

**CORPORATE GOVERNANCE GUIDELINES
OF
MARSHALL & ILSLEY CORPORATION**

I. AUTHORITY AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

All corporate authority resides with the Board of Directors as fiduciaries of the Corporation's shareholders, except for those matters reserved to the shareholders. The Board of Directors has retained oversight authority — defining and overseeing the implementation of and compliance with standards of accountability and monitoring the effectiveness of management policies and decisions in an effort to ensure that the Corporation is managed in such a way as to achieve its objectives. The Board has delegated to management the authority to pursue the Corporation's objectives. Management, not the Board of Directors, is responsible for managing the Corporation.

Consistent with this division of authority, the primary responsibilities of the Board of Directors and its committees include:

1. Overseeing the conduct of the Corporation's business to determine whether it is being effectively managed, evaluating the performance of the Corporation and its senior management, and selecting, regularly evaluating, and fixing the compensation of the chief executive officer and other members of management as it deems appropriate.
2. Monitoring fundamental operating, financial, and other corporate strategies, as well as major plans and transactions.
3. Providing advice and counsel to the chief executive officer and management.
4. Overseeing management in an effort to ensure that the assets of the Corporation are safeguarded through the maintenance of appropriate accounting, financial and other controls, and that the business of the Corporation is conducted in compliance with applicable laws and regulations and the highest ethical standards.
5. Evaluating the overall effectiveness of the Board of Directors, as well as selecting and recommending to shareholders qualified candidates for election to the Board of Directors.

These Corporate Governance Guidelines are intended to embody the principles by which the Board of Directors operates in a single, formal document. These guidelines are not intended to be a code of regulations, but rather a statement of intention. This document will be changed from time to time as conditions warrant.

II. SELECTION AND COMPOSITION OF THE BOARD OF DIRECTORS

Independence

Independent directors will constitute a majority of the Board of Directors. A director is “independent” if he or she has no relationship to the Corporation that may interfere with the exercise of his or her independence from management of the Corporation and otherwise meets the requirements for independence set forth in the rules of the New York Stock Exchange.

Selection Criteria for Board Members

The Nominating and Corporate Governance Committee will develop guidelines for selecting candidates for election to the Board of Directors, and periodically review and amend such guidelines as the Committee deems necessary or appropriate.

Election

Any nominee for director in an uncontested election (*i.e.*, an election in which the only nominees are those recommended by the Board of Directors) who receives a greater number of votes “withheld” from his or her election than votes “for” such election will promptly tender his or her resignation to the Chairman of the Board following certification of the shareholder vote.

The Nominating and Corporate Governance Committee will promptly consider the tendered resignation offer and recommend to the Board whether to accept or reject it. In considering whether to accept or reject the tendered resignation, the Nominating and Corporate Governance Committee will consider all factors deemed relevant by its members including, without limitation, the stated reasons why shareholders “withheld” votes for election from the director, the length of service and qualifications of the director, the director’s contributions to the Corporation and the Corporation’s Corporate Governance Guidelines.

The Board will act on the Nominating and Corporate Governance Committee’s recommendation no later than 90 days following the tender of the director’s resignation. In considering the Nominating and Corporate Governance Committee’s recommendation, the Board will consider the factors considered by the Nominating and Corporate Governance Committee and any additional information and factors that the Board believes to be relevant. Within four business days after the Board’s decision whether to accept or reject the tendered resignation, the Corporation will disclose the Board’s decision (providing a full explanation of the process by which the decision was reached and, if applicable, the reasons for rejecting the tendered resignation) in a Form 8-K filed with the Securities and Exchange Commission. If the Board is unable to timely reach a decision, it shall promptly disclose the reasons therefor. The Board may also elect to delay acceptance of a tendered resignation for a specified period to provide the Board with an opportunity to address the underlying shareholder concerns, to recruit a new director, or for any other reasons it deems appropriate.

If one or more directors’ resignations are accepted by the Board, the Nominating and Corporate Governance Committee will recommend to the Board whether to fill such vacancy or vacancies or to reduce the size of the Board. If the Board does not accept one or more such resignations, it

may elect to address the stated reasons why shareholders “withheld” votes for election from the director or directors at issue or take such other actions as the Board deems appropriate and in the best interests of the Corporation and its shareholders.

No director who tenders his or her resignation pursuant to this provision will participate in the Nominating and Corporate Governance Committee recommendation or the Board consideration of whether to accept the tendered resignation. If a majority of the members of the Nominating and Corporate Governance Committee have tendered their resignations pursuant to this provision in connection with the same election, then the independent directors who are on the Board who did not receive a greater number of votes “withheld” than votes “for” their election (or who were not standing for re-election) will appoint a Board committee amongst themselves solely for the purpose of considering the tendered resignations and will recommend to the Board whether to accept or reject them. This committee may, but need not, consist of all of the independent directors who did not receive a greater number of votes “withheld” from their election than votes “for” their election or who were not standing for re-election.

This corporate governance guideline will be summarized or included in each proxy statement relating to an election of directors of the Corporation.

Orientation

The Corporation will arrange for each new director to participate in an orientation process that includes reviewing materials regarding the Corporation’s business and operations and meetings with key personnel.

Continuing Education

The Board believes that each director should: (a) maintain leadership and expertise in the areas that caused the Board to select that director for membership; (b) develop and maintain a broad, current knowledge of all of the Corporation’s businesses and critical issues affecting the Corporation; and (c) develop and maintain a broad, current knowledge about corporate directors’ responsibilities, including general legal principles applicable to directors’ activities in fulfilling those responsibilities.

The Corporation, in an effort to encourage directors to obtain a current understanding of best practices and procedures, will on at least an annual basis provide to the independent directors a list of approved educational seminars. The Corporation will reimburse a director’s reasonable expenses incurred in attending one of the approved seminars per year.

Length of Board Service

The Board believes it is advantageous to have the contribution of directors who have been able to develop, over a period of time, increasing insight into the Corporation and its operations and, therefore, provide an increasing contribution to the Board of Directors as a whole. In order to evaluate the contributions of a director over time, the Nominating and Corporate Governance Committee, in conjunction with the chief executive officer, will review each director’s continuation on the Board every three years. This review will also provide each director with the

opportunity to conveniently confirm his or her desire to continue as a member of the Board of Directors.

Retirement

It is the policy of the Board of Directors that no individual who would be age 72 or older at the time of his or her election will be eligible to stand for election to the Board of Directors. The Board of Directors, at its discretion, may waive the age limitation or establish a greater age limitation from time to time.

Affiliations of Directors

The Corporation values the experience directors bring from other boards on which they serve but recognizes that affiliations with public, private, or governmental entities may create conflicts of interest, embarrassment to the Corporation, or inconsistency with Corporation policies or values. Directors should advise the Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on another board. In addition, given the time commitments inherent in serving on a public company board, directors should not serve on more than three other boards of publicly traded companies in addition to serving on the Corporation Board.

III. BOARD STRUCTURE

Number of Directors

The Corporation's Articles of Incorporation provide that the Board of Directors shall have no fewer than three directors, the exact number of directors to be determined from time to time by resolution adopted by affirmative vote of a majority of the entire Board of Directors then in office. It is the Board's philosophy that boards of directors should not be so large as to be cumbersome, although the Board would be willing to increase its size in order to accommodate an outstanding candidate, to satisfy the staffing needs of its committees, or to facilitate a merger or other acquisition.

Board Leadership

The Board has no formal policy on separation of the position of Chairman of the Board and Chief Executive Officer, but generally believes that separation of the roles is unnecessary under normal circumstances. The function of the Board in monitoring the performance of the senior management of the Corporation is fulfilled by the presence of a majority of independent directors on the Board of Directors who have a substantive knowledge of the Corporation.

Board Committees

The standing committees of the Board of Directors will be the Audit Committee, the Compensation and Human Resources Committee, the Nominating and Corporate Governance Committee, the Retirement Investment Committee and the Risk Management Committee. Board

committees will receive their authority exclusively through delegation from the Board. The Audit Committee, the Compensation and Human Resources Committee, the Nominating and Corporate Governance Committee, the Retirement Investment Committee, and the Risk Management Committee will have a written charter that sets forth the responsibilities of, and other legal requirements applicable to, the committee. Each charter will be approved by the Board of Directors.

The Nominating and Corporate Governance Committee, in consultation with the Chairman of the Board and the Chief Executive Officer, is responsible for recommending to the Board of Directors the assignment of Board members to Board committees. The Audit Committee, the Compensation and Human Resources Committee, and the Nominating and Corporate Governance Committee will consist of independent directors. Consideration will be given to rotating committee members periodically, but rotation will not be mandatory.

The committee chairperson, in consultation with the committee members, will determine the frequency and length of committee meetings. Attendance at any Board committee meetings by persons other than the committee members shall be at the discretion of the committee chairperson.

In recognition of the demands that service on a committee of the Board of Directors places on a director, no member of the Board of Directors will serve on more than two of the following committees: Audit, Compensation & Human Resources, Nominating & Corporate Governance, Retirement Investment and Risk Management.

IV. BOARD AND COMMITTEE OPERATIONS

Meeting Agenda

The Chairman of the Board, in consultation with the appropriate members of management, and subject to input from the other members of the Board, will establish the agenda for each Board meeting.

The chairperson of each committee, in consultation with the other members of the Board and the appropriate members of management, will establish the agenda for each committee meeting.

Unless otherwise provided in the charter of a committee, topics that are typically addressed by a committee may be addressed instead by the full Board of Directors, as determined by the chairperson of the relevant committee in consultation with the Chairman of the Board.

Meeting Material Distributed in Advance; Other Information

In general, information that is important to the Board's or committee's understanding of the matters to be discussed at each meeting will, to the extent practicable, be distributed in writing to the Board or committee members a reasonable amount of time before the Board or committee meets so that meeting time may be conserved and discussion time focused on questions that the directors have about the materials. Directors are expected to review meeting materials prior to

the meeting. Management will seek to ensure that the information is complete and accurate, while making every attempt to see that this material is as brief as possible.

Meeting Attendance

Directors are expected to attend each regular and special meeting of the Board of Directors and of each committee of which the director is a member. Although the Corporation's By-Laws authorize members of the Board of Directors and members of any committee of the Board of Directors to participate in and act at a meeting through the use of telephonic or other communication equipment, the personal attendance of directors at such meetings is preferred. Any action to be taken at any meeting of the Board of Directors may be taken without a meeting, if all members of the Board consent thereto in writing and such writing or writings are filed with the minutes of the Board. All decisions of the Board of Directors shall be determined by an affirmative vote of the majority of members in attendance. A quorum of the Board shall be established when a majority of the members of the Board are present.

Independent Advice

The Board or any Board committee has the authority to seek legal or other expert advice from a source independent of management, including the authority to approve the expert's fees and terms of retention.

Attendance of Non-Directors at Board Meetings

The Chairman of the Board will select members of senior management to attend Board meetings. The Chairman of the Board will select senior managers who either can provide additional insight into the items being discussed because of personal involvement in those areas or are managers with future potential whom the Chairman of the Board believes should be given exposure to the Board.

Access to Management and Employees

Directors have complete access to the Corporation's management and employees. The Board of Directors believes that any such contact should be reasonable in frequency and length and should not be distracting to the business operations of the Corporation. Directors are also expected to use good judgment in contacting employees of the Corporation so as not to disturb normal reporting procedures designed for the effective operation of the Corporation. Any such contact, if in writing, should be copied to the Chairman of the Board.

Executive Sessions

The non-management members of the Board of Directors will meet in regularly scheduled executive sessions without management. Executive sessions of the non-management directors will be presided over by a non-management director recommended by the Nominating and Corporate Governance Committee and approved by the Board of Directors.

Board Interaction with Third Parties

The Board of Directors believes that management speaks for the Corporation. The Chief Executive Officer is responsible for establishing effective communications with constituencies of the Corporation, including shareholders, employees, suppliers, customers, and communities in which the Corporation operates. This policy does not preclude directors from meeting with members of these constituencies, but it is suggested that any such meetings be held with management present.

Notwithstanding the foregoing, non-management directors will communicate directly with any interested party that wishes to make their concerns known to the non-management directors, without management present.

Participation in Strategic Issues Discussions

The full Board should engage in discussions on strategic issues and ensure that there is sufficient time devoted to director interchange on these subjects.

V. BOARD PERFORMANCE

Evaluations

The Nominating and Corporate Governance Committee will be responsible for coordinating an annual evaluation of the performance of the Board of Directors and each of its committees which was active during the year. This evaluation will be discussed with the full Board of Directors.

Conflict of Interest/Recusal

A director's business or personal relationships may occasionally give rise to material personal interest on a particular issue that conflicts, or appears to conflict, with the interests of the Corporation. The Board of Directors, after consultation with counsel, will determine on a case-by-case basis whether an actual or apparent conflict of interest exists. The Board of Directors will take appropriate steps to identify such potential conflicts to ensure that all directors voting on an issue are disinterested with respect to that issue. In appropriate cases, the director with a conflict will recuse himself or herself from the discussion and the voting process at the Board or committee meeting in question.

Resignation - Change in Professional Responsibilities

It is the sense of the Board that individual directors who change the principal occupation, position, or responsibility they held when they were elected to the Board should volunteer to resign from the Board. It is not the sense of the Board that in every instance the directors who retire or change from the position they held when they joined the Board should necessarily leave the Board. There should, however, be an opportunity for the Board through the Nominating and Corporate Governance Committee to review the continued appropriateness of Board membership under the circumstances.

To facilitate the consideration by the Nominating and Corporate Governance Committee and the Board of any of the situations described herein, any director experiencing such a situation should submit a letter of resignation to the Board. After considering the impact, the Nominating and Corporate Governance Committee will recommend to the Board whether to accept the resignation.

Board Compensation

The Board of Directors believes that the Corporation should offer cash compensation to directors for their service on the Board at a level that will attract director candidates who satisfy the Corporation's selection criteria for board members. The Board of Directors also believes that directors should be offered the right to receive stock options in lieu of part or all of such cash compensation. The Compensation and Human Resources Committee will periodically review the compensation arrangements in effect for the non-management members of the Board of Directors and recommend to the Board any changes deemed appropriate.

VI. MISCELLANEOUS AND REVISIONS

Management Succession

The Compensation and Human Resources Committee will be responsible for policies and principles for Chief Executive Officer selection and performance review, as well as policies regarding succession in the event of an emergency or the retirement of the Chief Executive Officer.

Confidentiality

The proceedings and deliberations (as well as any materials provided in connection therewith) of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

Revisions

The Nominating and Governance Committee will reevaluate these guidelines periodically and recommend to the Board of Directors any revisions that it deems necessary or appropriate for the Board of Directors to discharge its responsibilities more effectively.

These Guidelines were approved by the Board of Directors effective as of November 1, 2007.