareholders would set up the mechanism for transparent and efficient market-based transactions between willing buyers and sellers.

To fully appreciate how your Company arrived at this point, a little history would be helpful: In 2009, CIB Marine went through a pre-packaged bankruptcy and emerged with a reshaped balance sheet as dictated by the Bankruptcy Court after being approved by a vote of the former Trust Preferred Securities holders.

As part of the bankruptcy proceedings, the Court saw fit to reduce and convert a staggering $104 million of Trust Preferred Securities and deferred interest to $60 million of non-cumulative, perpetual preferred securities. The $60 million is composed of two series: Series A, which is non-convertible, and Series B, which is convertible into shares of common stock in certain, limited circumstances. Both classes are perpetual, non-cumulative preferred securities.

As shareholders, the Board encourages you to review the Company's Articles of Incorporation, including the 2009 changes. You can find these on the Company website at cibmarine.com.

When reading the Articles, you will see that the Company is not obligated to pay a dividend or redeem any of the preferred stock at any time. Dividends that are not declared by the Board never accumulate. This provision has proven beneficial to the Company's common shareholders as the cost of capital for the preferred stock of $60 million is functionally zero. Meaning, the Company can invest in any legal line of banking business and, as long as the return on that investment is positive, the investment is accretive to the Company's common shareholders on this portion of its capital structure.

Of the two classes of preferred stock, $55.6 million is Series A and $4.4 million is Series B. Under the existing Articles of Incorporation, if the Company were to redeem its issued preferred stock, the Company must redeem all of its Series A before it can begin redeeming its Series B and redemptions must be made on a pro rata basis.

In addition, before any redemption can occur a total of four quarters of preferred dividends must be paid in the amount of $4.2 million.

Moreover, if converted, the Series B would comprise roughly 49% of the Company's issued and outstanding common stock. However, pursuant to rights and preferences of the Series B preferred in the Articles of Incorporation, the Series B is only convertible if the Company engages in a merger transaction where it IS NOT the surviving entity, and then only immediately prior to consummation of the transaction. Preferred shareholders are not entitled to vote on the merger transaction.

The amendments to the Articles of Incorporation, if approved by a majority of the issued and outstanding shares of Series A and Series B preferred voting together as a single class, would permit the Company to begin repurchasing both classes of its preferred stock at its discretion, subject to the willingness of the preferred shareholders to sell their shares.

If this proposal is approved by the preferred shareholders, the Company will in fact begin an organized repurchase process, at whatever price the market will bear. This could, but will not necessarily, be in the form of a Dutch Auction. In a Dutch Auction, the Company signals that it was willing to commit a specific amount of cash for redemption. It would ask interested preferred shareholders to submit bids as to what they would be willing to receive to sell their respective shares back to the Company in the auction.

The Company would then repurchase the shares beginning with the lowest submitted bids until the allotted cash had been deployed.

No preferred shareholder would be forced to sell at a discount to liquidation value. Transactions would occur only at agreed-upon prices between the Company and preferred shareholders. In the Dutch Auction example described, the arm's length transaction would occur between the Company and any willing selling preferred shareholder having submitted accepted bids.

Having described all of this, the Company anticipates that it would be able to repurchase at least a portion of the Series A and B shares at less than full liquidation value.

[Slide #30]
To illustrate the Company's conviction on this subject we present on Slide #30 a table on TARP preferred stock sales over the last few years. The representation demonstrated is meant to be illustrative and in no way suggests any opinion of the Company on the value of its Series A and B preferred securities.

For those not familiar with the acronym, TARP, it stands for Troubled Asset Relief Program. We have included a complete description of the program on our web page with a government prepared description of the Troubled Asset Relief Program Senior Preferred Stock. This entire program was a mechanism set up by the U.S. Treasury to assist struggling banks during the Great Recession of 2009.

Inarguably, these TARP Senior Preferred Stock securities are superior in terms to CIB Marine's Series A & B preferred. For starters, the coupons on the TARP preferred issues were predominantly cumulative with punitively increasing coupons for issues that were not being redeemed by the issuing banking companies at prescribed times.

You will note that the mean and median price of transactions resulting from auctions and other sales of senior preferred stock positions from January 1, 2015, through April 4, 2017, were $612 and $636 per $1,000 of liquidation preference; 61% and 64%, respectively.

This factual data suggests that the Company's two classes of preferred stock may not be worth more than the TARP Senior Preferred Stock transactions demonstrated within the table.

[Slide #31]
If your Company repurchases any of its preferred stock at less than the stated liquidation value, the result is highly accretive to common shareholders, as you can see on Slide #31.

Think of it this way, if the Company has an obligation for $1 million and it extinguishes the obligation for $640,000, the $360,000 difference flows right through the Company's income statement into its net worth, effectively increasing the Company's book value per share. Additionally, the tax on the gain on repurchase can be offset by a portion of the Company's Deferred Tax Asset.

In other words, for the near term, any repurchase of preferred stock for less than notional value is highly accretive to the Company and the common shareholders. The slide before you now titled "Preferred Stock Repurchase Program Scenario Analysis" is meant to be illustrative of the accretive power of repurchasing the Company's preferred stock for less than notational value. The Company suggests you examine this representation, an illustration, on our web page at www.cibmarine.com.

The amendments to the Company's Restated Articles will provide a vehicle for the Company's preferred shareholders to redeem their shares at a price they, individually, feel is acceptable to their desire for liquidity. Again, we wish to point out that no preferred shareholder will be forced to sell their shares for anything less than liquidation value under the proposed repurchase plan.

As shareholders of CIB Marine, you are well aware of Mr. Bob Clutterbuck's desire for immediate liquidity for his hedge fund's position in both Series A & B preferred stock.

Approval of the changes in the Company's Articles of Incorporation as proposed would allow the Company to begin repurchasing preferred stock from willing sellers, including, but not limited to, Mr. Clutterbuck.

We would be remiss if we did not note that on two prior occasions, including as recently as December of 2015, the Company has received formal reverse tender offers from Mr. Clutterbuck's fund to have the Company repurchase its preferred shares. We could not accomplish the request at that time, not for lack of interest, but because of the prohibitions within the Company's Articles of Incorporation that the Board is now asking all shareholders to amend.

If the preferred shareholders approve the changes to the Articles of Incorporation that the common shareholders just approved, the Company would finally be in the position to give Mr. Clutterbuck exactly what he and other preferred shareholders have been asking for, while simultaneously benefiting the Company and its common shareholders.

With this explanation in mind, I would now like to turn the balance of our meeting with you today towards answering questions that have been submitted.

[Slide #32]

QUESTION & ANSWER PERIOD
(Mark Elste)

Ladies and gentlemen, we had a total of four questions submitted for management to respond to as part of our presentation today. The first question, in two parts:

- **Do you answer all shareholder questions submitted for the annual meeting? Why don't you take questions from the floor?**

  It is the Board and managements' desire to answer every legitimate business question that is properly submitted.

  The second part of the question is an explanation of why we have requested that written questions be submitted in advance instead of floor questions:

  - First, it is a time management issue. Multiple questions on the same topic can be boiled down to one answer set, covering all elements of the interrogatory.

  - Second, this format permits a written response as only a small number of our shareholders attend the annual meeting. Requesting questions in advance allows us to print the question and its response and post it on our website for all shareholders to access.

  - Thirdly, we strive for accuracy and completeness. Taking questions in advance allows us to provide the best available information by assembling members of the management team with specific expertise to apply to a question.

  - Fourth, we desire to conduct an orderly meeting with proper decorum. The Company believes the most important element of the annual meeting is to provide accurate and useful information to all shareholders – many of whom might have widely divergent points of view on any number of subjects. Floor questions that devolve into speeches or that present false or misleading information do not serve the interests of the shareholder base as a whole.

  While many of our competitors have transitioned to an entirely online and electronic annual meeting, we have no intention of doing that. The live interaction with our shareholders is important to our Board.

  Since using the current format, we have presented every question submitted. No question, issue or topic has been refused. Having said this, certain questions might create legal problems such as the inadvertent release of material inside information.

  We encourage shareholders to ask questions. Those in attendance today can meet with Company management and directors for a period following the meeting. And, any shareholder can always call or email shareholder relations with any question. We provide multiple opportunities for shareholders to ask questions, and hope you take advantage of that access.

- **Another question received pertained to the letter received by some common shareholders from preferred shareholder Robert Clutterbuck, saying he would commence litigation against the Company on May 8. What is the status?**

  There is no pending litigation against CIB Marine, from Mr. Clutterbuck, or any other party.

  The letter from Mr. Clutterbuck, along with his past actions, demonstrates the importance of the preferred stock repurchase proposal approved by the common shareholders today. There is a segment of the preferred shareholders that have an urgent need to liquidate their holdings, which is not efficiently being served by the limited market for our preferred stock.

  The proposed non-mandatory repurchase plan meets the needs of the Company and the preferred shareholders interested in liquidating their shares. We hope to have productive discussions as we bring the Article amendments to a vote of the preferred shareholders. It has been represented to the Company that the preferred shareholders are in a position to act in a unified manner on proposals which create liquidity opportunities for the preferred stock.

  The Company is desirous of engaging the preferred shareholders in active discussion for the purpose of creating the mechanism within our Articles of Incorporation that allow the Company to meet the liquidity needs of the preferred shareholders.

  The preferred shareholders now have an opportunity. We believe they will recognize the benefits of the opportunity and approve the Article amendments. Rejecting it leaves them in the position they are in today.

  Owners of CIB Marine's perpetual, non-cumulative, preferred shares have reported to us that they have a limited transaction market. The amendments to the Company's Articles of Incorporation approved by the common shareholders today start the process of creating a liquidity avenue for the preferred shareholders. The decision as to what comes next now lies with them.

  If litigation as outlined in the letter you referenced commences against the Company, the Board will deal with it in the same thoughtful and fact-based basis it uses on any matter. Nonetheless, the Company is fully prepared to defend the interests of its shareholders.

  The Board does not believe litigation is the highest and best use of Company resources. Negotiations are, most times, the most efficient avenue towards resolving thorny issues. Sometimes, however, negotiations come up short.

  If litigation commences, we will notify our shareholders. While we hope for the best, we are prepared for all potential outcomes and will execute the appropriate response.

- **The next question asked how much stock does the Board and Management of the Company own?**

  Every Director and at least 49 current officers and employees of CIB Marine are shareholders of the Company. Individual insider ownership ranges from a few thousand shares to more than 1% of outstanding common stock.

Not all employees of CIB Marine are required to disclose stock ownership to the company, but no fewer than 1.3 million shares of common stock are owned by company insiders in the aggregate.

As a group, the Board of Directors consists of owners of both preferred and common stock.

CIB Marine deregistered as a public reporting company a few years ago, saving the Company hundreds of thousands of dollars annually in public company reporting costs. As a private company, CIB Marine neither collects nor reports stock holding information in the manner of a public company.

Company financial information is published at cibmarine.com and quarterly financial reports are available at the FFIEC's website. Some trades of CIB Marine common stock are reported on the over-the-counter market, under the symbol CIBH. Limited company information, including some stock ownership information is available at the OTCQB website.

- **The next question asked: Many years ago, Shareholder meetings were held in Champaign-Urbana, where much of the shareholder base was located. In this shareholder's opinion, the move away from Champaign-Urbana resulted in the problems the Company began experiencing in 2003 and 2004. The problems included "management losing touch with and failing to inform shareholders". Do you plan to hold future shareholder meetings in UC?**

  Yes, we intend to hold future annual meetings in Champaign-Urbana, and other markets as well. The shareholder base is much more diverse than it was in the early 2000s. The vast majority of shareholders are no longer located in Central Illinois, but some of our most loyal long-term shareholders are here. Folks who have stuck with the company and helped get us to the point we are at today. It is my hope to move the annual meeting to the different markets we serve to give the opportunity to the largest number of shareholders to attend meetings.

  The next question we have addresses some of the same comments made here regarding our move to other markets many years ago, but as I will explain in a moment, it was not the move into other markets per se that was a problem. The mix of markets is one of our greatest strengths and opportunities for building shareholder value. Responsible growth, with proper oversight and procedures, provides opportunities for building company value.

  As CEO, I'm located in Champaign but I travel to all of our markets on a regular basis – as do several of our executive officers. We think it is critical we stay in touch with our clients, our employees as well as our shareholders. I love to meet our shareholders. Please feel free to call me and arrange a time to visit - in any of our markets. I just ask you recognize the restrictions I have in providing information not available to all shareholders.

- **The same shareholder asks: It is my understanding that CIB has established an office in the Chicago area. If that is correct, what is the purpose of that office? I also question the wisdom of such a move. Entry into the Chicago area by CIB many years ago almost**

destroyed it. Why will it succeed now?

We opened our Wheaton branch using the name "Avenue Bank" a branch of CIBM Bank in May of 2015 – 19 months after acquiring Avenue Mortgage Company located in Naperville, Illinois – about 10 minutes away. The purpose of the office is to compliment the services provided by our mortgage division and the thousands of clients they have served in that area over the past 25 years. As a full-service branch, and having commercial lenders in that office as well, we can offer our full array of personal, business banking, and treasury management services to a very large concentration of individuals and businesses in the market.

We approached entry into this market with a very clear understanding of the problems incurred in the early 2000s. Our company is significantly different than we were 15 years ago. Immediately following recognition of those problems we began dramatically changing the credit culture of our organization to include a more robust loan underwriting process, significant changes to the loan approval and loan monitoring processes, changes to loan documentation policies and procedures, and greater emphasis on portfolio diversification and concentration limitations to individual borrowers and loan segments. For example, over 20% of our loan portfolio in 2003 was comprised of construction & development loans – the majority of which were speculative projects which is among the higher risk loan segments. Today, less than 10% of our loan portfolio is in construction & development loans – the majority of which is to owner occupied properties – a much lower risk lending segment.

You will also notice our recent loan growth trend is much more modest than that leading up to the early 2000s, and the largest component of that growth has been in our 1-4 family residential loan portfolio – which is among the lower risk segments in lending. While growth is important, quality growth is our focus. We will not compromise quality for the sake of growth and we will not compromise the credit culture we have built that has led to the improved credit quality of the portfolio.

Additionally, we are keenly aware of the need to hire seasoned lenders and management that have direct experience in the markets we serve and the business complexities we encounter. We have executive officers and senior lenders with over 25 years' experience in each of the markets we serve.

As I stated earlier, the access we have to such markets as Milwaukee, Indianapolis, and Chicago provide significant growth opportunity and geographic diversification. Our success in any of these markets, just as in Champaign, is maintaining our disciplined credit culture, providing excellent service, and not compromising quality for the sake of growth.

CONCLUDING COMMENTS

(Mark Elste)

[Slide #33 (Logo)]

Ladies and gentlemen we wish to thank you for your participation in today's annual shareholder meeting. Members of the management team and the Board will be in the room immediately after the meeting in order to get to know you better. Please understand that, for your protection as well as ours, we must limit our responses to information that is publicly available to all shareholders. That may necessitate addressing some questions or issues in future shareholder letters or press releases, rather than individual conversations. Good day to you all and thank you for being a shareholder of CIB Marine.