

MARSHALL & ILSLEY CORP/WI/  
Form DEFM14A  
September 20, 2007  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 14A**

(Rule 14a-101)

**INFORMATION REQUIRED IN PROXY STATEMENT**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the**

**Securities Exchange Act of 1934**

**(Amendment No. \_\_)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**MARSHALL & ILSLEY CORPORATION**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

common stock, par value \$1.00 per share, of the Registrant

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(2) Aggregate number of securities to which the transaction applies:

92,686,495 (reflects number of shares of Metavante Holding Company estimated to be issued in the transaction)

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(3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

\$49.25 (the average of the high and low prices per share of the Registrant's common stock reported on the New York Stock Exchange on May 16, 2007)

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(4) Proposed maximum aggregate value of the transaction:

\$4,564,809,879

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(5) Total fee paid:

\$140,140

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

\$140,140

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(2) Form, Schedule or Registration Statement No.:

Registration Statement on Form S-4 (Registration No. 333-143143)

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(3) Filing Party:

Metavante Holding Company

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(4) Date Filed:

May 22, 2007

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**MARSHALL & ILSLEY CORPORATION**

770 North Water Street

Milwaukee, Wisconsin 53202

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***TRANSACTION PROPOSAL YOUR VOTE IS VERY IMPORTANT***

TO THE SHAREHOLDERS OF MARSHALL & ILSLEY CORPORATION:

As previously announced, the Board of Directors of Marshall & Ilsley Corporation has approved transactions providing for the separation of Marshall & Ilsley into two separate publicly-traded companies:

New M&I Corporation, which we refer to as New Marshall & Ilsley, which will own and operate Marshall & Ilsley's banking business; and

Metavante Holding Company, which we refer to as New Metavante, which will own and operate Metavante's business. In connection with the transactions, WPM, L.P., which we refer to as Investor, a limited partnership organized by Warburg Pincus Private Equity IX, L.P., a global private equity investment fund managed by Warburg Pincus LLC, will invest \$625 million in New Metavante in exchange for an equity interest representing 25% of New Metavante's outstanding common stock. All of the \$625 million to be invested by Investor will be included in a contribution of \$1.665 billion in cash from New Metavante to New Marshall & Ilsley.

As a result of the transactions, Marshall & Ilsley's shareholders will receive three shares of New Marshall & Ilsley common stock and one share of New Metavante common stock for every three shares of Marshall & Ilsley common stock held. It is expected that approximately 88,939,425 shares of New Metavante common stock will be issued to holders of record of Marshall & Ilsley common stock based on the number of outstanding shares of Marshall & Ilsley common stock as of August 31, 2007. The shares of New Marshall & Ilsley common stock to be issued to the holders of Marshall & Ilsley common stock will represent 100% of the outstanding shares of New Marshall & Ilsley common stock and the shares of New Metavante common stock to be issued to the holders of Marshall & Ilsley common stock will represent 75% of the outstanding shares of New Metavante common stock. The transactions will be effected pursuant to an investment agreement dated as of April 3, 2007 among Marshall & Ilsley, certain of its subsidiaries and Investor.

**The Board of Directors of Marshall & Ilsley has unanimously adopted and approved the investment agreement and the transactions contemplated by the investment agreement and recommends that Marshall & Ilsley shareholders vote FOR the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, and FOR the proposal to approve any adjournments of the special meeting for the purpose of soliciting additional proxies or for any other purpose.** Your vote is very important. We cannot hold the special meeting of shareholders unless holders of a majority of the outstanding shares of Marshall & Ilsley common stock are present in person or by proxy. We cannot complete the transactions unless Marshall & Ilsley shareholders approve and adopt the investment agreement and the transactions contemplated by the investment agreement by the affirmative vote of a majority of the outstanding shares of Marshall & Ilsley common stock. **Therefore, whether or not you expect to attend the special meeting in person, you are urged to vote by completing and returning the accompanying proxy in the enclosed envelope, by a telephone vote or by voting electronically via the Internet.**

There is currently no market for the New Marshall & Ilsley common stock or the New Metavante common stock and it is not possible to predict the market value of the New Marshall & Ilsley common stock or the New Metavante common stock. The aggregate value of the New Marshall & Ilsley common stock and the New Metavante common stock after the transactions may be less than the current market value of the Marshall & Ilsley common stock. New Marshall & Ilsley intends to apply to have its shares of common stock authorized for listing on the New York Stock Exchange under Marshall & Ilsley's present symbol of MI and New Metavante intends to apply to have its shares of common stock authorized

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for listing on the New York Stock Exchange under the symbol MV.

The accompanying proxy statement/prospectus information statement explains the transactions and provides specific information concerning the special meeting, including voting instructions. Please review this document carefully. **You should also carefully consider the matters discussed under Risk Factors beginning on page 32 of the accompanying proxy statement/prospectus information statement before voting.**

On behalf of the Board of Directors of Marshall & Ilsley, I thank you for your support and appreciate your consideration of this important matter.

DENNIS J. KUESTER, *Chairman of the Board*

September 20, 2007

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the transactions, including the holding company merger, the New Metavante share issuance or any other transaction described in the accompanying proxy statement/prospectus information statement or passed upon the adequacy or accuracy of the accompanying proxy statement/prospectus information statement. Any representation to the contrary is a criminal offense.**

The accompanying proxy statement/prospectus information statement is dated September 20, 2007, and is first being mailed to Marshall & Ilsley shareholders on or about September 24, 2007.

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**ADDITIONAL INFORMATION**

This document, which is sometimes referred to as this proxy statement/prospectus information statement, constitutes a proxy statement of Marshall & Ilsley with respect to the solicitation of proxies by Marshall & Ilsley for the Marshall & Ilsley special meeting described herein, a prospectus of New Metavante for the shares of New Metavante common stock that New Metavante will issue to Marshall & Ilsley shareholders in the holding company merger described herein and an information statement of New Metavante relating to the distribution of shares of New Marshall & Ilsley to holders of New Metavante common stock as described herein. As permitted under the rules of the Securities and Exchange Commission, which we refer to as the SEC, this proxy statement/prospectus information statement incorporates important business and financial information about Marshall & Ilsley that is contained in documents filed with the SEC that are not included in or delivered with this proxy statement/prospectus information statement. You may obtain copies of these documents, without charge, from the web site maintained by the SEC at [www.sec.gov](http://www.sec.gov), as well as other sources. See **Where You Can Find More Information** beginning on page 419. You also may obtain copies of these documents, without charge, from Marshall & Ilsley by writing or calling:

Shareholder Relations

Marshall & Ilsley Corporation

770 North Water Street

Milwaukee, Wisconsin 53202

(414) 765-7700

You may also obtain documents incorporated by reference into this proxy statement/prospectus information statement by requesting them in writing or by telephone from the proxy solicitor for the transactions, at the following address and telephone number:

Morrow & Co., Inc.

470 West Avenue

Stamford, CT 06902

(800) 607-0088

**To receive timely delivery of requested documents in advance of the Marshall & Ilsley special meeting, you should make your request no later than October 18, 2007.**

**VOTING BY TELEPHONE, OVER THE INTERNET OR BY MAIL**

Marshall & Ilsley shareholders of record as of the record date for the Marshall & Ilsley special meeting may submit their proxies:

by telephone, by calling the toll-free number (866) 894-0537 in the United States or Canada on a touch-tone phone and following the recorded instructions;

by accessing the Internet website at <http://www.continentalstock.com> and following the instructions on the website; or

by mail, by completing the enclosed proxy card, signing and dating the proxy card and returning the proxy card in the enclosed, postage-paid envelope that accompanied that proxy card.

If your shares of Marshall & Ilsley common stock are held in street name (through a broker, bank or other nominee), you may receive a separate voting instruction with this proxy statement/prospectus information statement, or you may need to contact your broker, bank or other nominee to

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determine whether you will be able to vote electronically using the Internet or telephonically, or what is required to vote your shares in person at the special meeting.

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**MARSHALL & ILSLEY CORPORATION**

770 North Water Street

Milwaukee, Wisconsin 53202

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***NOTICE OF SPECIAL MEETING OF SHAREHOLDERS***

**October 25, 2007**

TO THE SHAREHOLDERS OF MARSHALL & ILSLEY CORPORATION:

A special meeting of shareholders of Marshall & Ilsley Corporation will be held on October 25, 2007 at the corporate headquarters of Marshall & Ilsley Corporation, 770 North Water Street, Third Floor, Milwaukee, Wisconsin at 10:00 a.m., local time. The special meeting is being held for the following purposes:

- (1) to consider and vote upon a proposal to approve and adopt the investment agreement, dated as of April 3, 2007, among Marshall & Ilsley, Metavante Corporation, currently a wholly-owned subsidiary of Marshall & Ilsley, Metavante Holding Company ( New Metavante ), currently a wholly-owned subsidiary of Marshall & Ilsley, Montana Merger Sub Inc. ( Merger Sub ), currently a wholly-owned subsidiary of New Metavante, and WPM, L.P. ( Investor ), a limited partnership organized by Warburg Pincus Private Equity IX, L.P., a global private equity investment fund managed by Warburg Pincus LLC, and approve and adopt the transactions contemplated by the investment agreement, including the merger of Merger Sub with and into Marshall & Ilsley with Marshall & Ilsley continuing as the surviving corporation (the holding company merger ) and the issuance of shares of New Metavante Class A common stock to Investor (the New Metavante share issuance );
- (2) to consider and vote on a proposal to approve any adjournments of the special meeting for the purpose of soliciting additional proxies if there are not sufficient votes at the special meeting to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, and any adjournments of the special meeting for any other purpose; and
- (3) to consider any other business that properly comes before the special meeting or any adjournments or postponements of the special meeting.

Shareholders of record at the close of business on September 19, 2007, the record date for the special meeting, are entitled to notice of and to vote at the special meeting and any adjournment or postponement thereof. As of the record date for the special meeting, there were 266,839,811 shares of Marshall & Ilsley common stock outstanding.

The investment agreement and certain of the other transaction agreements, and the transactions contemplated by those agreements, including the holding company merger and the New Metavante share issuance, are described more fully in the accompanying proxy statement/prospectus information statement, and we urge you to read it carefully. Marshall & Ilsley shareholders have no appraisal rights under Wisconsin law in connection with the transactions contemplated by the investment agreement and the other transaction agreements.

**The Marshall & Ilsley Board of Directors has unanimously adopted and approved the investment agreement and determined that the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, are advisable and in the best interests of Marshall & Ilsley and its shareholders and recommends that Marshall & Ilsley shareholders vote FOR the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, and FOR the proposal to approve any adjournments of the special meeting for the purpose of soliciting additional proxies or for any other purpose.**

**Holders of a majority of the outstanding shares must be present in person or by proxy in order for the meeting to be held. Therefore, whether or not you expect to attend the special meeting in person, you are urged to vote by completing and returning the accompanying**



**proxy in the enclosed envelope, by a telephone vote or by voting electronically via the Internet. Instructions for telephonic voting and electronic voting via the Internet are contained in the accompanying proxy statement/prospectus information**

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**statement. Any executed but unmarked proxy cards will be voted FOR the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, and FOR the proposal to approve any adjournments of the special meeting for the purpose of soliciting additional proxies. Marshall & Ilsley shareholders may revoke their proxy in the manner described in the accompanying proxy statement/prospectus information statement before it has been voted at the special meeting.**

If your shares of Marshall & Ilsley common stock are held in street name (through a broker, bank or other nominee), you may receive a separate voting instruction with this proxy statement/prospectus information statement, or you may need to contact your broker, bank or other nominee to determine whether you will be able to vote electronically using the Internet or telephonically, or what is required to vote your shares in person at the special meeting.

We cannot complete the transactions unless our shareholders approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance by the affirmative vote of a majority of the outstanding shares of Marshall & Ilsley common stock. Whether or not you expect to attend the special meeting in person, you are urged to vote by completing and returning the accompanying proxy in the enclosed envelope, by voting telephonically or by voting electronically via the Internet as described in the accompanying proxy statement/prospectus information statement.

Any adjournments of the special meeting by vote of shareholders for the purpose of soliciting additional proxies or for any other purpose must be approved by the affirmative vote of a majority of the shares represented at the special meeting.

Failure to respond will have the same effect as voting against the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement unless you attend and vote FOR such proposal at the special meeting of shareholders.

GINA M. McBRIDE, *Vice President*

*and Corporate Secretary*

September 20, 2007

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**SUMMARY**

*This summary highlights selected information from this proxy statement/prospectus information statement and may not contain all of the information that is important to you. For a more complete description of the terms of the investment agreement, the other transaction agreements and the transactions contemplated thereby, you should carefully read this entire proxy statement/prospectus information statement and the other documents to which we refer you, including in particular the copies of the investment agreement, the separation agreement, the tax allocation agreement and the forms of the shareholders agreement and the stock purchase right agreement that are attached to this proxy statement/prospectus information statement as Annexes A, B, C, D and E, respectively. See *Where You Can Find More Information* beginning on page 419.*

This proxy statement/prospectus information statement is:

a prospectus of Metavante Holding Company relating to the issuance of shares of Metavante Holding Company common stock in connection with the holding company merger (as described herein);

a proxy statement of Marshall & Ilsley Corporation for use in the solicitation of proxies for Marshall & Ilsley Corporation's special meeting; and

an information statement of Metavante Holding Company relating to the distribution of shares of New M&I Corporation (to be renamed Marshall & Ilsley Corporation) common stock to holders of Metavante Holding Company common stock (other than the Metavante Holding Company Class A common stock to be issued to WPM, L.P., a limited partnership organized by Warburg Pincus Private Equity IX, L.P., a private equity fund managed by Warburg Pincus LLC).

All information contained or incorporated by reference in this prospectus statement/prospectus information statement about Marshall & Ilsley Corporation and New M&I Corporation has been provided by Marshall & Ilsley Corporation and all information contained or incorporated by reference in this proxy statement/prospectus information statement about Metavante Corporation and Metavante Holding Company has been provided by Metavante Corporation.

**The Business Entities (see page 59)**

***Marshall & Ilsley Corporation***

770 North Water Street

Milwaukee, Wisconsin 53202

(414) 765-7700

[www.micorp.com](http://www.micorp.com)

Marshall & Ilsley Corporation (NYSE: MI), a Wisconsin corporation, is a diversified financial services corporation with approximately \$58.3 billion in assets. We refer to the business of Marshall & Ilsley, excluding Metavante's business, as Marshall & Ilsley's banking business. As described below, following completion of the transactions described herein, Marshall & Ilsley will continue to own and operate Marshall & Ilsley's banking business, but will be a subsidiary of a new publicly-traded company, New M&I Corporation, which will change its name to Marshall & Ilsley Corporation.

***Metavante Corporation***

4900 West Brown Deer Road

Milwaukee, Wisconsin 53223

(414) 357-2290

([www.metavante.com](http://www.metavante.com))

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Metavante Corporation, a Wisconsin corporation, delivers banking and payments technologies to over 8,600 financial services firms and businesses worldwide. Metavante is currently a wholly-owned subsidiary of Marshall & Ilsley. We refer to Metavante Corporation as Metavante in this proxy statement/prospectus information statement. As described below, following completion of the transactions, Metavante will be a direct, wholly-owned subsidiary of a new publicly-traded company, Metavante Holding Company (which is described below), and will continue to operate Metavante's business directly or through its subsidiaries.

For the year ended December 31, 2006 and for the six months ended June 30, 2007, Metavante's net income as a percentage of Marshall & Ilsley's net income was 19.8% and 21.1%, respectively.

**References in this proxy statement/prospectus information statement to Metavante's historical assets, liabilities, products, businesses or activities are generally intended to refer to the historical assets, liabilities, products, businesses or activities of Metavante as a wholly-owned subsidiary of Marshall & Ilsley prior to the transactions. Metavante's historical financial results as part of Marshall & Ilsley contained herein do not reflect what its financial results would have been had it been operated as a subsidiary of New Metavante during the periods presented.**

### ***New M&I Corporation***

c/o Marshall & Ilsley Corporation

770 North Water Street

Milwaukee, Wisconsin 53202

(414) 765-7700

New M&I Corporation, a Wisconsin corporation and a direct, wholly-owned subsidiary of New Metavante, was formed by New Metavante for the purpose of completing the transactions. Following completion of the transactions, New M&I Corporation will be a separate, publicly-traded company that will own the equity of the companies that own and operate Marshall & Ilsley's banking business. In connection with the completion of the transactions, the name of New M&I Corporation will be changed to Marshall & Ilsley Corporation. We refer to New M&I Corporation as New Marshall & Ilsley in this proxy statement/prospectus-information statement.

**References in this proxy statement/prospectus information statement to New Marshall & Ilsley's historical assets, liabilities, products, businesses or activities are generally intended to refer to the historical assets, liabilities, products, businesses or activities of Marshall & Ilsley's banking business prior to the transactions. The historical financial results of New Marshall & Ilsley contained in this proxy statement/prospectus information statement do not reflect what its financial results would have been had it been operated as a stand-alone company during the periods presented.**

### ***Metavante Holding Company***

c/o Marshall & Ilsley Corporation

770 North Water Street

Milwaukee, Wisconsin 53202

(414) 765-7700

Metavante Holding Company, a Wisconsin corporation and currently a direct, wholly-owned subsidiary of Marshall & Ilsley, was formed by Marshall & Ilsley in March 2007 for the purpose of completing the transactions. Following completion of the transactions, New Metavante will be a separate, publicly-traded company that will own Metavante. In connection with the completion of the transactions, the name of Metavante Holding Company will be changed to Metavante Technologies, Inc. We refer to Metavante Holding Company as New Metavante in this proxy statement/prospectus-information statement.



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References in this proxy statement/prospectus information statement to New Metavante's historical assets, liabilities, products, businesses or activities are generally intended to refer to the historical assets, liabilities, products, businesses or activities of Metavante as a wholly-owned subsidiary of Marshall & Ilsley prior to the transactions.

### ***Montana Merger Sub Inc.***

c/o Marshall & Ilsley Corporation

770 North Water Street

Milwaukee, Wisconsin 53202

(414) 765-7700

Montana Merger Sub Inc., a Wisconsin corporation and a direct, wholly-owned subsidiary of New Metavante, was formed by New Metavante for the purpose of effecting the holding company merger. We refer to Montana Merger Sub Inc. as Merger Sub in this proxy statement/prospectus-information statement.

### ***WPM, L.P.***

c/o Warburg Pincus & Co.

466 Lexington Avenue

New York, New York 10017

WPM, L.P. is a Delaware limited partnership organized by Warburg Pincus Private Equity IX, L.P., a global private equity investment fund managed by Warburg Pincus LLC. We refer to WPM, L.P. as Investor in this proxy statement/prospectus-information statement.

### ***Warburg Pincus Private Equity IX, L.P.***

c/o Warburg Pincus & Co.

466 Lexington Avenue

New York, New York 10017

Warburg Pincus Private Equity IX, L.P., a Delaware limited partnership, is a global private equity investment fund managed by Warburg Pincus LLC and is an affiliate of Investor. Under the investment agreement, Investor may, under certain circumstances, assign its rights under the investment agreement to Warburg Pincus Private Equity IX, L.P. or one or more successor funds each of which is controlled by Warburg Pincus LLC and/or Warburg Pincus & Co. (or a controlled affiliate of one of such entities) and is managed by Warburg Pincus LLC or its affiliates. References in this proxy statement/prospectus information statement to the equity investment by Investor include any investment by a fund resulting from Investor's permitted assignment under the investment agreement.

The website addresses referred to in this proxy statement/prospectus information statement are for information only and are not intended to incorporate any information into this proxy statement/prospectus information statement.

### **The Transactions (see page 59)**

On April 3, 2007, Marshall & Ilsley, Merger Sub, Metavante, New Metavante and Investor entered into the investment agreement pursuant to which, among other things:

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Marshall & Ilsley will separate into two publicly-traded companies: New Marshall & Ilsley, which will own and operate Marshall & Ilsley's banking business, the issued and outstanding common stock of which will be owned 100% by the Marshall & Ilsley shareholders, and New Metavante, which will own and operate Metavante's business, 75% of the issued and outstanding common stock of which will be owned by Marshall & Ilsley shareholders and the remaining 25% will be owned by Investor;

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Marshall & Ilsley's shareholders will receive three shares of New Marshall & Ilsley common stock and one share of New Metavante common stock for every three shares of Marshall & Ilsley common stock held;

Investor will invest \$625 million in New Metavante for an equity interest representing 25% of New Metavante common stock;

New Metavante and/or one or more of its subsidiaries will incur approximately \$1.75 billion of indebtedness;

Metavante will pay off certain intercompany indebtedness plus accrued and unpaid interest owed to Marshall & Ilsley (the amount currently owed is approximately \$982 million) and distribute \$1.040 billion of cash (which is expected to include \$290 million of Metavante's excess cash) to New Metavante; and

New Metavante will contribute to New Marshall & Ilsley \$1.665 billion in cash (which includes the \$625 million of proceeds from the investment by Investor and the \$1.040 billion distribution of cash from Metavante (which is expected to include \$290 million of Metavante's excess cash)).

To accomplish the results described above, on the terms and subject to the conditions set forth in the investment agreement, the separation agreement, the tax allocation agreement and the employee matters agreement described below, the parties will engage in a number of transactions including:

*Holding Company Merger.*  A holding company merger by which Merger Sub will merge with and into Marshall & Ilsley with Marshall & Ilsley continuing as the surviving corporation and as a direct, wholly-owned subsidiary of New Metavante. As a result of the holding company merger, shares of Marshall & Ilsley common stock will automatically convert into shares of New Metavante and New Metavante will become a publicly-traded company. It is expected that approximately 88,939,425 shares of New Metavante common stock will be issued to holders of record of Marshall & Ilsley common stock based on the number of outstanding shares of Marshall & Ilsley common stock as of August 31, 2007.

*Internal Business Transfers.*  The reorganization of the corporate structures of Marshall & Ilsley and New Metavante by means of transfers of the equity interests of certain of their subsidiaries so that Marshall & Ilsley's banking business will be held by New Marshall & Ilsley and its subsidiaries and Metavante's business will be held by Metavante and its subsidiaries and each of New Marshall & Ilsley and Metavante will be a direct, wholly-owned subsidiary of New Metavante.

*Investor's Acquisition of New Metavante Shares.*  The payment by Investor to New Metavante of \$625 million in exchange for (i) newly issued shares of Class A common stock of New Metavante that will convert automatically into shares of common stock of New Metavante at 12:01 a.m. Eastern Standard Time on the first day following the closing date, which shares will represent 25% of the outstanding common stock of New Metavante and (ii) a stock purchase right to acquire additional shares of New Metavante common stock under certain circumstances in order to maintain Investor's ownership of 25% of the outstanding common stock of New Metavante. We refer to the issuance of the shares of New Metavante Class A common stock to Investor as the New Metavante share issuance. It is expected that approximately 29,646,475 shares of New Metavante common stock will be issued to Investor on the closing date of the transactions based on the number of outstanding shares of Marshall & Ilsley common stock as of August 31, 2007.

*Debt Financing.*  The incurrence by New Metavante and/or one or more of its subsidiaries of approximately \$1.75 billion of indebtedness pursuant to a term loan facility which is expected to be provided pursuant to and in accordance with the terms and conditions contained in a commitment letter from J.P. Morgan Securities Inc., which we refer to herein as JPMorgan, JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Lehman Brothers Commercial Bank, Lehman Commercial Paper Inc., Lehman Brothers Inc., and Baird Financial Corporation, and certain of their respective affiliates.





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*Repayment of Intercompany Debt; Contribution to New Marshall & Ilsley.* The repayment by Metavante of certain intercompany indebtedness plus accrued and unpaid interest owed to Marshall & Ilsley (the amount currently owed is approximately \$982 million) and the contribution to New Marshall & Ilsley by New Metavante of \$1.665 billion in cash (which includes the \$625 million of proceeds from the sale of the New Metavante common stock to Investor and the \$1.040 billion dividend of cash from Metavante).

*Share Distribution.* The distribution by New Metavante to the holders of shares of New Metavante common stock (other than the New Metavante Class A common stock) as of the record date established therefor of shares of New Marshall & Ilsley common stock (holders of shares of New Metavante common stock will also retain such shares).

See *Questions and Answers About the Transactions* beginning on page 16 for a discussion of how you will receive your shares of New Marshall & Ilsley common stock and New Metavante common stock.

As a result of the completion of the transactions contemplated by the investment agreement,

each holder of Marshall & Ilsley common stock as of the effective time of the holding company merger will have received three shares of New Marshall & Ilsley common stock and one share of New Metavante common stock for every three shares of Marshall & Ilsley common stock held of record;

Investor will have received shares of New Metavante common stock that represent 25% of the shares of New Metavante common stock; and

each holder of Marshall & Ilsley common stock as of the effective time of the holding company merger that would otherwise be entitled to receive fractional shares of New Metavante common stock resulting from the holding company merger will receive cash in lieu of such fractional shares (and therefore will not receive shares of New Marshall & Ilsley common stock in respect of such fractional shares).

The shares of New Marshall & Ilsley common stock to be issued to the holders of Marshall & Ilsley common stock will represent 100% of the outstanding shares of New Marshall & Ilsley common stock and the shares of New Metavante common stock to be issued to the holders of Marshall & Ilsley common stock will represent 75% of the shares of New Metavante common stock outstanding upon completion of the transactions.

See *The Investment Agreement* and *The Separation Agreement* beginning on pages 106 and 128, respectively. The investment agreement is attached as Annex A to this proxy statement/prospectus information statement, and the separation agreement is attached as Annex B to this proxy statement/prospectus information statement and each of them is incorporated by reference into this proxy statement/prospectus information statement. When we refer to the investment agreement and the separation agreement, we mean such agreements as amended or supplemented from time to time. We urge you to read the investment agreement and the separation agreement carefully to understand the rights and obligations of the parties with respect to the transactions, as they are the principal legal documents that govern the transactions.

**There are Additional Agreements that Govern Matters Relating to Effecting the Transactions and the Relationship of New Marshall & Ilsley and New Metavante and New Metavante and Investor after the Transactions (see page 133)**

In addition to the investment agreement and separation agreement, Marshall & Ilsley, New Marshall & Ilsley, Metavante and New Metavante have entered into various agreements that will govern the New Marshall & Ilsley share distribution and various interim and ongoing relationships among them, including, among others:

a tax allocation agreement; and

an employee matters agreement.



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You should read the tax allocation agreement, which is described in this proxy statement/prospectus information statement under **Additional Agreements Relating to the New Marshall & Ilsley Share Distribution Tax Allocation Agreement** and is attached as Annex C to this proxy statement/prospectus information statement and incorporated by reference into this proxy statement/prospectus information statement and the employee matters agreement, which is described in this proxy statement/prospectus information statement under **Additional Agreements Relating to the New Marshall & Ilsley Share Distribution Employee Matters Agreement**, and is filed as an exhibit to the registration statement of which this proxy statement/prospectus information statement is a part and is incorporated by reference into this proxy statement/prospectus information statement. When we refer to the tax allocation agreement and the employee matters agreement, we mean such agreements as amended or supplemented from time to time.

In addition to the employee matters agreement and the tax allocation agreement, the Marshall & Ilsley parties and the Metavante parties have entered into, or will enter into prior to the closing of the transactions, agreements providing for the provision of certain services following the closing of the transactions. These agreements relate to, among other things, certain administrative, trust, technology outsourcing, leasing, marketing and other similar services.

In addition to the investment agreement, New Metavante and Investor will enter into various agreements that will govern ongoing relationships between them, including:

a shareholders agreement; and

a stock purchase right agreement.

You should read about the shareholders agreement and the stock purchase right agreement, each of which is described in this proxy statement/prospectus information statement under **Additional Agreements Relating to the Transactions Shareholders Agreement**, and **Additional Agreements Relating to the Transactions Stock Purchase Right Agreement**, respectively. The shareholders agreement and the stock purchase right agreement will be in substantially the forms attached hereto as Annex D and Annex E, respectively, to this proxy statement/prospectus information statement, such forms are hereby incorporated by reference into this proxy statement/prospectus information statement. When we refer to the shareholders agreement and the stock purchase right agreement, we mean such agreements in substantially the form attached hereto and as amended or supplemented from time to time.

### **No Taxable Gain or Loss Will Be Recognized by Marshall & Ilsley Shareholders (Except with Respect to Cash Received in Lieu of Fractional Shares) or by New Metavante as a Result of the Holding Company Merger and the New Marshall & Ilsley Share Distribution (see page 102)**

The obligations of Investor, Marshall & Ilsley, Metavante and New Metavante to effect the transactions under the investment agreement are conditioned upon the receipt of (i) a private letter ruling from the Internal Revenue Service (which ruling was received on September 12, 2007) to the effect that (a) the holding company merger and the Marshall & Ilsley LLC conversion (as described under **The Transactions Description of the Transactions Timing and Structure of the Transactions** beginning on page 61) qualify as a reorganization under Section 368(a) of the Internal Revenue Code and (b) the Marshall & Ilsley contribution (as described under **The Transactions Description of the Transactions Timing and Structure of the Transactions** beginning on page 61) and the New Marshall & Ilsley share distribution qualify as a reorganization under Section 368(a)(1)(D) of the Internal Revenue Code and a distribution eligible for nonrecognition under Sections 355(a) and 361(c) of the Internal Revenue Code and (ii) with respect to certain requirements for tax-free treatment under Section 355 of the Internal Revenue Code on which the Internal Revenue Service will not rule, an opinion of Sidley Austin LLP, which we refer to as **Sidley Austin**, counsel to Marshall & Ilsley (or another law firm of national standing), to the effect that such requirements will be satisfied. None of Investor, Marshall & Ilsley, Metavante or New Metavante intends to waive these conditions.

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Sidley Austin, counsel to Marshall & Ilsley, is of the opinion that, for federal income tax purposes:

no gain or loss will be recognized by a Marshall & Ilsley shareholder solely as the result of the receipt of New Metavante common stock in the holding company merger, except with respect to cash received in lieu of fractional shares;

no gain or loss will be recognized by (and no amount will otherwise be included in the income of) the New Metavante shareholders on their receipt of New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution; and

no gain or loss will be recognized by New Metavante in the holding company merger or in the New Marshall & Ilsley share distribution.

For a more detailed description of the opinion of Sidley Austin, including the assumptions upon which the opinion is based, and the material U.S. federal income tax consequences of the transactions contemplated by the investment agreement, see Material U.S. Federal Income Tax Consequences of the Holding Company Merger, the New Marshall & Ilsley Share Distribution and Related Transactions beginning on page 102.

### **Due to Variances Between the Articles of Incorporation and Other Corporate Documents of Marshall & Ilsley, New Marshall & Ilsley and New Metavante, Differences Exist Between the Rights of Marshall & Ilsley Shareholders, New Marshall & Ilsley Shareholders and New Metavante Shareholders (see page 391)**

The rights of Marshall & Ilsley shareholders under Marshall & Ilsley's corporate documents prior to the transactions will be different from the rights of New Metavante shareholders and New Marshall & Ilsley shareholders under their respective corporate documents following the transactions.

### **The Composition of the Board of Directors of New Metavante as of the Closing Will Be Determined Pursuant to the Investment Agreement and the Shareholders Agreement (see pages 106 and 141)**

The investment agreement and the shareholders agreement provide that upon completion of the transactions, the New Metavante board of directors will consist of 11 individuals, including (i) three directors designated by Investor, (ii) two directors who shall be officers of Metavante, one of whom shall be the President and Chief Executive Officer of Metavante and one of whom shall be the Senior Executive Vice President and Chief Operating Officer of Metavante, (iii) one director who shall be designated by Marshall & Ilsley and shall initially be Dennis J. Kuester and (iv) five additional directors selected by Marshall & Ilsley after consulting with the President and Chief Executive Officer of Metavante and with the consent of Investor (which consent will not be unreasonably withheld or delayed), each of whom shall qualify as independent of Metavante under the rules of the New York Stock Exchange and one of whom shall be a director of Marshall & Ilsley, who will be Ted D. Kellner.

The shareholders agreement provides that the Chairman of the Board of New Metavante will be Dennis J. Kuester for a period of one year from the closing and that if Dennis J. Kuester is unable to serve during such one-year period, or after such one-year period, Frank R. Martire will, subject to the approval of the board of directors of New Metavante, succeed Dennis J. Kuester as Chairman of the Board of New Metavante.

The investment agreement provides that the President and Chief Executive Officer of New Metavante upon completion of the transactions will be Frank R. Martire.

### **The Shareholders Agreement Contains Restrictions on Investor's Ability to Dispose of or Acquire New Metavante Common Stock**

The shareholders agreement provides that, prior to the first anniversary of the closing date, Investor and certain of its affiliates will not, directly or indirectly, transfer or otherwise dispose of any shares of New

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Metavante common stock, subject to certain exceptions set forth in the shareholders agreement, including in connection with specified change in control transactions with respect to New Metavante and in any transaction approved by a majority of the directors that are independent directors under the rules of the New York Stock Exchange and who are not Investor designees.

The shareholders agreement also provides that, following the first anniversary of the closing date and prior to the second anniversary of the closing date, Investor and certain of its affiliates will not, directly or indirectly, dispose of any shares of New Metavante common stock, subject to certain exceptions set forth in the shareholders agreement, if following such disposition, Investor and certain of its affiliates in the aggregate own at least 17.5% of the combined voting power of New Metavante common stock entitled to vote in the election of directors. After the second anniversary of the closing date, Investor will not be restricted by the shareholders agreement from disposing of its shares of New Metavante common stock.

Unless specifically requested in writing in advance by the New Metavante board of directors, the shareholders agreement also generally prohibits Investor from acquiring additional New Metavante securities if Investor's ownership percentage of New Metavante's common stock would exceed 40% and from taking certain actions to otherwise control New Metavante. These restrictions terminate on the earliest of (i) the two year anniversary of the closing date, (ii) the date on which any Investor designee is not elected to the board of directors of New Metavante and is not otherwise appointed to the board of directors, and (iii) the date of a change of control of New Metavante.

### **Completion of the Transactions Is Subject to the Satisfaction or Waiver of a Number of Conditions (see page 121)**

The obligation of each party to the investment agreement to complete the transactions under the investment agreement that are to occur on the closing date is subject to the satisfaction or waiver of specified conditions set forth in the investment agreement, including, among others:

the approval and adoption of the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, by Marshall & Ilsley shareholders;

receipt by New Metavante of a favorable Internal Revenue Service ruling (which ruling was received on September 12, 2007) to the effect that (a) the holding company merger and the Marshall & Ilsley LLC conversion qualify as a reorganization under Section 368(a) of the Internal Revenue Code and (b) the Marshall & Ilsley contribution and the New Marshall & Ilsley share distribution qualify as a reorganization under Section 368(a)(1)(D) of the Internal Revenue Code and a distribution eligible for nonrecognition under Sections 355(a) and 361(c) of the Internal Revenue Code;

receipt by Marshall & Ilsley and New Metavante of an opinion of Sidley Austin, counsel to Marshall & Ilsley (or another law firm of national standing), to the effect that certain requirements for tax-free treatment under Section 355 of the Internal Revenue Code on which the Internal Revenue Service will not rule will be satisfied;

the approval of state and federal banking authorities as set forth in the investment agreement;

the receipt by the boards of directors or similar bodies of Marshall & Ilsley, New Metavante and Metavante of certain capital adequacy and solvency opinions from American Appraisal Associates, Inc.; and

other conditions set forth in the investment agreement.

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Each of Marshall & Ilsley and Investor may waive, at its sole discretion, any of the conditions to its respective obligations to complete the transactions under the investment agreement. Marshall & Ilsley does not currently intend to waive any such conditions. If Marshall & Ilsley or Investor waives any of the conditions to its respective obligations to complete the transactions contemplated by the investment agreement that Marshall & Ilsley deems to be material, Marshall & Ilsley intends to amend or supplement this proxy statement/prospectus information statement and distribute such amended or supplemented materials to its shareholders and resolicit their proxies.

### **How the Investment Agreement May Be Terminated by Marshall & Ilsley or Investor (see page 124)**

#### ***Termination by Marshall & Ilsley or Investor***

As described under *The Investment Agreement* Termination of the Investment Agreement, either Marshall & Ilsley or Investor may terminate the investment agreement at any time prior to the closing if:

Marshall & Ilsley and Investor agree to terminate the agreement by mutual written consent;

the transactions have not been completed by April 4, 2008, provided that this right to terminate is not available to any party that has breached in any material respect any of its obligations under the investment agreement that have been the cause of, or resulted in, the transactions not being completed by April 4, 2008;

any court or governmental entity shall have issued an order, decree or ruling or taken any other action (which action the terminating party shall have used its reasonable best efforts to resist, resolve or lift, as applicable, in accordance with the investment agreement) permanently restraining, enjoining or otherwise prohibiting the transactions, and such order, decree, ruling or other action shall have become final and nonappealable; or

the Marshall & Ilsley shareholders fail to approve and adopt the investment agreement and the transactions contemplated by the investment agreement at the Marshall & Ilsley special meeting.

#### ***Termination by Marshall & Ilsley***

As described under *The Investment Agreement* Termination of the Investment Agreement, Marshall & Ilsley also may terminate the investment agreement at any time prior to the closing if:

Investor has breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the investment agreement, such that the closing conditions are not capable of being satisfied on or before April 4, 2008;

the Marshall & Ilsley Board authorizes Marshall & Ilsley to enter into a Marshall & Ilsley acquisition agreement (as defined in the section referred to below) and Marshall & Ilsley has paid to Investor the termination fee in accordance with the terms of the investment agreement (as described under *The Investment Agreement* Covenants Shareholders Meeting; No Solicitation of Acquisition Proposals; Recommendation of Marshall & Ilsley Board ); or

(x) the Marshall & Ilsley Board makes a change in recommendation in accordance with the terms of the investment agreement, (y) Investor has not delivered a force the Marshall & Ilsley vote notice (as defined in the section referred to below) that remains in effect and the 15 business day period for delivery of a force the Marshall & Ilsley vote notice has elapsed, in each case pursuant to and in accordance with the terms of the investment agreement, and (z) Marshall & Ilsley has paid to Investor the termination fee in accordance with the terms of the investment agreement (in each case as described under *The Investment Agreement* Covenants Shareholders Meeting; No Solicitation of Acquisition Proposals; Recommendation of Marshall & Ilsley Board ).



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### ***Termination by Investor***

As described under *The Investment Agreement Termination of the Investment Agreement*, Investor also may terminate the investment agreement at any time prior to the closing if:

Marshall & Ilsley, Metavante or New Metavante has breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the investment agreement, such that the closing conditions are not capable of being satisfied on or before April 4, 2008;

(i) (A) the Marshall & Ilsley Board shall have failed to recommend the investment agreement and the transactions to its shareholders or (B) the Marshall & Ilsley Board or a committee thereof shall have made a change in recommendation (or publicly announced its intention to take any such action referred to in clause (A) or (B)) and (ii) Investor has not delivered a force the Marshall & Ilsley vote notice that remains in effect in accordance with the terms of the investment agreement (as described under *The Investment Agreement Covenants Shareholders Meeting; No Solicitation of Acquisition Proposals; Recommendation of Marshall & Ilsley Board* ); or

Marshall & Ilsley shall have breached its obligations to call and hold the special meeting of its shareholders in accordance with the terms of the investment agreement.

### **Termination Fees May Be Payable Under Some Circumstances (see page 125)**

As described under *The Investment Agreement Effect of Termination; Termination Fees*, Marshall & Ilsley has, subject to certain specified conditions, agreed to pay Investor a termination fee of:

\$75 million if the investment agreement is terminated in specified circumstances involving, among other things, the Marshall & Ilsley Board authorizing Marshall & Ilsley to enter into a Marshall & Ilsley acquisition agreement, the failure of the Marshall & Ilsley Board to recommend to its shareholders that the shareholders approve and adopt the investment agreement and the transactions contemplated thereby, a change by the Marshall & Ilsley Board of its recommendation to the shareholders of Marshall & Ilsley of the investment agreement and the transactions contemplated thereby (subject to Investor not exercising its right to force the Marshall & Ilsley vote), the failure of Marshall & Ilsley to call and hold the special meeting of its shareholders or intentional breaches of the investment agreement by Marshall & Ilsley such that certain closing conditions are not capable of being satisfied before April 4, 2008; and

\$20 million if either party terminates the investment agreement as a result of failure to obtain the necessary Marshall & Ilsley shareholder approval and an additional \$55 million if a Marshall & Ilsley acquisition proposal or a Metavante acquisition proposal has been announced prior to the special meeting and Marshall & Ilsley enters into or consummates a competing transaction for Marshall & Ilsley or Metavante within 12 months after such termination.

As described under *The Investment Agreement Effect of Termination; Termination Fees Termination Fees*, Investor has agreed to pay Marshall & Ilsley a termination fee of \$75 million if under specified circumstances the investment agreement is terminated by Marshall & Ilsley as a result of intentional breaches of the investment agreement by Investor such that certain closing conditions are not capable of being satisfied on or before April 4, 2008.

### **Debt Financing (see page 146)**

In connection with the transactions, New Metavante and/or one or more of its subsidiaries will incur approximately \$1.75 billion of indebtedness pursuant to a term loan. New Metavante will use all of the proceeds from the sale of the Class A common stock to Investor and the proceeds from debt incurred by New Metavante and/or one or more of its subsidiaries under the term loan in order to (i) repay certain intercompany indebtedness





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plus accrued and unpaid interest to the closing date owed by Metavante to Marshall & Ilsley (the amount currently owed is approximately \$982 million), (ii) contribute to New Marshall & Ilsley \$1.665 billion in cash and (iii) pay expenses relating to the transactions. In addition, New Metavante and/or one or more of its subsidiaries will enter into a revolving credit facility that will provide for borrowing of up to \$250 million to provide funds after the closing date for working capital, capital expenditures and general corporate purposes. The term loan facility and the revolving credit facility are both expected to be provided pursuant to and in accordance with the terms and conditions contained in a commitment letter from JPMorgan, JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Lehman Brothers Commercial Bank, Lehman Commercial Paper Inc., Lehman Brothers Inc., and Baird Financial Corporation, and certain of their respective affiliates.

### **Marshall & Ilsley Shareholder Approval Is a Condition to the Completion of the Transactions and Is Required to Adjourn the Special Meeting (see page 121)**

Approval and adoption of the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, by the affirmative vote of a majority of the outstanding shares of Marshall & Ilsley common stock is a condition to completion of the transactions.

Any adjournments of the special meeting by vote of shareholders for the purpose of soliciting additional proxies or for any other purpose must be approved by the affirmative vote of a majority of the shares represented at the special meeting.

At the close of business on the Marshall & Ilsley special meeting record date, Marshall & Ilsley directors and executive officers as a group owned and were entitled to vote 10,133,196 shares of Marshall & Ilsley common stock, representing approximately 3.8% of the outstanding voting power of Marshall & Ilsley common stock. All of the directors and executive officers of Marshall & Ilsley that are entitled to vote at the Marshall & Ilsley special meeting have indicated that they currently intend to vote their shares of Marshall & Ilsley common stock in favor of approving and adopting the investment agreement and the transactions contemplated by the investment agreement. See *The Marshall & Ilsley Special Meeting of Shareholders* Share Ownership of Management and Certain Shareholders beginning on page 58.

### **The Marshall & Ilsley Board Recommends the Approval and Adoption of the Investment Agreement and the Transactions Contemplated by the Investment Agreement (see page 74)**

The Marshall & Ilsley Board has unanimously approved and adopted the investment agreement and determined that the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, are advisable and in the best interests of Marshall & Ilsley and its shareholders and recommends that Marshall & Ilsley shareholders vote FOR the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance.

### **Marshall & Ilsley's Reasons for the Transactions (see page 74)**

In reaching its decision to approve and adopt the investment agreement and the transactions contemplated by the investment agreement and recommend that Marshall & Ilsley shareholders approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, the Marshall & Ilsley Board considered a variety of factors weighing in favor of the transactions, including, among others, the following:

the transactions are expected to allow both companies to grow faster by reducing capital constraints;

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the financial terms of the investment agreement and other transaction agreements and the receipt by Marshall & Ilsley of cash in the amount of \$1.665 billion from Investor's investment in New Metavante, incremental borrowings of New Metavante and a dividend of available cash of Metavante;

other strategic alternatives were considered and analyzed;

the improved tangible capital position of Marshall & Ilsley;

participation of Marshall & Ilsley shareholders in the potential success of New Marshall & Ilsley and New Metavante;

the transactions will provide for a better alignment of employee incentive awards;

the potential for operational and strategic contributions that could arise through New Metavante being affiliated with Warburg Pincus;

the debt level of Metavante and its ability to pursue acquisitions;

the terms of the separation agreement and investment agreement;

the valuation letter of Marshall & Ilsley's financial advisor; and

following the transactions New Marshall & Ilsley and New Metavante will maintain beneficial business relationships through contractual relationships.

For a more complete description of these factors and other factors considered by the Marshall & Ilsley Board, please see "The Transactions" Marshall & Ilsley's Reasons for the Transactions; Recommendation of the Marshall & Ilsley Board.

### **The Shareholders of Marshall & Ilsley, New Marshall & Ilsley and New Metavante Do Not Have Dissenters' or Appraisal Rights in Connection with the Transactions (see page 101)**

The shareholders of Marshall & Ilsley, New Metavante and New Marshall & Ilsley will not be entitled to exercise appraisal rights or to demand payment for their shares in connection with the transactions.

### **Valuation Letter of Financial Advisor to the Marshall & Ilsley Board (see page 82)**

At a meeting of the Marshall & Ilsley Board held on April 3, 2007, JPMorgan orally provided the Marshall & Ilsley Board with its view, subsequently confirmed by delivery of a written valuation letter dated as of the same date, that as of that date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations set forth in the valuation letter, the range of enterprise values of Metavante was between \$3.8 billion and \$4.4 billion, which would imply a range of values between approximately \$515 million and \$665 million for the proportionate share of Metavante represented by the number of shares of common stock of New Metavante to be purchased by Investor under the investment agreement and the number of shares of common stock of New Metavante that Investor may purchase under the stock purchase right agreement (such proportionate share of Metavante is referred to herein as the "WPM Investment").

JP Morgan and its affiliates have in the past performed, and may continue to perform, a variety of commercial banking and investment banking services for Marshall & Ilsley and its affiliates and for Warburg Pincus and its portfolio companies, all for customary compensation. Specifically, JPMorgan has acted as a lead manager for Marshall & Ilsley's offerings of its bank notes, senior notes and subordinated notes in

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2005, as lead manager for two offerings by Marshall & Ilsley of its bank notes in 2006 and as joint remarketing agent for senior notes of Marshall & Ilsley in 2007. JPMorgan and its affiliates received fees of approximately \$0.9 million, \$0.5 million and \$0.8 million in 2005, 2006 and the year to date in 2007, respectively, for investment banking and other services provided to Marshall & Ilsley and its affiliates unrelated to the

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WPM Investment. JPMorgan and its affiliates received fees of approximately \$31.2 million, \$4.0 million and \$71.1 million in 2005, 2006 and the year to date in 2007, respectively, for investment banking and other services provided to Warburg Pincus and its portfolio companies unrelated to the WPM Investment. Upon the consummation of the transactions contemplated by the investment agreement, JPMorgan will receive a fee from Marshall & Ilsley in the amount of \$10 million for its services as Marshall & Ilsley's financial advisor. In addition, JPMorgan and/or certain of its affiliates will be paid a one-time underwriting and syndication fee of approximately \$7.9 million, subject to reduction by fees paid to other lenders participating in the syndication of the credit facility, and an annual administration fee of \$150,000 by New Metavante in connection with New Metavante's term loan facility and revolving credit facility.

**The full text of the valuation letter of JPMorgan, dated April 3, 2007, which sets forth, among other things, the assumptions made, procedures followed, matters considered, and qualifications and limitations on the review undertaken by JPMorgan in connection with its valuation, is attached to this proxy statement/prospectus information statement as Annex F and is incorporated into this proxy statement/prospectus information statement by reference. The summary of JPMorgan's valuation letter included in this proxy statement/prospectus information statement is qualified in its entirety by reference to the full text of such valuation letter. You are urged to read the valuation letter carefully and in its entirety. JPMorgan provided its valuation letter for the information and assistance of the Marshall & Ilsley Board in connection with its consideration of the transactions contemplated by the investment agreement and the other transaction agreements. The valuation letter addresses only the valuation of Metavante, on an enterprise value basis, and the implied value of the WPM Investment (as defined under The Transactions Valuation Letter of Financial Advisor to the Marshall & Ilsley Board ). The valuation letter does not constitute a recommendation to any shareholder of Marshall & Ilsley as to how such shareholder should vote at the special meeting with respect to the approval and adoption of the investment agreement and the transactions contemplated by the investment agreement and the other transaction agreements or any other matter and should not be relied upon by any shareholder as such.**

**Marshall & Ilsley Executive Officers and Directors May Have Interests in the Transactions that Are Different from, or in Addition to, the Interests of Marshall & Ilsley Shareholders Generally (see page 90)**

In considering the recommendation of the Marshall & Ilsley Board to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, Marshall & Ilsley shareholders should be aware that certain Marshall & Ilsley shareholders and Marshall & Ilsley's directors and executive officers may have interests in the transactions that are different from, or in addition to, the interests of Marshall & Ilsley shareholders generally as a result of, among other things:

upon consummation of the closing, Dennis J. Kuester will serve as Chairman of the Board of New Metavante for a period of one year from the date of closing;

if Dennis J. Kuester is unable to serve during such one-year period, or after such one-year period, Frank R. Martire will succeed Dennis J. Kuester as Chairman of the Board of New Metavante;

upon consummation of the closing, Frank R. Martire will serve as President and Chief Executive Officer of New Metavante and will be a director of New Metavante and Michael D. Hayford will serve as Senior Executive Vice President and Chief Operating Officer and will be a director of New Metavante;

upon consummation of the closing, Ted D. Kellner, a current non-employee director of Marshall & Ilsley, will serve on the board of directors of New Marshall & Ilsley and will serve on the board of directors of New Metavante;

options to purchase Marshall & Ilsley common stock issued under Marshall & Ilsley equity plans and outstanding prior to the completion of the transactions, including those held by executive officers and



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directors, will be ultimately converted into options to purchase New Marshall & Ilsley common stock in the case of employees who will be employed by New Marshall & Ilsley and non-employee directors who will be directors of New Marshall & Ilsley after the closing date of the transactions, or New Metavante common stock, in the case of employees who will be employed by New Metavante and non-employee directors who will be directors of New Metavante after the closing date (approximately 6,617,025 options to purchase Marshall & Ilsley common stock were held by executive officers and directors of Marshall & Ilsley as of August 31, 2007). Prior to the completion of the transactions, each outstanding option to purchase Marshall & Ilsley stock held by an individual who, immediately following the New Marshall & Ilsley share distribution, will be a director of New Metavante and either a Marshall & Ilsley or New Marshall & Ilsley employee or a director of New Marshall & Ilsley shall be converted into both a New Marshall & Ilsley option and a New Metavante option, effective immediately after the New Marshall & Ilsley share distribution (approximately 1,748,750 options to purchase Marshall & Ilsley common stock were held by persons expected to be both a director of New Metavante and either a Marshall & Ilsley or New Marshall & Ilsley employee or a director of New Marshall & Ilsley as of August 31, 2007);

all shares of Marshall & Ilsley restricted stock will be treated the same as all other outstanding shares of Marshall & Ilsley common stock in the transactions except that each share of New Metavante common stock and New Marshall & Ilsley common stock received in such transactions with respect to these shares will be subject to the same restrictions as the corresponding share of Marshall & Ilsley restricted stock to which it relates and will continue to be subject to the terms of the applicable Marshall & Ilsley equity plan (approximately 300,225 restricted shares were held by executive officers as of August 31, 2007);

the amounts of incentives earned by Metavante executives under the Metavante Long Term Incentive Plan with respect to performance periods that include the closing date that are based on the performance of Marshall & Ilsley will be determined jointly by Marshall & Ilsley, New Marshall & Ilsley, Metavante, New Metavante and Investor as of the closing date and will be paid by Metavante and New Metavante after the conclusion of the performance period (payments based on the performance of Metavante will be made by Metavante and New Metavante in accordance with the terms of the Metavante Long Term Incentive Plan); and

the shareholders agreement to be entered into among New Metavante and Investor providing for, among other things, certain management and registration rights in connection with Investor's ownership of shares of New Metavante common stock.

**Completion of the Transactions Is Subject to Banking and Other Regulatory Approvals (see page 89)**

The transactions may be subject to the approval of filings, notifications, reports and applications under the Bank Holding Company Act of 1956, as amended, the Change in Bank Control Act of 1978, as amended, the Home Owner's Loan Act, and other federal or state banking laws or regulations, including, without limitation, any required approvals from the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Wisconsin Department of Financial Institutions and the Missouri Division of Finance. Warburg Pincus and Marshall & Ilsley filed a waiver request from the application requirements of Section 3 of the Bank Holding Company Act with the Federal Reserve Bank of Chicago on April 9, 2007 and received the waiver on June 22, 2007. Additional waivers may be sought or other filings or applications may be made, if necessary.

The transactions may also be subject to the approval of filings, notifications, reports and applications under applicable state or federal laws or regulations and the rules and regulations of the National Association of Securities Dealers, Inc. or any other applicable regulatory authority regulating broker-dealers, investment advisors and insurance companies.

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### **Completion of the Transactions Is Subject to Antitrust Approvals (see page 89)**

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which we refer to as the HSR Act, the transactions may not be completed until Notification and Report Forms have been filed by or on behalf of each of Marshall & Ilsley and Warburg Pincus Private Equity IX, L.P. with the Antitrust Division of the U.S. Department of Justice, which we refer to as the DOJ, and the Federal Trade Commission, which we refer to as the FTC, and the specified 30-day waiting period has expired or been earlier terminated. Warburg Pincus and Marshall & Ilsley each filed Notification and Report Forms with the DOJ and FTC on or prior to June 25, 2007. The applicable waiting period under the HSR Act expired on July 24, 2007. At any time before or after completion of the transactions, the DOJ, FTC or others (including states and private parties) could take action under the antitrust laws, including seeking to prevent the transactions, to rescind the transactions or to conditionally approve the transactions.

### **Accounting Treatment (see page 89)**

Notwithstanding the legal form of the transactions, New Marshall & Ilsley will be considered the divesting entity and treated as the accounting successor to Marshall & Ilsley and Metavante will be considered the accounting spinee for financial reporting purposes in accordance with Emerging Issues Task Force, EITF Issue No. 02-11, Accounting for Reverse Spinoffs.

### **As a Condition to Completion of the Transactions, the New Marshall & Ilsley Common Stock and the New Metavante Common Stock Issued in the Transactions Will Each Be Approved for Listing on the New York Stock Exchange (see page 121)**

It is a condition to completion of the transactions that the shares of New Metavante common stock to be issued in the holding company merger and the shares of New Marshall & Ilsley common stock to be distributed in the New Marshall & Ilsley share distribution will have been approved for listing on the New York Stock Exchange (or such other national securities exchange as New Metavante and Investor may mutually agree). New Marshall & Ilsley intends to apply to have its shares of common stock authorized for listing on the New York Stock Exchange under Marshall & Ilsley's present symbol of MI and New Metavante intends to apply to have its shares of common stock authorized for listing on the New York Stock Exchange under the symbol MV.

### **The Transactions, Including the Performance of New Marshall & Ilsley and New Metavante, Involve a Number of Risks (see page 32)**

There are a number of risks relating to the transactions and to the businesses of New Marshall & Ilsley and New Metavante. See Risk Factors beginning on page 32 of this proxy statement/prospectus information statement for a discussion of these and other risks and see also the documents that Marshall & Ilsley has filed with the Securities and Exchange Commission, or the SEC, and which are incorporated by reference into this proxy statement/prospectus information statement.



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**Questions and Answers About the Transactions**

<b>Why am I receiving this document?</b>	We are delivering this document to you because it is serving as a proxy statement of Marshall & Ilsley, a prospectus of New Metavante and an information statement of New Metavante. It is a proxy statement because Marshall & Ilsley is using it to solicit the approval by its shareholders of the approval and adoption of the investment agreement and the transactions contemplated by the investment agreement. It is a prospectus because New Metavante is offering shares of its common stock to shareholders of Marshall & Ilsley in the holding company merger. It is an information statement because New Metavante is using it to distribute to persons that will be its shareholders (i.e., current Marshall & Ilsley shareholders) information relating to New Marshall & Ilsley and the New Marshall & Ilsley share distribution.
<b>What am I being asked to vote upon?</b>	You are being asked to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance. You are also being asked to approve any adjournments of the special meeting for the purpose of soliciting additional proxies or for any other purpose.
<b>Who can vote on the Marshall &amp; Ilsley proposals?</b>	Holders of record of Marshall & Ilsley common stock at the close of business on September 19, 2007, the record date for the Marshall & Ilsley special meeting, can vote their shares by proxy by completing, signing, dating and returning their proxy card in the enclosed, postage-paid envelope or by submitting their proxy by telephone or Internet as described in this proxy statement/prospectus information statement or they may vote in person at the Marshall & Ilsley special meeting. See The Marshall & Ilsley Special Meeting of Shareholders Purpose, Time and Place beginning on page 56.
<b>When and where is the special meeting of Marshall &amp; Ilsley shareholders?</b>	The special meeting of Marshall & Ilsley shareholders will take place on October 25, 2007 at the corporate headquarters of Marshall & Ilsley Corporation, 770 North Water Street, Third Floor, Milwaukee, Wisconsin, at 10:00 a.m., local time.
<b>What will happen at the special meeting?</b>	At the special meeting, holders of Marshall & Ilsley common stock will vote on whether to approve and adopt the investment agreement and the transactions contemplated by the investment agreement and to approve any adjournments of the special meeting for purposes of soliciting additional proxies or for any other purpose. The parties to the investment agreement cannot complete the transactions without the approval of the holders of a majority of the shares of Marshall & Ilsley common stock. See The Marshall & Ilsley Special Meeting of Shareholders beginning on page 56.
<b>What do I need to do to vote?</b>	You may vote:  by telephone, by calling the toll-free number (866) 894-0537 in the United States or Canada on a touch-tone phone;  by accessing the Internet website at <a href="http://www.continentalstock.com">http://www.continentalstock.com</a> and following the instructions on the website;

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by mail, by completing the enclosed proxy card, signing and dating the proxy card and returning the proxy card in the enclosed, postage-paid envelope that accompanied that proxy card; or

by attending the special meeting and voting in person.

**If my shares are held in street name by my broker, will my broker vote my shares for me?** If your shares of Marshall & Ilsley common stock are held in street name (through a broker, bank or other nominee), you may receive a separate voting instruction with this proxy statement/prospectus information statement, or you may need to contact your broker, bank or other nominee to determine whether you will be able to vote electronically using the Internet or telephonically, or what is required to vote your shares in person at the special meeting.

**What happens if I do not respond?** The failure to respond by returning your signed proxy card, voting by telephone or voting over the Internet will have the same effect as voting against the proposal to approve and adopt the investment agreement and the transactions contemplated thereby unless you vote for the proposal in person at the Marshall & Ilsley special meeting.

**Can I change my vote after I submit my proxy card?** Yes. If you are a holder of record of Marshall & Ilsley common stock and have properly completed and submitted your proxy card, you can change your vote in any of the following ways:

- by sending a written notice to the corporate secretary of Marshall & Ilsley that is received prior to the special meeting stating that you revoke your proxy;
- by properly completing and submitting a new proxy card bearing a later date that is received prior to the special meeting; or
- by attending the special meeting and voting in person.

Simply attending the special meeting will not revoke a proxy.

If you are a holder whose shares are held in street name by your broker and you have directed that person to vote your shares, you must instruct that person to change your vote if you wish to so change your vote.

**When will the special meeting take place relative to the transactions?** We expect that:

the special meeting will be held on October 25, 2007; and

the record date for the New Marshall & Ilsley share distribution will be the same date as the date of the closing of the transactions, assuming the conditions in the investment agreement and separation agreement have been satisfied or waived.

**When will the transactions be completed?** We are working to complete the transactions as soon as practicable. If approved by the Marshall & Ilsley shareholders, we expect to complete the transactions in the fourth calendar quarter of 2007. It is also possible that factors outside our control could require us to complete the transactions at a later time or not to complete them at all. See The Investment Agreement Conditions to the Completion of the Transactions beginning on page 121.

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**If the transactions are completed, when and how will I receive my shares of New Metavante common stock and New Marshall & Ilsley common stock**

If the transactions are completed, you will receive your shares of New Metavante and New Marshall & Ilsley as follows:

The exchange agent will:

record in the stock transfer records of New Metavante the issuance of one share of New Metavante common stock to each holder of Marshall & Ilsley common stock as of the effective time of the holding company merger for every three shares of Marshall & Ilsley common stock then held of record; and

record in the stock transfer records of New Marshall & Ilsley the issuance of three shares of New Marshall & Ilsley common stock to each holder of New Metavante common stock (other than the New Metavante Class A common stock) as of the record date for the distribution for each share of New Metavante common stock then held of record.

Following the closing date, if you hold one or more stock certificates representing your shares of Marshall & Ilsley common stock, the exchange agent for the holding company merger will mail you a letter of transmittal and instructions on how to surrender your shares of Marshall & Ilsley common stock. Upon surrender of such shares to the exchange agent, you will receive the applicable number of shares of New Metavante common stock (and, if applicable, a check representing cash in lieu of fractional shares of New Metavante common stock) and the applicable number of shares of New Marshall & Ilsley common stock. Unless you request physical certificates in the letter of transmittal, you will receive shares of New Metavante common stock and shares of New Marshall & Ilsley common stock in book-entry form.

If you hold shares of Marshall & Ilsley common stock that are not represented by one or more stock certificates, including if such shares are held in street name through a broker, you will receive the applicable number of shares of New Metavante common stock (and, if applicable, a check representing cash in lieu of fractional shares of New Metavante common stock) and the applicable number of shares of New Marshall & Ilsley common stock without any action on your part and you will receive shares of New Metavante common stock and shares of New Marshall & Ilsley common stock in book-entry form.

Fractional shares of New Metavante will not be issued in connection with the holding company merger. Holders of shares of common stock of Marshall & Ilsley that would otherwise be entitled to receive fractional shares of New Metavante resulting from the holding company merger will be paid cash in lieu of such fractional shares (and therefore will not receive shares of New Marshall & Ilsley common stock in respect of such fractional shares) in an amount equal to the value of such fractional shares based on the last sale price, or the closing bid price if no sale occurred, of Marshall & Ilsley common stock on the last business day prior to the closing of the transactions.

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For example, if you hold 100 shares of Marshall & Ilsley common stock, you will receive:

33 shares of New Metavante common stock plus cash in lieu of the one-third share of New Metavante common stock that you would otherwise be entitled to receive; and

99 shares of New Marshall & Ilsley common stock.

**What should I do now?**

After carefully reading and considering the information contained and incorporated by reference in this proxy statement/prospectus information statement, including the investment agreement, the separation agreement, the tax allocation agreement and the forms of the shareholders agreement and the stock purchase right agreement attached to this proxy statement/prospectus information statement as Annexes A, B, C, D and E respectively, you should complete, sign and date your proxy card and return it in the enclosed, postage-paid envelope or submit your proxy by telephone or over the Internet as soon as possible so that your shares will be represented and voted at the Marshall & Ilsley special meeting. If you submit a proxy and do not indicate how to vote on either proposal, Marshall & Ilsley will count the proxy as a vote FOR the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement and FOR the proposal to approve any adjournments of the special meeting for the purpose of soliciting additional proxies or for any other purpose.

**Who can answer my questions?**

If you have any questions regarding the transactions or the Marshall & Ilsley special meeting or any other matter described in this proxy statement/prospectus information statement, or if you need assistance in voting your shares, please contact:

Shareholder Relations

Marshall & Ilsley Corporation

770 North Water Street

Milwaukee, Wisconsin 53202

(414) 765-7700

or

Morrow & Co., Inc.

470 West Avenue

Stamford, CT 06902

(800) 607-0088

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**Selected Historical Consolidated Financial Information of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley)**

The following table sets forth selected historical consolidated financial information for Marshall & Ilsley. Notwithstanding the legal form of the transactions, New Marshall & Ilsley will be considered the divesting entity and treated as the accounting successor to Marshall & Ilsley for financial reporting purposes in accordance with EITF Issue No. 02-11, Accounting for Reverse Spinoffs. As such, the historical consolidated financial information presented below for Marshall & Ilsley (accounting predecessor to New Marshall & Ilsley) reflects historical consolidated financial information that previously has been filed with the SEC by Marshall & Ilsley. After the transactions occur, New Marshall & Ilsley will report the historical consolidated results of operations (subject to certain adjustments) of New Metavante in discontinued operations in accordance with the provisions of Statement of Financial Accounting Standards ( SFAS ) No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets. Pursuant to SFAS No. 144, this presentation is not permitted until the closing date.

The selected historical consolidated financial information of Marshall & Ilsley is qualified by reference to, and should be read in conjunction with, Management's Discussion and Analysis of Financial Condition and Results of Operations of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) beginning on page 161 and the consolidated financial statements and notes of Marshall & Ilsley as of December 31, 2006 and 2005 and as of June 30, 2007 and 2006, and for each of the three years in the period ended December 31, 2006 and for the three- and six-month periods ended June 30, 2007 and 2006. The results of operations information for the years ended December 31, 2006, 2005 and 2004 and the financial condition information as of December 31, 2006 and 2005 is derived from the audited consolidated financial statements of Marshall & Ilsley included elsewhere in this proxy statement/prospectus information statement. The results of operations information for the years ended December 31, 2003 and 2002 and the financial condition information as of December 31, 2004 and 2003 are derived from the audited consolidated financial statements of Marshall & Ilsley not included in this proxy statement/prospectus information statement. The results of operations information for the six-month periods ended June 30, 2007 and 2006 and the financial condition information as of June 30, 2007 are derived from the unaudited consolidated financial statements of Marshall & Ilsley included elsewhere in this proxy statement/prospectus information statement. The unaudited consolidated financial statements of Marshall & Ilsley include, in Marshall & Ilsley's management's opinion, all adjustments, consisting only of normal recurring adjustments, necessary to fairly state the consolidated results of operations and the consolidated financial position of Marshall & Ilsley for the dates set forth in the table below. You should read the following information in conjunction with the unaudited condensed pro forma consolidated financial statements of New Marshall & Ilsley beginning on page 225. The historical consolidated financial information of Marshall & Ilsley would have been different had New Marshall & Ilsley been operated independently. The historical consolidated financial information of Marshall & Ilsley may not be a reliable indicator of future results of operations of New Marshall & Ilsley. The amounts in the table below are in thousands.

**Table of Contents****Consolidated Summary of Earnings**

(\$000 s except share data)

	Six Months Ended June 30, (unaudited)		Years Ended December 31,				
	2007	2006	2006	2005	2004	2003	2002
<b>Interest and Fee Income:</b>							
Loans and leases	\$ 1,586,910	\$ 1,307,383	\$ 2,856,043	\$ 1,959,063	\$ 1,432,754	\$ 1,336,288	\$ 1,318,175
Investment securities:							
Taxable	155,734	128,776	277,938	214,537	200,107	165,075	198,037
Exempt from federal income taxes	29,820	31,748	61,769	64,127	58,826	57,968	60,637
Trading securities	469	268	614	229	271	258	328
Short-term investments	7,489	8,576	16,136	8,675	2,397	2,559	11,168
Total interest and fee income	1,780,422	1,476,751	3,212,500	2,246,631	1,694,355	1,562,148	1,588,345
<b>Interest Expense:</b>							
Deposits	589,211	470,292	1,058,713	544,920	276,102	228,216	283,385
Short-term borrowings	110,963	82,459	186,863	106,333	61,256	81,070	150,310
Long-term borrowings	294,041	222,082	476,625	330,144	196,440	163,348	127,343
Total interest expense	994,215	774,833	1,722,201	981,397	533,798	472,634	561,038
Net interest income	786,207	701,918	1,490,299	1,265,234	1,160,557	1,089,514	1,027,307
Provision for loan and lease losses	43,174	22,048	50,551	44,795	37,963	62,993	74,416
Net interest income after provision for loan and lease losses	743,033	679,870	1,439,748	1,220,439	1,122,594	1,026,521	952,891
<b>Other Income:</b>							
Data processing services	720,190	687,956	1,382,658	1,185,024	934,128	700,530	640,578
Wealth management	126,286	109,108	221,554	191,720	175,119	148,348	140,736
Net investment securities gains (losses)	21,039	2,090	9,701	45,514	35,336	21,572	(6,275)
Other	176,623	112,692	301,508	294,001	273,347	313,123	286,640
Total other income	1,044,138	911,846	1,915,421	1,716,259	1,417,930	1,183,573	1,061,679
<b>Other Expense:</b>							
Salaries and employee benefits	614,910	584,463	1,210,107	1,074,758	919,431	830,779	779,836
Other	514,593	464,926	949,430	804,286	709,253	654,808	551,370
Total other expense	1,129,503	1,049,389	2,159,537	1,879,044	1,628,684	1,485,587	1,331,206
Income before income taxes	657,668	542,327	1,195,632	1,057,654	911,840	724,507	683,364
Provision for income taxes	220,617	178,713	387,794	351,464	305,987	202,060	225,455
<b>Net Income</b>	<b>\$ 437,051</b>	<b>\$ 363,614</b>	<b>\$ 807,838</b>	<b>\$ 706,190</b>	<b>\$ 605,853</b>	<b>\$ 522,447</b>	<b>\$ 457,909</b>
<b>Net income per common share:</b>							
Basic	\$ 1.70	\$ 1.49	\$ 3.24	\$ 3.06	\$ 2.72	\$ 2.31	\$ 2.15

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Diluted	1.66	1.46	3.17	2.99	2.66	2.28	2.06
<b>Other Significant Data:</b>							
Return on Average							
Shareholders Equity	13.79%	13.99%	14.42%	16.21%	17.00%	15.87%	16.32%
Return on Average Assets	1.54	1.46	1.53	1.63	1.63	1.57	1.57
Dividend Payout Ratio	34.94	34.93	33.12	31.10	30.45	30.70	30.34
Average Equity to Average							
Assets Ratio	11.19	10.44	10.64	10.07	9.59	9.89	9.61
Ratio of Earnings to Fixed							
Charges							
Excluding Interest on Deposits	2.57x	2.71x	2.73x	3.28x	4.24x	3.71x	3.27x
Including Interest on Deposits	1.65x	1.69x	1.68x	2.05x	2.64x	2.46x	2.17x

**Table of Contents****Consolidated Average Balance Sheets**

(\$000 s except share data)

	Six Months						
	Ended June 30, (unaudited)		Years Ended December 31,				
	2007	2006	2006	2005	2004	2003	2002
<b>Assets:</b>							
Cash and due from banks	\$ 1,047,286	\$ 1,005,507	\$ 1,023,782	\$ 966,078	\$ 835,391	\$ 752,215	\$ 708,256
Investment securities:							
Trading securities	49,871	42,267	45,559	26,922	22,297	23,017	15,247
Short-term investments	275,257	345,127	303,631	237,178	171,057	264,254	717,129
Other investment securities:							
Taxable	6,240,037	5,401,133	5,687,763	4,847,722	4,672,741	4,038,579	3,325,568
Tax Exempt	1,294,042	1,328,293	1,303,872	1,334,793	1,199,139	1,173,466	1,224,737
<b>Total investment securities</b>	<b>7,859,207</b>	<b>7,116,820</b>	<b>7,340,825</b>	<b>6,446,615</b>	<b>6,065,234</b>	<b>5,499,316</b>	<b>5,282,681</b>
Loans and Leases:							
Commercial	12,329,679	10,662,968	11,175,436	8,954,619	7,621,040	6,905,323	6,143,862
Real estate	28,134,802	24,371,690	25,808,422	20,728,918	17,215,467	14,938,082	12,633,208
Personal	1,363,482	1,534,586	1,483,094	1,525,502	1,632,440	1,874,315	1,388,447
Lease financing	682,060	632,909	661,466	567,344	552,551	674,871	862,927
<b>Total loans and leases</b>	<b>42,510,023</b>	<b>37,202,153</b>	<b>39,128,418</b>	<b>31,776,383</b>	<b>27,021,498</b>	<b>24,392,591</b>	<b>21,028,444</b>
Less: Allowance for loan and lease losses	428,087	392,442	406,390	362,886	360,408	347,838	302,664
<b>Net loans and leases</b>	<b>42,081,936</b>	<b>36,809,711</b>	<b>38,722,028</b>	<b>31,413,497</b>	<b>26,661,090</b>	<b>24,044,753</b>	<b>20,725,780</b>
Premises and equipment, net	581,600	530,820	550,514	458,179	448,134	440,492	418,042
Accrued interest and other assets	5,540,780	4,756,597	5,013,949	3,999,172	3,152,745	2,531,245	2,067,891
<b>Total Assets</b>	<b>\$ 57,110,809</b>	<b>\$ 50,219,455</b>	<b>\$ 52,651,098</b>	<b>\$ 43,283,541</b>	<b>\$ 37,162,594</b>	<b>\$ 33,268,021</b>	<b>\$ 29,202,650</b>
<b>Liabilities and Shareholders</b>							
<b>Equity:</b>							
Deposits:							
Noninterest bearing	\$ 5,375,550	\$ 5,174,349	\$ 5,335,539	\$ 4,942,803	\$ 4,585,628	\$ 4,189,724	\$ 3,509,133
Interest bearing:							
Bank issued deposits:							
Bank issued interest bearing activity deposits	12,773,058	11,055,218	11,668,328	10,027,250	9,960,645	10,084,996	8,996,778
Bank issued time deposits	8,376,260	6,601,427	7,329,307	4,410,456	3,384,120	3,399,734	3,540,124
<b>Total bank issued deposits</b>	<b>21,149,318</b>	<b>17,656,645</b>	<b>18,997,635</b>	<b>14,437,706</b>	<b>13,344,765</b>	<b>13,484,730</b>	<b>12,536,902</b>
Wholesale deposits	6,314,486	7,293,601	7,255,647	6,720,964	6,057,542	4,311,424	2,596,952
<b>Total interest bearing deposits</b>	<b>27,463,804</b>	<b>24,950,246</b>	<b>26,253,282</b>	<b>21,158,670</b>	<b>19,402,307</b>	<b>17,796,154</b>	<b>15,133,854</b>
<b>Total deposits</b>	<b>32,839,354</b>	<b>30,124,595</b>	<b>31,588,821</b>	<b>26,101,473</b>	<b>23,987,935</b>	<b>21,985,878</b>	<b>18,642,987</b>
Short-term borrowings	4,273,316	3,394,854	3,638,180	2,925,642	2,908,168	3,138,752	4,188,339
Long-term borrowings	11,783,701	9,728,869	10,071,717	8,193,001	5,329,571	3,798,851	2,693,447
Accrued expenses and other liabilities	1,822,715	1,729,861	1,751,474	1,706,111	1,372,677	1,052,713	871,222



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<b>Total liabilities</b>	50,719,086	44,978,179	47,050,192	38,926,227	33,598,351	29,976,194	26,395,995
<b>Shareholders Equity</b>	6,391,723	5,241,276	5,600,906	4,357,314	3,564,243	3,291,827	2,806,655
<b>Total Liabilities and Shareholders Equity</b>	\$ 57,110,809	\$ 50,219,455	\$ 52,651,098	\$ 43,283,541	\$ 37,162,594	\$ 33,268,021	\$ 29,202,650

Other Significant Data:

<b>Book Value Per Share at Period End</b>	\$ 25.20	\$ 22.68	\$ 24.24	\$ 20.27	\$ 17.51	\$ 15.24	\$ 13.71
<b>Average Common Shares Outstanding</b>	257,750,712	244,632,102	249,723,333	231,300,867	223,123,866	226,342,764	212,799,996
<b>Credit Quality Ratios:</b>							
<b>Net Loan and Lease Charge-offs to Average Loans and Leases</b>	0.18%	0.09%	0.10%	0.12%	0.11%	0.21%	0.21%
<b>Total Nonperforming Loans and Leases* and OREO to End of Period Loans and Leases and OREO</b>	0.94	0.52	0.70	0.44	0.48	0.74	0.85
<b>Allowance for Loan and Lease Losses to End of Period Loans and Leases</b>	1.00	1.03	1.00	1.06	1.21	1.39	1.42
<b>Allowance for Loan and Lease Losses to Total Nonperforming Loans and Leases*</b>	112	210	157	259	271	202	174

\* Loans and leases nonaccrual, restructured, and past due 90 days or more.

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### **Summary Unaudited Condensed Pro Forma Consolidated Financial Information of New Marshall & Ilsley**

The following table sets forth summary unaudited condensed pro forma consolidated financial information of New Marshall & Ilsley. This information is qualified by reference to, and should be read in conjunction with, Management's Discussion and Analysis of Financial Condition and Results of Operations of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) beginning on page 161 and the historical consolidated financial statements and notes of Marshall & Ilsley as of December 31, 2006 and 2005 and as of June 30, 2007 and 2006, and for each of the three years in the period ended December 31, 2006 and for the six months ended June 30, 2007 and 2006 included elsewhere in this proxy statement/prospectus information statement.

The unaudited condensed pro forma consolidated results of operations information of New Marshall & Ilsley for the six months ended June 30, 2007 and for each of the three years in the period ended December 31, 2006 has been prepared as though the transactions had occurred as of January 1, 2006. The unaudited condensed pro forma consolidated balance sheet information of New Marshall & Ilsley as of June 30, 2007 has been prepared as though the transactions had occurred on June 30, 2007.

The unaudited condensed pro forma consolidated financial information of New Marshall & Ilsley is derived from the unaudited condensed pro forma consolidated financial statements of New Marshall & Ilsley. The unaudited condensed pro forma consolidated financial statements of New Marshall & Ilsley are derived from the historical consolidated financial statements of Marshall & Ilsley and adjusted to give effect to:

the contribution of Marshall & Ilsley to New Marshall & Ilsley;

the distribution of approximately 257,112,705 shares of New Marshall & Ilsley common stock in connection with the New Marshall & Ilsley share distribution (based on the number of shares of Marshall & Ilsley common stock outstanding as of June 30, 2007);

payment by Metavante of certain intercompany indebtedness plus accrued and unpaid interest owed to Marshall & Ilsley (the amount currently owed is approximately \$982 million) and the receipt by New Marshall & Ilsley of \$1.665 billion in cash from New Metavante (which includes the \$625 million of proceeds from the sale of the New Metavante common stock to Investor); and

the removal of the operations of Metavante.

The share numbers and dollar and settlement amounts are based on Marshall & Ilsley share numbers and balances as of and for the periods presented.

The pro forma adjustments are based upon available information and assumptions that management of New Marshall & Ilsley believes are reasonable; however, such adjustments are subject to change. In addition, such adjustments are estimates and may not prove to be accurate.

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Non-recurring charges related to the transactions other than those transaction costs actually incurred in the six months ended June 30, 2007, including charges related to the issuance of fully vested equity based awards and transaction expenses in the amount of approximately \$31.9 million, have been excluded from the unaudited condensed pro forma consolidated statements of earnings. In addition, the unaudited condensed pro forma consolidated statements of earnings do not give effect to changes in certain costs New Marshall & Ilsley expects to incur associated with operating as a stand-alone company.

	Six Months			
	Ended	Year Ended		
	June 30,	December 31,	December 31,	December 31,
	2007	2006	2005 <sup>(1)</sup>	2004 <sup>(1)</sup>
(\$ 000 s)				
Unaudited pro forma statement of earnings information:				
Net interest income	\$ 841,972	\$ 1,597,059	\$ 1,290,412	\$ 1,178,334
Provision for loan and lease losses	43,174	50,551	44,795	37,963
Total other income	342,115	581,686	573,591	527,355
Total other expense	578,498	1,083,542	954,424	881,730
Income before income taxes	562,415	1,044,652	864,784	785,996
Net income	375,954	705,891	586,659	529,039

(1)The unaudited pro forma statement of earnings information for 2005 and 2004 does not include the effect of the cash distribution from New Metavante, the retirement of Metavante's debt owed to Marshall & Ilsley or the effect of transaction costs to be incurred by Marshall & Ilsley.

	June 30,
	2007 (\$ 000 s)
Unaudited pro forma balance sheet information (at period end):	
Net loans and leases	\$ 42,756,584
Total assets	55,788,065
Total deposits	35,249,093
Short-term borrowings	5,814,754
Long-term borrowings	7,204,385
Total shareholders' equity	6,745,974

See Unaudited Condensed Pro Forma Consolidated Financial Statements of New Marshall & Ilsley beginning on page 225.

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**Table of Contents****Selected Historical Consolidated Financial Information of Metavante**

The following table sets forth selected historical consolidated financial information of Metavante, which following the transactions will be a wholly-owned subsidiary of New Metavante and will continue to operate Metavante's business directly or through its subsidiaries. This information is qualified by reference to, and should be read in conjunction with, Management's Discussion and Analysis of Financial Condition and Results of Operations of Metavante beginning on page 293 and the consolidated financial statements and notes of Metavante as of December 31, 2006 and 2005 and as of June 30, 2007 and for each of the three years in the period ended December 31, 2006 and for the three- and six-month periods ended June 30, 2007 and 2006. The results of operations information for the years ended December 31, 2006, 2005 and 2004 and the financial condition information as of December 31, 2006 and 2005 are derived from the audited consolidated financial statements of Metavante included elsewhere in this proxy statement/prospectus information statement. The results of operations information for the years ended December 31, 2003 and 2002 and the financial condition information as of December 31, 2004, 2003 and 2002 are derived from the audited consolidated financial statements of Metavante not included in this proxy statement/prospectus information statement. The results of operations information for the six-month periods ended June 30, 2007 and 2006 and the financial condition information as of June 30, 2007 are derived from the unaudited consolidated financial statements of Metavante included elsewhere in this proxy statement/prospectus information statement. The financial condition information as of June 30, 2006 is derived from the unaudited consolidated financial statements of Metavante not included in this proxy statement/prospectus information statement. The unaudited consolidated financial statements of Metavante include, in Metavante's management's opinion, all adjustments, consisting only of normal recurring adjustments, necessary to fairly state the consolidated results of operations and the consolidated financial position of Metavante for the dates set forth in the table below. You should also read the following information in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) beginning on page 161 and the consolidated financial statements and notes of Marshall & Ilsley as of December 31, 2006 and 2005 and as of June 30, 2007 and 2006, and for each of the three years in the period ended December 31, 2006 and for the three- and six-month periods ended June 30, 2007 and 2006 included elsewhere in this proxy statement/prospectus information statement, and the unaudited condensed pro forma consolidated financial statements of New Metavante beginning on page 320. The historical consolidated financial information of Metavante has been derived from the financial statements and accounting records of Marshall & Ilsley and reflects assumptions and allocations made by Marshall & Ilsley. The historical consolidated financial information of Metavante would have been different had Metavante been operated independently. The historical consolidated financial information of Metavante may not be a reliable indicator of future results of operations of Metavante. The amounts in the table below are in thousands.

We have not provided financial information of New Metavante because, prior to the transactions, it will have no assets, liabilities or operations other than incident to its formation and the ownership of Merger Sub and New Marshall & Ilsley, each of which has no assets, liabilities or operations other than incident to its formation.

**Table of Contents****Consolidated Financial Information**

(\$000 s)

## Six Months

	Ended June 30, 2007      2006 (unaudited)		2006	Year Ended December 31, 2005      2004      2003      2002			
<b>Results of operations information:</b>							
Revenue	\$ 782,977	\$ 744,488	\$ 1,504,178	\$ 1,284,997	\$ 1,015,393	\$ 769,632	\$ 703,782
Income from Operations	149,982	127,709	271,967	228,515	146,544	74,353	72,728
Income before Income Taxes	143,006	112,414	240,483	192,870	125,844	69,733	68,918
Income Tax Provision	50,870	37,510	80,359	73,339	49,030	18,558	27,213
Net Income	92,136	74,904	160,124	119,531	76,814	51,175	41,705
<b>Financial condition information (at period end):</b>							
Current Assets	\$ 977,798	\$ 854,714	\$ 940,575	\$ 905,510	\$ 816,719	\$ 516,210	\$ 395,321
Total Assets	3,117,424	2,825,845	3,015,314	2,857,789	2,413,639	1,037,956	884,280
Current Liabilities	575,758	521,529	571,126	647,167	659,597	458,533	365,141
Long-term Debt and Other Obligations	982,030	982,176	982,000	982,386	1,024,348	107,000	107,000
Shareholder's Equity	1,357,290	1,135,884	1,262,134	1,035,667	574,102	391,771	335,993

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### **Summary Unaudited Condensed Pro Forma Consolidated Financial Information of New Metavante**

The following table sets forth summary unaudited condensed pro forma consolidated financial information of New Metavante. This information is qualified by reference to, and should be read in conjunction with, Management's Discussion and Analysis of Financial Condition and Results of Operations of Metavante beginning on page 293 and the historical consolidated financial statements and notes of Metavante as of December 31, 2006 and 2005 and as of June 30, 2007 and for each of the three years in the period ended December 31, 2006, and for the three and six months ended June 30, 2007 and 2006, included elsewhere in this proxy statement/prospectus information statement.

The unaudited condensed pro forma consolidated results of operations information of New Metavante for the six months ended June 30, 2007 and the year ended December 31, 2006 has been prepared as though the transactions had occurred as of January 1, 2006. The unaudited condensed pro forma consolidated balance sheet information of New Metavante as of June 30, 2007 has been prepared as though the transactions had occurred on June 30, 2007.

The unaudited condensed pro forma consolidated financial information of New Metavante is derived from the unaudited condensed pro forma consolidated financial statements of New Metavante. The unaudited condensed pro forma consolidated financial statements of New Metavante are derived from the historical consolidated financial statements of Metavante and adjusted to give effect to:

Marshall & Ilsley will separate into two publicly-traded companies: New Marshall & Ilsley, which will own and operate Marshall & Ilsley's banking business, the issued and outstanding common stock of which will be owned 100% by the Marshall & Ilsley shareholders, and New Metavante, which will own and operate the Metavante business, 75% of the issued and outstanding common stock of which will be owned by Marshall & Ilsley shareholders and the remaining 25% will be owned by Investor;

Investor will invest \$625 million in New Metavante for an equity interest representing 25% of New Metavante common stock;

New Metavante and/or one or more of its subsidiaries will incur approximately \$1.75 billion of indebtedness and approximately \$22.5 million in associated costs;

Metavante will pay off certain intercompany indebtedness plus accrued and unpaid interest owed to Marshall & Ilsley (the amount currently owed is approximately \$982 million);

New Metavante will contribute to New Marshall & Ilsley \$1.665 billion in cash (which includes the \$625 million of proceeds from the sale of the New Metavante common stock to Investor); and

New Metavante will reimburse Investor for all of Investor's expenses related to the transactions, which Investor has estimated to be approximately \$14.5 million. This non-recurring charge is reflected in the unaudited condensed pro forma consolidated balance sheet of New Metavante, but the amount is not reflected in the unaudited condensed pro forma statements of earnings.

The dollar and settlement amounts are based on Marshall & Ilsley balances as of June 30, 2007.

The pro forma adjustments are based upon available information and assumptions that management of Metavante believes are reasonable; however, such adjustments are subject to change. In addition, such adjustments are estimates and may not prove to be accurate. In addition, the unaudited condensed pro forma consolidated financial statements reflect assumptions with respect to the debt financing for the transactions, including but not limited to assumptions regarding the availability of the debt obligations at and after closing on financial terms currently contemplated and the interest rates applicable to each such obligation, that are subject to changes that may be material.



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Non-recurring charges related to the transaction have been excluded from the unaudited condensed pro forma consolidated statements of income.

	<b>Six Months Ended June 30, 2007</b>	<b>Year Ended December 31, 2006 (\$000 s)</b>
<b>Unaudited pro forma statement of earnings information:</b>		
Revenue	\$ 782,977	\$ 1,504,178
Income from operations	149,982	271,967
Earnings before provision for income taxes	95,217	145,641
Net income	62,507	101,322

Unaudited pro forma balance sheet information (at period end):

Total assets	\$ 2,830,924
Long-term debt	1,732,530
Total shareholders' equity	302,790

See Unaudited Condensed Pro Forma Consolidated Financial Statements of New Metavante beginning on page 320.



**Table of Contents****Comparative Historical and Unaudited Pro Forma Per Share Information**

The following table sets forth certain historical per share information of Marshall & Ilsley common stock and pro forma per share information of New Marshall & Ilsley common stock and New Metavante common stock. This information should be read in conjunction with the selected historical consolidated financial information of Marshall & Ilsley and Metavante included elsewhere in this proxy statement/prospectus information statement, the historical consolidated financial statements of Marshall & Ilsley (accounting predecessor to New Marshall & Ilsley) and Metavante and related notes included elsewhere in this proxy statement/prospectus information statement, the unaudited condensed pro forma consolidated financial statements of New Marshall & Ilsley beginning on page 225 of this proxy statement/prospectus information statement and the unaudited condensed pro forma consolidated financial statements of New Metavante beginning on page 320 of this proxy statement/prospectus information statement. The historical per share information of Marshall & Ilsley is derived from the audited consolidated financial statements of Marshall & Ilsley as of and for the year ended December 31, 2006 and the unaudited consolidated financial statements of Marshall & Ilsley as of and for the six months ended June 30, 2007. The New Marshall & Ilsley unaudited pro forma information is derived from the unaudited condensed pro forma consolidated financial statements as of and for the year ended December 31, 2006 and as of and for the six months ended June 30, 2007. The New Metavante unaudited pro forma information is derived from the unaudited condensed pro forma consolidated financial statements for the year ended December 31, 2006 and as of and for the six months ended June 30, 2007. The unaudited pro forma information provided below is for illustrative purposes only. New Marshall & Ilsley and New Metavante would have performed differently had they always been separate, stand-alone companies rather than their businesses being part of Marshall & Ilsley. You should not rely on this information as being indicative of the historical results that would have been achieved had the companies always been separate, stand-alone companies or the future results that New Marshall & Ilsley or New Metavante will experience following the transactions.

	Six Months Ended June 30, 2007	Year Ended December 31, 2006
<b>MARSHALL &amp; ILSLEY HISTORICAL:</b>		
Earnings per common share:		
Basic	\$ 1.70	\$ 3.24
Diluted	1.66	3.17
Book value per common share (at period end)	25.20	24.24
Cash dividends declared per share	0.58	1.05
<b>NEW MARSHALL &amp; ILSLEY UNAUDITED PRO FORMA:</b>		
Net earnings from continuing operations per common share:		
Basic	1.46	2.83
Diluted	N/A(1)	N/A(1)
Book value per common share (at period end)	26.40	25.82
<b>NEW METAVANTE UNAUDITED PRO FORMA:</b>		
Net earnings per common share:		
Basic	0.55	0.91
Diluted	N/A(1)	N/A(1)
Book value per common share (at period end)	2.65	

- (1) The dilutive effect of stock options outstanding depends on the market price of New Marshall & Ilsley and New Metavante common stock when the stock options are converted and is not subject to reliable estimate.

**Table of Contents****Market Price Data and Price Range of Marshall & Ilsley Common Stock and Dividends**

Marshall & Ilsley common stock is currently traded on the New York Stock Exchange under the symbol MI. On April 2, 2007, the last trading day before public speculation with regard to the transactions was reported in various publications, and on April 3, 2007, the last trading day before the announcement of the execution of the investment agreement, the last reported sales prices of Marshall & Ilsley common stock as reported on the New York Stock Exchange Composite Tape were \$45.86 and \$49.83, respectively. On September 11, 2007, the last reported sales price of Marshall & Ilsley common stock as reported on the New York Stock Exchange Composite Tape was \$43.07. The following table sets forth the high and low closing prices of Marshall & Ilsley common stock as reported on the New York Stock Exchange Composite Tape for the periods referenced below.

Fiscal Quarter	2007		2006		2005		2004	
	High	Low	High	Low	High	Low	High	Low
1 <sup>st</sup> Quarter	\$ 49.23	\$ 46.18	\$ 45.35	\$ 40.91	\$ 43.65	\$ 40.21	\$ 40.39	\$ 36.18
2 <sup>nd</sup> Quarter	49.83	45.86	46.44	43.36	45.06	41.23	41.15	36.60
3 <sup>rd</sup> Quarter	48.21*	40.41*	48.54	44.76	47.28	42.83	41.21	37.32
4 <sup>th</sup> Quarter			49.07	45.53	44.40	40.18	44.43	40.28

\* The high and low closing prices for the third quarter in fiscal year 2007 are based on information available as of September 11, 2007. Marshall & Ilsley declared the following cash dividends per share of Marshall & Ilsley common stock for the period indicated:

Fiscal Quarter	2007	2006	2005	2004	2003
1 <sup>st</sup> Quarter	\$ 0.27	\$ 0.24	\$ 0.21	\$ 0.18	\$ 0.16
2 <sup>nd</sup> Quarter	0.31	0.27	0.24	0.21	0.18
3 <sup>rd</sup> Quarter	0.31	0.27	0.24	0.21	0.18
4 <sup>th</sup> Quarter		0.27	0.24	0.21	0.18
	\$ 0.89	\$ 1.05	\$ 0.93	\$ 0.81	\$ 0.70

**Market Price Data and Price Range of New Marshall & Ilsley and New Metavante Common Stock and Dividends**

Market price data and price range and dividend data for New Marshall & Ilsley and New Metavante have not been presented as they are currently wholly-owned subsidiaries of Marshall & Ilsley and their common stock does not trade separately from Marshall & Ilsley's common stock.

There is currently no market for the New Marshall & Ilsley common stock or the New Metavante common stock. It is a condition to completion of the transactions that the New Metavante common stock and New Marshall & Ilsley common stock be approved for listing on the New York Stock Exchange (or, in the case of the New Metavante common stock, such other national securities exchange as New Metavante and Investor may agree), subject to official notice of issuance. New Marshall & Ilsley intends to apply to have its shares of common stock authorized for listing on the New York Stock Exchange under Marshall & Ilsley's present symbol of MI and New Metavante intends to apply to have its shares of common stock authorized for listing on the New York Stock Exchange under the symbol MV.

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Marshall & Ilsley expects to continue to pay regular quarterly dividends to shareholders of \$0.31 per share in accordance with its previously announced dividend policy until the completion of the transactions. Following completion of the transactions, New Marshall & Ilsley expects to continue to pay regular quarterly dividends to shareholders of \$0.31 per share in accordance with Marshall & Ilsley's previously announced dividend policy; the declaration and amount of any such future dividends, however, will be determined by New Marshall & Ilsley's board of directors and will depend on New Marshall & Ilsley's earnings after the completion of the transactions and any other factors that the board of directors believes are relevant.

New Metavante expects that following completion of the transactions, it will not pay a regular quarterly dividend. In addition, Metavante's credit agreement is expected to contain limitations on New Metavante's ability to pay dividends as described under "Anticipated Terms of Financing - Debt Financing" beginning on page 146.

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**RISK FACTORS**

*In addition to the other information that we have incorporated by reference in this proxy statement/prospectus information statement and the matters addressed in Special Note Regarding Forward-Looking Statements beginning on page 55, you should carefully consider and evaluate all of the information in this proxy statement/prospectus information statement, including the risk factors listed below. These risks describe what we believe to be material risks of the transactions to Marshall & Ilsley shareholders and material risks relating to the business of New Marshall & Ilsley and New Metavante. There may, however, be additional risks, of which we are not aware or which we do not believe are material, that could materially and adversely affect the transactions, New Marshall & Ilsley or New Metavante.*

**Risks Relating to the Transactions**

*The historical consolidated financial information of Metavante and the unaudited condensed pro forma consolidated financial information of New Metavante are not representative of New Metavante's future financial position, future results of operations or future cash flows nor do they reflect what New Metavante's financial position, results of operations or cash flows would have been as a stand-alone company during the periods presented.*

The historical consolidated financial information of Metavante included in this proxy statement/prospectus information statement is not representative of New Metavante's future financial position, future results of operations or future cash flows, nor does it reflect what New Metavante's financial position, results of operations or cash flows would have been as a stand-alone company during the periods presented. This is primarily because:

Metavante's historical consolidated financial information reflects allocation of expenses from Marshall & Ilsley. Those allocations may be different from the comparable expenses New Metavante would have incurred as a stand-alone company.

Metavante's working capital requirements historically have been satisfied as part of Marshall & Ilsley's corporate-wide cash management policies. In connection with the transactions, New Metavante and/or one or more of its subsidiaries will incur a large amount of indebtedness and will therefor assume significant debt service costs. As a result, New Metavante's cost of debt and capitalization will be significantly different from that reflected in Metavante's historical consolidated financial information.

As a result of the transactions, there will be significant changes in the cost structure of New Metavante from that of Metavante, including the cost to establish appropriate accounting and reporting systems, debt service obligations, public company disclosure and SEC reporting, and other costs of being a stand-alone public company.

The unaudited condensed pro forma consolidated financial information of New Metavante included in this proxy statement/prospectus information statement includes adjustments to reflect some of the factors described above. The pro forma adjustments are based upon available information and assumptions that New Metavante believes are reasonable; however, its assumptions may not prove to be accurate. In addition, the unaudited condensed pro forma consolidated financial statements of New Metavante do not give effect to all of the on-going additional costs that it expects to incur in connection with being a stand-alone public company. The unaudited condensed pro forma consolidated statements of earnings also do not give effect to certain initial separation costs. Accordingly, the unaudited condensed pro forma consolidated financial statements of New Metavante are not representative of New Metavante's future financial position, future results of operations or future cash flows nor do they reflect what New Metavante's financial position, result of operations or cash flows would have been as a stand-alone company during the periods presented. See Management's Discussion and Analysis of Financial Condition and Results of Operations of Metavante and Unaudited Condensed Pro Forma Consolidated Financial Statements of New Metavante beginning on pages 293 and 320, respectively, and the historical consolidated financial statements of Metavante and the notes to those statements included elsewhere in this proxy statement/prospectus information statement.

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***The historical consolidated financial information of Marshall & Ilsley and the unaudited condensed pro forma consolidated financial information of New Marshall & Ilsley are not representative of New Marshall & Ilsley's future financial position, future results of operations or future cash flows nor do they reflect what New Marshall & Ilsley's financial position, results of operations or cash flows would have been as a stand-alone company during the periods presented.***

As noted elsewhere in this proxy statement/prospectus information statement, New Marshall & Ilsley will be considered the divesting entity in the transactions and treated as the accounting successor to Marshall & Ilsley for financial reporting purposes in accordance with EITF No. 02-11. After the transactions occur, New Marshall & Ilsley will report the historical consolidated results of operations of Metavante as discontinued operations in accordance with the provisions of SFAS No. 144. Pursuant to SFAS No. 144, this presentation is not permitted until the closing date. Because the historical consolidated financial information of Marshall & Ilsley included elsewhere in this proxy statement/prospectus information statement includes the results of Metavante, it is not representative of New Marshall & Ilsley's future financial position, future results of operations or future cash flows nor does it reflect what New Marshall & Ilsley's financial position, results of operations or cash flows would have been as a stand-alone company during the periods presented.

The unaudited condensed pro forma consolidated financial information of New Marshall & Ilsley included in this proxy statement/prospectus information statement includes adjustments to reflect the divestiture of Metavante. The pro forma adjustments are based upon available information and assumptions that New Marshall & Ilsley believes are reasonable; however, its assumptions may not prove to be accurate. In addition, the unaudited condensed pro forma consolidated financial statements of New Marshall & Ilsley do not give effect to on going additional costs that it expects to incur in connection with being a stand-alone company. The unaudited condensed pro forma consolidated statements of earnings also do not give effect to certain initial separation costs. Accordingly, the unaudited condensed pro forma consolidated financial statements of New Marshall & Ilsley are not representative of New Marshall & Ilsley's future financial position, future results of operations or future cash flows nor do they reflect what New Marshall & Ilsley's financial position, results of operations or cash flows would have been as a stand-alone company during the periods presented. See Management's Discussion and Analysis of Financial Condition and Results of Operations of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) and Unaudited Condensed Pro Forma Consolidated Financial Statements of New Marshall & Ilsley beginning on pages 161 and 225, respectively, and the historical consolidated financial statements of Marshall & Ilsley and the notes to those statements included elsewhere in this proxy statement/prospectus information statement.

***Neither New Metavante nor New Marshall & Ilsley may realize the anticipated benefits from the transactions.***

The success of the transactions will depend, in part, on the ability of each of New Marshall & Ilsley and New Metavante to realize the anticipated benefits of the transactions.

These anticipated benefits include the availability of increased capital for both New Marshall & Ilsley and New Metavante to continue their internal growth and acquisition strategies, the ability of New Marshall & Ilsley and New Metavante to use their capital stock as a form of currency in respect of certain acquisitions and equity-based compensation arrangements and the better alignment of employee incentive awards. Neither New Marshall & Ilsley nor New Metavante can assure you these benefits will occur.

***The separation of New Marshall & Ilsley and New Metavante may present significant challenges.***

There is a significant degree of difficulty and management distraction inherent in the process of separating New Marshall & Ilsley and New Metavante. These difficulties include:

the challenge of effecting the separation while carrying on the ongoing operations of each business;

preserving customer, distribution, supplier and other important relationships of each business;

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the potential difficulty in retaining key officers and personnel of each company; and

separating corporate infrastructure, including systems, insurance, accounting, legal, finance, tax and human resources, for each of the two new public companies.

New Marshall & Ilsley and New Metavante may not successfully or cost-effectively separate the companies. The failure to do so could have an adverse effect on each of New Marshall & Ilsley's and New Metavante's business, financial condition and results of operations.

The process of separating operations could cause an interruption of, or loss of momentum in, the activities of either or both of New Marshall & Ilsley's and New Metavante's businesses. Members of each of New Marshall & Ilsley's and New Metavante's senior management will be required to devote considerable amounts of time to this separation process, which will decrease the time they will have to manage their respective businesses, service existing customers, attract new customers and develop new products or strategies. If New Marshall & Ilsley's and New Metavante's respective senior managements are not able to manage effectively the separation process, or if any significant business activities are interrupted as a result of the separation process, New Marshall & Ilsley's or New Metavante's business could suffer.

*As separate entities, New Marshall & Ilsley and New Metavante will not enjoy all of the benefits of scale that Marshall & Ilsley achieves with the combined banking and Metavante businesses.*

Currently, Marshall & Ilsley benefits from the scope and scale of the banking and Metavante businesses in certain areas, including, among other things, risk management, employee benefits, regulatory compliance, administrative services, legal support and human resources. The loss by New Marshall & Ilsley and New Metavante of these benefits as a consequence of the transactions could have an adverse effect on each of New Marshall & Ilsley's and New Metavante's respective businesses, results of operations and financial conditions following completion of the transactions. In addition, it is possible that some costs will be greater at the separate companies than they were for the combined company due to the loss of volume discounts and the position of being a large customer to service providers and vendors.

*If the New Marshall & Ilsley share distribution does not constitute a tax-free distribution under Section 355 of the Internal Revenue Code or the holding company merger and Marshall & Ilsley LLC conversion do not qualify as a reorganization under Section 368(a) of the Internal Revenue Code, then New Marshall & Ilsley or New Metavante and Marshall & Ilsley shareholders may be responsible for payment of significant U.S. federal income taxes.*

The completion of the New Marshall & Ilsley share distribution is conditioned upon the receipt of (i) a private letter ruling from the Internal Revenue Service to the effect that the Marshall & Ilsley contribution and the New Marshall & Ilsley share distribution qualify as a reorganization under Section 368(a)(1)(D) of the Internal Revenue Code and a distribution eligible for nonrecognition under Sections 355(a) and 361(c) of the Internal Revenue Code, (ii) with respect to certain requirements for tax-free treatment under Section 355 of the Internal Revenue Code on which the Internal Revenue Service will not rule, an opinion of Sidley Austin, counsel to Marshall & Ilsley (or another law firm of national standing), to the effect that such requirements will be satisfied and (iii) a private letter ruling from the Internal Revenue Service to the effect that the holding company merger and Marshall & Ilsley LLC conversion qualify as a reorganization under Section 368(a) of the Internal Revenue Code. The private letter ruling (which was received on September 12, 2007) and the opinion of counsel are or will be based, in part, on assumptions and representations as to factual matters made by, among others, Marshall & Ilsley, New Metavante and Investor, as requested by the Internal Revenue Service or counsel, which, if incorrect, could jeopardize the conclusions reached by the Internal Revenue Service and counsel. The private letter ruling does not address certain material legal issues that could affect its conclusions, and reserves the right of the Internal Revenue Service to raise such issues upon a subsequent audit. Opinions of counsel neither bind the Internal Revenue Service or any court, nor preclude the Internal Revenue Service from adopting a contrary position.

If the New Marshall & Ilsley share distribution does not qualify as a tax-free distribution under Section 355 of the Internal Revenue Code, New Metavante would recognize taxable gain equal to the excess of the fair market value of the New Marshall & Ilsley common stock distributed to the New Metavante shareholders over New

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Metavante's tax basis in the New Marshall & Ilsley common stock. In addition, each New Metavante shareholder who receives New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution would generally be treated as receiving a taxable distribution to the extent of earnings and profits of New Metavante in an amount equal to the fair market value of the New Marshall & Ilsley common stock received.

In the event that New Metavante recognizes a taxable gain in connection with the New Marshall & Ilsley share distribution because the New Marshall & Ilsley share distribution does not qualify as a tax-free distribution under Section 355 of the Internal Revenue Code, the taxable gain recognized by New Metavante would result in significant U.S. federal income tax liabilities to New Metavante. Under the Internal Revenue Code, New Metavante would be primarily liable for these taxes and New Marshall & Ilsley would be secondarily liable. Under the terms of the tax allocation agreement between New Metavante, Metavante, New Marshall & Ilsley and Marshall & Ilsley, New Marshall & Ilsley will generally be required to indemnify New Metavante against any such taxes unless such taxes would not have been imposed but for an act of New Metavante or its affiliates (including Investor), subject to specified exceptions. See *Additional Agreements Relating to the New Marshall & Ilsley Share Distribution Tax Allocation Agreement* beginning on page 133.

If the holding company merger and Marshall & Ilsley LLC conversion, as defined under *The Transactions Description of the Transactions*, do not qualify as a tax-free reorganization under Section 368(a) of the Internal Revenue Code, each Marshall & Ilsley shareholder who receives New Metavante common stock in exchange for Marshall & Ilsley common stock would recognize taxable gain or loss equal to the difference between the fair market value of the New Metavante common stock received and such shareholder's basis in the Marshall & Ilsley common stock exchanged therefor.

***The New Marshall & Ilsley share distribution may be taxable to New Metavante and New Marshall & Ilsley if there is an acquisition of 50% or more of the outstanding common stock of New Marshall & Ilsley or New Metavante.***

Even if the New Marshall & Ilsley share distribution otherwise qualifies as a tax-free distribution under Section 355 of the Internal Revenue Code, the distribution of New Marshall & Ilsley common stock to New Metavante shareholders in connection with the New Marshall & Ilsley share distribution would result in significant U.S. federal income tax liabilities to New Metavante, (but not Marshall & Ilsley shareholders), if there is an acquisition of stock of New Marshall & Ilsley or New Metavante as part of a plan or series of related transactions that includes the New Marshall & Ilsley share distribution and that results in an acquisition of 50% or more of the outstanding common stock of New Marshall & Ilsley or New Metavante.

For purposes of determining whether the distribution of New Marshall & Ilsley common stock to New Metavante shareholders in connection with the New Marshall & Ilsley share distribution is disqualified as tax-free to New Metavante under the rules described in the preceding paragraph, any acquisitions of the stock of New Marshall & Ilsley or New Metavante within two years before or after the New Marshall & Ilsley share distribution are presumed to be part of a plan, although the parties may be able to rebut that presumption. For purposes of this test, the investment by Investor will be treated as part of such a plan or series of transactions. Under the terms of the investment agreement, Investor will acquire 25% of New Metavante common stock. Thus, an additional 25% change in the ownership of the New Metavante common stock could trigger a significant tax liability for New Metavante under Section 355 of the Internal Revenue Code (for which New Marshall & Ilsley may be required to indemnify New Metavante under the tax allocation agreement unless such taxes would not have been imposed but for specified acts of New Metavante or its affiliates (including Investor)).

The process for determining whether a prohibited change in control has occurred under the rules is complex, inherently factual and subject to interpretation of the facts and circumstances of a particular case. If New Marshall & Ilsley or New Metavante does not carefully monitor its compliance with these rules, it might inadvertently cause or permit a prohibited change in the ownership of New Metavante or of New Marshall & Ilsley to occur, thereby triggering New Marshall & Ilsley's or New Metavante's respective obligations to

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indemnify the other pursuant to the tax allocation agreement, which could have a material adverse effect on New Metavante and/or New Marshall & Ilsley. New Metavante will be primarily liable for these taxes, and there can be no assurance that New Marshall & Ilsley would be able to fulfill its obligations under the tax allocation agreement if New Marshall & Ilsley was determined to be responsible for these taxes thereunder. In addition, these mutual indemnity obligations could discourage or prevent a third party from making a proposal to acquire either party. See Material U.S. Federal Income Tax Consequences of the Holding Company Merger, the New Marshall & Ilsley Share Distribution and Related Transactions beginning on page 102.

In the event that New Metavante recognizes a taxable gain in connection with the New Marshall & Ilsley share distribution because of an acquisition of 50% or more of the outstanding common stock of New Marshall & Ilsley or New Metavante as part of a plan or series of related transactions that includes the New Marshall & Ilsley share distribution, the taxable gain recognized by New Metavante would result in significant U.S. federal income tax liabilities to New Metavante. Under the Internal Revenue Code, New Metavante would be primarily liable for these taxes and New Marshall & Ilsley would be secondarily liable. Pursuant to the tax allocation agreement, these liabilities have been apportioned as described below under Additional Agreements Relating to the New Marshall & Ilsley Share Distribution Tax Allocation Agreement.

***Under U.S. federal bankruptcy laws or comparable provisions of state fraudulent transfer laws, you could be required to return all or a portion of the cash and shares received in the distributions.***

If New Metavante is insolvent or rendered insolvent as a result of the distributions to the holders of New Metavante common stock, or if any of New Metavante and/or one or more of its subsidiaries that incurs a portion of the approximately \$1.75 billion of indebtedness in connection with the debt financing is insolvent or rendered insolvent either as a result of the incurrence of the indebtedness or the ultimate dividend/transfer of the proceeds of such indebtedness to New Metavante, there is a risk that a creditor (or a creditor representative) of New Metavante or Metavante could bring fraudulent transfer claims to recover all or a portion of the New Marshall & Ilsley common stock received in the New Marshall & Ilsley share distribution and that the persons receiving such distributions would be required to return all or a portion of such distributions if such claims were successful. See The Transactions Restrictions on Payment of Dividends beginning on page 66 for a general description of insolvency measures. It is a condition to the completion of the transactions that the boards of directors or similar bodies of Marshall & Ilsley, New Metavante and Metavante have received opinions of a valuation firm with respect to their solvency.

***The loss of the assets, revenue and cash flows of each of New Marshall & Ilsley and New Metavante may adversely affect the financial position and results of operations of the other company.***

The assets, revenue, cash flows and results of operations of each of New Marshall & Ilsley and New Metavante are currently included in the consolidated financial statements of Marshall & Ilsley. If the transactions are completed, the assets, revenue, cash flows and results of operations of each of New Marshall & Ilsley and New Metavante will no longer be included in the consolidated financial statements of New Metavante or New Marshall & Ilsley, respectively, and the financial position and results of operations of each company will therefore be significantly different than they were prior to completion of the transactions and, following completion of the transactions, each will have fewer assets and less revenue and cash flows than Marshall & Ilsley currently has on a consolidated basis. For the six months ended June 30, 2007, Metavante's business represented approximately 25.5% of the total consolidated revenues of Marshall & Ilsley and 21.1% of the consolidated net income of Marshall & Ilsley.

***The aggregate market value of the shares of common stock of New Marshall & Ilsley and New Metavante held by a former Marshall & Ilsley shareholder following completion of the transactions might be less than (i) the market value of Marshall & Ilsley common stock held by such holder prior to the transactions or (ii) what the market value of the Marshall & Ilsley common stock held by such holder would have been without the transactions.***

If the parties complete the transactions, Marshall & Ilsley's shareholders will receive three shares of New Marshall & Ilsley common stock and one share of New Metavante common stock for every three shares of



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Marshall & Ilsley common stock held. The aggregate market value of the shares of New Metavante and the shares of New Marshall & Ilsley common stock immediately following completion of the transactions could be less than what the market value of the shares of Marshall & Ilsley common stock (i) would have been if the transactions were not completed or (ii) was immediately prior to the transactions.

*The trading price and trading volume of New Marshall & Ilsley and New Metavante common stock may be more volatile following completion of the transactions.*

Marshall & Ilsley cannot predict how investors who hold shares of Marshall & Ilsley common stock prior to the completion of the transactions will behave after completion of the transactions. The trading price for shares of common stock of each of New Marshall & Ilsley and New Metavante following completion of the transactions may be more volatile than the trading price of shares of Marshall & Ilsley common stock before completion of the transactions. The trading price of shares of each company's common stock could fluctuate significantly for many reasons, including the risks identified in this proxy statement/prospectus-information statement, selling by existing holders of Marshall & Ilsley common stock who decide that they do not want to hold some or all of their New Metavante and/or New Marshall & Ilsley securities after the completion of the transactions, or reasons unrelated to either of New Marshall & Ilsley's or New Metavante's performance. In addition, New Marshall & Ilsley's common stock may not continue to be included in the S&P 500 Index, which could ultimately result in reduced trading volume relative to the historic trading volume of Marshall & Ilsley. It is not anticipated that New Metavante's common stock will be included as part of the S&P 500 Index, which may cause mutual funds or other investment entities based on a replication of that index to sell the New Metavante common stock and thereby reduce its trading volume and affect its trading price. These factors and other factors beyond either New Marshall & Ilsley's or New Metavante's control may result in reduced trading volume and/or increased volatility in either company's common stock and/or short- or long-term reductions in the value of New Marshall & Ilsley and/or New Metavante securities.

*If the transactions are completed, any financing New Marshall & Ilsley or New Metavante obtains in the future could involve higher costs.*

Following completion of the transactions, any financing that either New Marshall & Ilsley or New Metavante obtains will be with the support of a reduced pool of diversified assets and a significant amount of outstanding debt, and therefore either company may not be able to secure adequate debt or equity financing on desirable terms. The cost to either New Marshall & Ilsley or New Metavante of financing without New Metavante or New Marshall & Ilsley, respectively, may, or in the case of New Metavante, will be materially higher than the cost of financing of Marshall & Ilsley prior to the transactions. Because of the significant amount of debt New Metavante will have following completion of the transactions, it is likely it will have a lower credit rating than Marshall & Ilsley currently has. If either New Marshall & Ilsley or New Metavante has a credit rating lower than Marshall & Ilsley's, it will be more expensive for them to obtain debt financing than it has been for Marshall & Ilsley.

*Failure to complete the transactions could adversely impact the market price of Marshall & Ilsley as well as Marshall & Ilsley's business and operating results.*

If the transactions are not completed for any reason, the price of Marshall & Ilsley common stock may decline to the extent that the market price of Marshall & Ilsley common stock reflects positive assumptions that the transactions will be completed and the related benefits will be realized. Marshall & Ilsley may also be subject to additional risks if the transactions are not completed, including:

depending on the reasons for termination of the investment agreement, the requirement that Marshall & Ilsley pay Investor a termination fee of \$75 million;

substantial costs related to the transactions, such as legal, accounting, registration, advisory and printing fees, must be paid regardless of whether the transactions are completed; and

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potential disruption to the business of Marshall & Ilsley and distraction of its workforce and management team.

### **Risks Relating to Marshall & Ilsley and New Marshall & Ilsley**

In addition to the risks set forth under Risks Relating to the Transactions, Marshall & Ilsley faces, and therefore New Marshall & Ilsley will face after the closing of the transactions, the following risks in connection with its business.

***Marshall & Ilsley's earnings are significantly affected by general business and economic conditions, including credit risk and interest rate risk.***

Marshall & Ilsley's business and earnings are sensitive to general business and economic conditions in the United States and, in particular, the states where it has significant operations, including Wisconsin, Arizona, Minnesota, Missouri, Oklahoma, Kansas, Nevada and Florida. These conditions include short-term and long-term interest rates, inflation, monetary supply, fluctuations in both debt and equity capital markets, the strength of the U.S. and local economies, consumer spending, borrowing and saving habits, all of which are beyond Marshall & Ilsley's control. For example, an economic downturn, increase in unemployment or higher interest rates could decrease the demand for loans and other products and services and/or result in a deterioration in credit quality and/or loan performance and collectibility. Nonpayment of loans, if it occurs, could have an adverse effect on Marshall & Ilsley's financial condition and results of operations and cash flows. Higher interest rates also could increase Marshall & Ilsley's cost to borrow funds and increase the rate Marshall & Ilsley pays on deposits.

***Terrorism, acts of war or international conflicts could negatively affect Marshall & Ilsley's business and financial condition.***

Acts or threats of war or terrorism, international conflicts, including ongoing military operations in Iraq and Afghanistan, and the actions taken by the U.S. and other governments in response to such events could negatively impact general business and economic conditions in the U.S. If terrorist activity, acts of war or other international hostilities cause an overall economic decline, the financial condition and operating results of Marshall & Ilsley could be materially adversely affected. The potential for future terrorist attacks, the national and international responses to terrorist attacks or perceived threats to national security and other actual or potential conflicts or acts of war, including conflict in the Middle East, have created many economic and political uncertainties that could seriously harm Marshall & Ilsley's business and results of operations in ways that cannot presently be predicted.

***Marshall & Ilsley's earnings also are significantly affected by the fiscal and monetary policies of the federal government and its agencies, which could affect repayment of loans and thereby materially adversely affect Marshall & Ilsley.***

The policies of the Federal Reserve Board impact Marshall & Ilsley significantly. The Federal Reserve Board regulates the supply of money and credit in the United States. Its policies directly and indirectly influence the rate of interest earned on loans and paid on borrowings and interest-bearing deposits and can also affect the value of financial instruments Marshall & Ilsley holds. Those policies determine to a significant extent Marshall & Ilsley's cost of funds for lending and investing. Changes in those policies are beyond Marshall & Ilsley's control and are difficult to predict. Federal Reserve Board policies can affect Marshall & Ilsley's borrowers, potentially increasing the risk that they may fail to repay their loans. For example, a tightening of the money supply by the Federal Reserve Board could reduce the demand for a borrower's products and services. This could adversely affect the borrower's earnings and ability to repay its loan, which could materially adversely affect Marshall & Ilsley.

***The banking and financial services industry is highly competitive, which could adversely affect Marshall & Ilsley's financial condition and results of operations.***

Marshall & Ilsley operates in a highly competitive environment in the products and services Marshall & Ilsley offers and the markets in which Marshall & Ilsley serves. The competition among financial services

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providers to attract and retain customers is intense. Customer loyalty can be easily influenced by a competitor's new products, especially offerings that provide cost savings to the customer. Some of Marshall & Ilsley's competitors may be better able to provide a wider range of products and services over a greater geographic area.

Marshall & Ilsley believes the banking and financial services industry will become even more competitive as a result of legislative, regulatory and technological changes and the continued consolidation of the industry. Technology has lowered barriers to entry and made it possible for non-banks to offer products and services traditionally provided by banks, such as automatic funds transfer and automatic payment systems. Also, investment banks and insurance companies are competing in more banking businesses such as syndicated lending and consumer banking. Many of Marshall & Ilsley's competitors are subject to fewer regulatory constraints and have lower cost structures. Marshall & Ilsley expects the consolidation of the banking and financial services industry to result in larger, better-capitalized companies offering a wide array of financial services and products.

***Federal and state agency regulation could increase Marshall & Ilsley's cost structures or have other negative effects on Marshall & Ilsley.***

Marshall & Ilsley, its subsidiary banks and many of its non-bank subsidiaries are heavily regulated at the federal and state levels. This regulation is designed primarily to protect consumers, depositors and the banking system as a whole, not stockholders. Congress and state legislatures and federal and state regulatory agencies continually review banking laws, regulations and policies for possible changes. Changes to statutes, regulations or regulatory policies, including changes in interpretation or implementation of statutes, regulations or policies, could affect Marshall & Ilsley in substantial and unpredictable ways, including limiting the types of financial services and products Marshall & Ilsley may offer, increasing the ability of non-banks to offer competing financial services and products and/or increasing Marshall & Ilsley's cost structures. Also, Marshall & Ilsley's failure to comply with laws, regulations or policies could result in sanctions by regulatory agencies and damage to its reputation.

***Marshall & Ilsley is subject to examinations and challenges by tax authorities, which, if not resolved in Marshall & Ilsley's favor, could adversely affect Marshall & Ilsley's financial condition and results of operations and cash flows.***

In the normal course of business, Marshall & Ilsley and its affiliates are routinely subject to examinations and challenges from federal and state tax authorities regarding the amount of taxes due in connection with investments it has made and the businesses in which it is engaged. Recently, federal and state taxing authorities have become increasingly aggressive in challenging tax positions taken by financial institutions. These tax positions may relate to tax compliance, sales and use, franchise, gross receipts, payroll, property and income tax issues, including tax base, apportionment and tax credit planning. The challenges made by tax authorities may result in adjustments to the timing or amount of taxable income or deductions or the allocation of income among tax jurisdictions. If any such challenges are made and are not resolved in Marshall & Ilsley's favor, they could have an adverse effect on Marshall & Ilsley's financial condition and results of operations and cash flows.

***Consumers may decide not to use banks to complete their financial transactions, which could result in a loss of income to Marshall & Ilsley.***

Technology and other changes are allowing parties to complete financial transactions that historically have involved banks at one or both ends of the transaction. For example, consumers can now pay bills and transfer funds directly without banks. The process of eliminating banks as intermediaries, known as disintermediation, could result in the loss of fee income, as well as the loss of customer deposits and income generated from those deposits.

***Maintaining or increasing Marshall & Ilsley's market share depends on market acceptance and regulatory approval of new products and services and other factors, and Marshall & Ilsley's failure to achieve such acceptance and approval could harm its market share.***

Marshall & Ilsley's success depends, in part, on its ability to adapt its products and services to evolving industry standards and to control expenses. There is increasing pressure on financial services companies to

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provide products and services at lower prices. This can reduce Marshall & Ilsley's net interest margin and revenues from its fee-based products and services. In addition, Marshall & Ilsley's success depends in part on its ability to generate significant levels of new business in its existing markets and in identifying and penetrating markets. Growth rates for card-based payment transactions and other product markets may not continue at recent levels. Further, the widespread adoption of new technologies, including Internet-based services, could require Marshall & Ilsley to make substantial expenditures to modify or adapt its existing products and services or render Marshall & Ilsley's existing products obsolete. Marshall & Ilsley may not successfully introduce new products and services, achieve market acceptance of its products and services, develop and maintain loyal customers and/or break into targeted markets.

***Marshall & Ilsley relies, and New Marshall & Ilsley will rely, on dividends from its subsidiaries for most of its revenue, and the banking subsidiaries hold a significant portion of their assets indirectly.***

Marshall & Ilsley is a separate and distinct legal entity from its subsidiaries. It receives substantially all of its revenue from dividends from its subsidiaries and Marshall & Ilsley is dependent on these dividends as the principal source of funds to pay dividends on Marshall & Ilsley's common stock and interest on its debt, if any. These dividends will continue to be the principal source of funds to pay dividends on New Marshall & Ilsley's common stock and interest on its debt, if any. The payment of dividends by a subsidiary is subject to federal law restrictions as well as to the laws of the subsidiary's state of incorporation. Also, a parent company's right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization is subject to the prior claims of the subsidiary's creditors. In addition, Marshall & Ilsley's bank and savings association subsidiaries hold a significant portion of their mortgage loan and investment portfolios indirectly through their ownership interests in direct and indirect subsidiaries.

***Marshall & Ilsley depends on the accuracy and completeness of information about customers and counterparties, and inaccurate or incomplete information could negatively impact Marshall & Ilsley's financial condition and results of operations.***

In deciding whether to extend credit or enter into other transactions with customers and counterparties, Marshall & Ilsley may rely on information provided to it by customers and counterparties, including financial statements and other financial information. Marshall & Ilsley may also rely on representations of customers and counterparties as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit to a business, Marshall & Ilsley may assume that the customer's audited financial statements conform with generally accepted accounting principles, or GAAP, and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. Marshall & Ilsley may also rely on the audit report covering those financial statements. Marshall & Ilsley's financial condition and results of operations could be negatively impacted to the extent it relies on financial statements that do not comply with GAAP or that are materially misleading.

***Marshall & Ilsley's accounting policies and methods are the basis on which Marshall & Ilsley reports its financial condition and results of operations, and they may require management to make estimates about matters that are inherently uncertain.***

Marshall & Ilsley's accounting policies and methods are fundamental to the manner in which Marshall & Ilsley records and reports its financial condition and results of operations. Marshall & Ilsley's management must exercise judgment in selecting and applying many of these accounting policies and methods in order to ensure that they comply with generally accepted accounting principles and reflect management's judgment as to the most appropriate manner in which to record and report Marshall & Ilsley's financial condition and results of operations. In some cases, management must select the accounting policy or method to apply from two or more alternatives, any of which might be reasonable under the circumstances yet might result in Marshall & Ilsley's reporting materially different amounts than would have been reported under a different alternative.

Marshall & Ilsley has identified four accounting policies as being critical to the presentation of its financial condition and results of operations because they require management to make particularly subjective

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and/or complex judgments about matters that are inherently uncertain and because of the likelihood that materially different amounts would be reported under different conditions or using different assumptions. These critical accounting policies relate to: (1) the allowance for loan and lease losses; (2) capitalized software and conversion costs; (3) financial asset sales and securitizations; and (4) income taxes. It is expected that these accounting policies, other than the policies with respect to capitalized software and conversion costs, will be critical to New Marshall & Ilsley after consummation of the transactions. Because of the inherent uncertainty of estimates about these matters, no assurance can be given that the application of alternative policies or methods might not result in Marshall & Ilsley's reporting materially different amounts.

More information on Marshall & Ilsley's critical accounting policies is contained in Management's Discussion and Analysis of Financial Condition and Results of Operations of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) beginning on page 161.

***Changes in accounting standards could adversely affect Marshall & Ilsley's reported financial results.***

The bodies that set accounting standards for public companies, including the Financial Accounting Standards Board (FASB), the SEC and others, periodically change or revise existing interpretations of the accounting and reporting standards that govern the way that Marshall & Ilsley reports its financial condition and results of operations. These changes can be difficult to predict and can materially impact Marshall & Ilsley's reported financial results. In some cases, Marshall & Ilsley could be required to apply a new or revised accounting standard, or a revised interpretation of an accounting standard, retroactively, which could have a negative impact on reported results or result in the restatement of Marshall & Ilsley's financial statements for prior periods.

***Marshall & Ilsley has an active acquisition program, which involves risks related to integration of acquired companies or businesses and the potential for the dilution of the value of Marshall & Ilsley stock.***

Marshall & Ilsley regularly explores opportunities to acquire banking institutions, financial technology providers and other financial services providers. Marshall & Ilsley cannot predict the number, size or timing of future acquisitions. Marshall & Ilsley typically does not publicly comment on a possible acquisition or business combination until it has signed a definitive agreement for the transaction. Once Marshall & Ilsley has signed a definitive agreement, transactions of this type are generally subject to regulatory approvals and other customary conditions. There can be no assurance Marshall & Ilsley will receive such regulatory approvals without unexpected delays or conditions or that such conditions will be timely met to Marshall & Ilsley's satisfaction, or at all.

Difficulty in integrating an acquired company or business may cause Marshall & Ilsley not to realize expected revenue increases, cost savings, increases in geographic or product presence, and/or other projected benefits from the acquisition. Specifically, the integration process could result in higher than expected deposit attrition (run-off), loss of customers and key employees, the disruption of Marshall & Ilsley's business or the business of the acquired company, or otherwise adversely affect Marshall & Ilsley's ability to maintain existing relationships with clients, employees and suppliers or to enter into new business relationships. Marshall & Ilsley may not be able to successfully leverage the combined product offerings to the combined customer base. These factors could contribute to Marshall & Ilsley not achieving the anticipated benefits of the acquisition within the desired time frames, if at all.

Future acquisitions could require Marshall & Ilsley, or New Marshall & Ilsley after the consummation of the transactions, to issue stock, to use substantial cash or liquid assets or to incur debt. In such cases, the value of Marshall & Ilsley stock or New Marshall & Ilsley stock could be diluted and they could become more susceptible to economic downturns and competitive pressures.

***New Marshall & Ilsley will be restricted in its ability to issue equity for at least two years following completion of the transactions, which could limit its ability to make acquisitions or to raise capital required to service its debt and operate its business.***

The amount of equity that New Marshall & Ilsley can issue to make acquisitions (excluding acquisitions with respect to which New Marshall & Ilsley can prove the absence of substantial negotiations) during

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applicable safe harbor periods) or raise additional capital will be limited for at least two years following completion of the transaction, except in limited circumstances. See “Material U.S. Federal Income Tax Consequences of the Holding Company Merger, the New Marshall & Ilsley Share Distribution and Related Transactions” beginning on page 102. These limitations may restrict the ability of New Marshall & Ilsley to carry out its business objectives and to take advantage of opportunities such as acquisitions that could supplement or grow Marshall & Ilsley’s business.

***Marshall & Ilsley is dependent on senior management, and the loss of service of any of Marshall & Ilsley’s senior executive officers could cause Marshall & Ilsley’s business to suffer.***

Marshall & Ilsley’s continued success depends to a significant extent upon the continued services of its senior management. The loss of services of any of Marshall & Ilsley’s senior executive officers could cause Marshall & Ilsley’s business to suffer. In addition, Marshall & Ilsley’s success depends in part upon senior management’s ability to implement Marshall & Ilsley’s business strategy.

***Marshall & Ilsley’s stock price can be volatile.***

Marshall & Ilsley’s stock price can fluctuate widely in response to a variety of factors including:

actual or anticipated variations in Marshall & Ilsley’s quarterly results;

new technology used or services offered by Marshall & Ilsley’s competitors;

unanticipated losses or gains due to unexpected events, including losses or gains on securities held for investment purposes;

significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving Marshall & Ilsley or its competitors;

changes in accounting policies or practices;

failure to integrate Marshall & Ilsley’s acquisitions or realize anticipated benefits from Marshall & Ilsley’s acquisitions;

changes in government regulations; or

credit quality ratings.

General market fluctuations, industry factors and general economic and political conditions, such as economic slowdowns or recessions, interest rate changes, credit loss trends or currency fluctuations, also could cause Marshall & Ilsley’s stock price to decrease regardless of its operating results.

***Marshall & Ilsley may be a defendant in a variety of litigation and other actions, which may have a material adverse effect on its business, operating results and financial condition.***

Marshall & Ilsley and its subsidiaries may be involved from time to time in a variety of litigation arising out of Marshall & Ilsley’s business. Marshall & Ilsley’s insurance may not cover all claims that may be asserted against it, and any claims asserted against Marshall & Ilsley, regardless of merit or eventual outcome, may harm Marshall & Ilsley’s reputation. Should the ultimate judgments or settlements in any litigation exceed Marshall & Ilsley’s insurance coverage, they could have a material adverse effect on Marshall & Ilsley’s business, operating results and financial condition and cash flows. In addition, Marshall & Ilsley may not be able to obtain appropriate types or levels of insurance in the future,

nor may Marshall & Ilsley be able to obtain adequate replacement policies with acceptable terms, if at all.

**Risks Relating to Metavante and New Metavante**

In addition to the risks set forth under Risks Relating to the Transactions, New Metavante, together with Metavante and its other subsidiaries, will also face the following risks in connection with its business.

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### ***Ongoing consolidation within the banking and financial services industry could adversely affect financial results.***

Ongoing consolidation within the banking and financial services industry could result in a smaller number of purchasers for Metavante's products and services. As banks and other financial services providers consolidate, they may experience a realignment of management responsibilities and a reexamination of strategic and purchasing decisions and Metavante may lose relationships with key constituencies within its clients' organizations due to budget cuts, layoffs or other disruptions. In addition, acquiring institutions may have their own in-house systems or outsource to competitors. The loss of business due to consolidation, in particular the loss of a large client due to consolidation, such as New Marshall & Ilsley, could have a material adverse effect on New Metavante's business, operating results and financial condition.

### ***Effect of business cycles and other risks in the banking industry.***

Metavante's revenues are heavily dependent on services it provides to the banking industry and related financial service providers. To the extent that the health and stability of the banking industry are adversely affected by business cycles in general or business conditions that affect the banking industry in particular, Metavante's revenues and profits may also be adversely affected due to reduced expenditures for Metavante's products and services by banks and related financial service providers. In addition, Metavante's revenue and profits, including organic growth, are dependent on its banking clients' ability to acquire, activate and retain customers.

### ***New Metavante's accounting and other management systems and resources may not be adequately prepared to meet the financial reporting and other requirements to which it will be subject following the transactions. If New Metavante is unable to achieve and maintain effective internal controls, its business, financial position and results of operations could be adversely affected.***

Metavante's financial results previously were included within the consolidated results of Marshall & Ilsley and its reporting and control systems were appropriate for those of a subsidiary of a public company. However, Metavante was not directly subject to reporting and other requirements of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act. As a result of the transactions, New Metavante will be directly subject to reporting and other obligations under the Exchange Act, including the requirements of Section 404 of the Sarbanes-Oxley Act of 2002. New Metavante will be required to comply with Section 404 of the Sarbanes-Oxley Act beginning with its annual report on Form 10-K for the fiscal year ended December 31, 2008, the second annual report after New Metavante commences reporting under the Exchange Act. Although Metavante has been subject to this type of review as a subsidiary of Marshall & Ilsley, the level of review required as an independent company will be higher in the future due to Metavante's smaller size and a consequent lower level of materiality in the review process. These reporting and other obligations will place significant demands on New Metavante's management and administrative and operational resources, including accounting resources.

To comply with these requirements, it is anticipated that New Metavante will need to upgrade its systems, including information technology, implement additional financial and management controls, reporting systems and procedures and hire additional legal, accounting and finance staff. If New Metavante is unable to upgrade its financial and management controls, reporting systems, information technology and procedures and hire additional staff in a timely and effective fashion, New Metavante's ability to comply with its financial reporting requirements and other rules that apply to reporting companies could be impaired. In addition, if New Metavante is unable to conclude that its internal control over financial reporting is effective (or if the auditors are unable to attest that management's report is fairly stated or they are unable to express an opinion on management's assessment or on the effectiveness of the internal controls), New Metavante could lose investor confidence in the accuracy and completeness of its financial reports. Therefore any failure to achieve and maintain effective internal controls could have an adverse effect on New Metavante's business, financial position and results of operations.



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*New Metavante has no history as a stand-alone public company and may be unable to make the changes necessary to operate effectively as a public entity.*

There can be no assurance that the separation from Marshall & Ilsley and the resulting absence of general administrative assistance will not have an adverse impact on the business, financial condition and results of operations of New Metavante. Following completion of the transactions, apart from a limited number of services to be provided by Marshall & Ilsley to New Metavante on a transitional basis, New Marshall & Ilsley will have no obligation to provide financial, operational, organizational or any other assistance to New Metavante, Metavante or any of New Metavante's or Metavante's subsidiaries. Among other things, as an independent entity, New Metavante will be subject to, and responsible for, regulatory compliance, including periodic and other public filings with the SEC and compliance with listing requirements, as well as generally applicable tax and accounting rules. New Metavante may not be able to implement successfully the changes necessary to operate as an independent public entity.

*New Metavante will be dependent upon New Marshall & Ilsley and New Metavante's distributors for a significant portion of its business.*

Metavante derives a significant portion of its revenues from Marshall & Ilsley and its subsidiaries and after consummation of the transactions New Metavante will continue to derive a significant portion of its revenues from New Marshall & Ilsley and its subsidiaries. For the year ended December 31, 2006, and the six months ended June 30, 2007, revenues from Marshall & Ilsley represented approximately 8.1% and 7.9% of New Metavante's total revenues, respectively. New Marshall & Ilsley is expected to continue to be a significant client. If Metavante were to lose New Marshall & Ilsley as a client, New Metavante's business, operating results and financial condition would be materially adversely affected.

Metavante has agreed to provide technology outsourcing and payment services to New Marshall & Ilsley through July 1, 2014, under a technology outsourcing agreement. In addition, under a separate subcontractor agreement, New Marshall & Ilsley has agreed to provide services as a Metavante subcontractor for Metavante's business process outsourcing and item processing customers through July 1, 2014. Under the trust services agreement in effect through July 1, 2014, New Marshall & Ilsley has agreed to promote Metavante's trust processing services in conjunction with its custodial services and Metavante will promote New Marshall & Ilsley's custodial services in conjunction with its trust processing services.

Metavante has entered into non-exclusive distribution agreements with several home banking providers, all of which resell its electronic bill payment services as part of their home banking offerings. To the extent that acquisitions or other consolidations occur within this industry, the demand for Metavante's services may be adversely affected.

*Debt incurred in connection with the transactions could adversely affect New Metavante's operations and financial condition.*

New Metavante will have significant debt as a result of the transactions. New Metavante and/or one or more of its subsidiaries will incur approximately \$1.75 billion of debt, all of which will be used to (i) pay off approximately \$982 million of intercompany indebtedness plus accrued and unpaid interest owed to Marshall & Ilsley, (ii) fund a portion of the \$1.665 billion in cash to be contributed to New Marshall & Ilsley and (iii) pay expenses relating to the transactions, and will have a \$250 million revolving credit facility. In addition, debt incurred in connection with the transactions generally will be at higher rates of interest than Marshall & Ilsley would have paid. On a pro forma basis, assuming that the financings occurred on June 30, 2007, New Metavante would have had approximately \$1.75 billion of outstanding indebtedness and its ratio of indebtedness to total capital and earnings to fixed charges would have been 85% and 2.41, respectively.

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Such indebtedness, coupled with the restrictions on the ability of New Metavante to issue equity securities following completion of the transactions without jeopardizing the intended tax consequences of the transactions, could have adverse consequences for New Metavante's business, financial condition and results of operations, such as:

making more difficult the satisfaction of its obligations to its lenders, resulting in possible defaults on and acceleration of such indebtedness;

limiting its ability to obtain additional financing to fund growth, working capital, capital expenditures, debt service requirements, acquisitions or other cash requirements;

limiting its operational flexibility in planning for or reacting to changing conditions in its business and industry;

requiring dedication of a substantial portion of its cash flows from operations (estimated at approximately 43% for 2008) to make payments on its debt, which would reduce the availability of such cash flows to fund working capital, capital expenditures and other general corporate purposes;

limiting its ability to compete with companies that are not as highly leveraged, or whose debt is at more favorable interest rates and that, as a result, may be better positioned to withstand economic downturns; and

increasing its vulnerability to economic downturns and changing market conditions or preventing New Metavante from carrying out capital spending that is necessary or important to its growth strategy and efforts to improve operating margins.

New Metavante expects to pay its expenses and to pay the principal and interest on its or its subsidiaries' outstanding debt with funds generated by its operations. New Metavante's ability to meet its expenses and debt service obligations will depend on its future performance, which will be affected by the factors discussed in this section, among others. If New Metavante does not have enough money to pay its debt service obligations, it may be required to refinance all or part of its existing debt, sell assets or borrow more money. New Metavante may not be able to, at any given time, refinance its debt, sell assets or borrow more money on terms acceptable to it or at all, the failure to do any of which could have adverse consequences for New Metavante's business, financial condition and results of operations.

***The agreements governing indebtedness that New Metavante expects to enter into in connection with the transactions will contain restrictions and limitations that could significantly impact New Metavante's ability to operate its business.***

New Metavante expects that the agreements governing the indebtedness that it and/or its subsidiaries will incur in connection with the transactions will contain covenants that, among other things, will limit the ability of New Metavante and/or one or more of its subsidiaries to incur additional debt or guaranties, grant liens, pay dividends or redeem stock, make investments or acquisitions, sell assets, engage in affiliate transactions, prepay or change the terms of certain debt, change its lines of business, the ratio of debt to EBITDA, and the uses of its cash flow, asset sales, or other debt.

Various risks, uncertainties and events beyond New Metavante's control could affect its ability to comply with the covenants contained in the credit agreement. Failure to comply with any of the covenants in existing or future financing agreements could result in a default under those agreements and under other agreements containing cross-default provisions. A default would permit lenders to accelerate the maturity of the debt under these agreements and to foreclose upon any collateral securing the debt. Under these circumstances, New Metavante might not have sufficient funds or other resources to satisfy all of its obligations. In addition, the limitations imposed by financing agreements on the ability of New Metavante and/or its subsidiaries to incur additional debt and to take other actions might significantly impair their ability to obtain other financing. New Metavante and/or its subsidiaries cannot assure you that they will be granted waivers or amendments to these agreements if for any reason they are unable to comply with these agreements, or that they will be able to refinance their debt on terms acceptable to New Metavante, or at all.



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Although the terms of its credit agreement have not been finalized and are subject to changes that may be material, New Metavante expects that restrictions in the credit agreement may prevent New Metavante and/or its subsidiaries from taking actions that would be in the best interest of its business, and may make it difficult successfully to execute its business strategy or effectively compete with companies that are not similarly restricted.

New Metavante and/or its subsidiaries may also incur future debt obligations that might subject them to additional restrictive covenants that could affect New Metavante's financial and operational flexibility. In particular, New Metavante may not be subject to some or all of the restrictions on incurrence of indebtedness to which Metavante and/or one or more of its subsidiaries will be subject under the credit agreement. If additional debt is added to the debt levels that will exist upon completion of the transactions, the related risks that New Metavante now faces would increase.

***The failure of New Metavante to comply with the covenants contained in the agreements governing indebtedness that New Metavante expects to enter into in connection with the transactions could result in an event of default and lead to acceleration of New Metavante's indebtedness.***

The failure of New Metavante to comply with the covenants and other requirements contained in the agreements governing indebtedness that New Metavante expects to enter into in connection with the transactions could cause an event of default under such agreements. The occurrence of an event of default would permit the holders of the defaulted debt to declare all of their commitments under such agreements terminated and all amounts outstanding with respect to that debt immediately due and payable. The assets or cash flows of New Metavante may not be sufficient to fully repay borrowings under its outstanding debt instruments, and may leave New Metavante unable to refinance or restructure its debt payments on terms favorable to it, or at all.

***New Metavante cannot assure you that it and its subsidiaries will be able to generate sufficient cash flow needed to service their indebtedness.***

New Metavante's ability to make scheduled payments on its indebtedness and to fund planned capital expenditures will depend on the ability of New Metavante and its subsidiaries to generate cash flow in the future. New Metavante's future performance is subject to a number of risks that are beyond its control, including those discussed in this section. In addition, New Metavante's ability to borrow funds in the future will depend on the satisfaction of the covenants in New Metavante's credit facilities and its other debt agreements and other financing arrangements it or New Metavante may enter into in the future. In the event that the credit facilities need to be refinanced, New Metavante cannot assure you that it will be able to do so or obtain additional financing, particularly because of its anticipated high levels of debt and the debt incurrence restrictions imposed by its debt agreements, as well as prevailing market conditions. New Metavante cannot assure you that its business will generate sufficient cash flow from operations or that future borrowings will be available in an amount sufficient to enable New Metavante to service its debt and fund its other liquidity needs.

If New Metavante's cash flow and capital resources are insufficient to fund its debt service obligations, New Metavante may be forced to reduce or delay capital expenditures, sell assets or seek to obtain additional equity capital, or refinance its indebtedness or obtain additional financing. In the future, New Metavante's cash flow and capital resources may not be sufficient for payments of interest on and principal of its debt and there can be no assurance that any of, or a combination of, such alternative measures would provide New Metavante with sufficient cash flows. In addition, such alternative measures could have an adverse effect on New Metavante's business, financial condition and results of operations. New Metavante will generally be unable to generate significant cash flow from the issuance of equity for at least two years following completion of the transaction.

In the absence of sufficient operating results and resources, New Metavante could face substantial liquidity problems and might be required to dispose of material assets or operations to meet its debt service and other obligations or otherwise risk default under the agreements governing its indebtedness. These agreements are expected to restrict New Metavante's ability to dispose of assets and restrict the use of proceeds from any such

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dispositions. If such sales are required, New Metavante cannot be sure as to the timing of such sales or adequacy of the proceeds that it could realize therefrom.

*An increase in interest rates would increase the cost of servicing New Metavante's debt and could reduce New Metavante's profitability.*

The debt that New Metavante will incur in connection with the transactions under the credit facilities will bear interest at variable rates. As a result, an increase in interest rates, whether because of an increase in market interest rates or a decrease in New Metavante's creditworthiness, would increase the cost of servicing New Metavante's debt and could materially reduce New Metavante's profitability and cash flows. The impact of such an increase would be more significant for New Metavante than it would be for less leveraged companies because of its subsidiaries' substantial debt.

*Metavante faces intense competition in all areas of its business.*

The markets for Metavante's products and services are intensely competitive and it expects to face increased competition in the future as new companies enter the market and existing competitors expand their product lines and services.

Competitors vary in size and in the scope and breadth of their products and services. Some current and potential competitors have better name recognition and significantly greater resources, and many competitors are consolidating, creating larger competitors with even greater resources and broader product lines. In addition, many of these competitors have established, or may in the future establish, cooperative relationships or strategic alliances among themselves or with third parties to compete with Metavante's products and services. It is possible that new competitors or alliances among competitors may emerge and rapidly acquire market share to New Metavante's detriment.

Metavante will also face competition from its clients and potential clients who develop their own financial services offerings. Metavante's inability to compete successfully in light of these competitive pressures could result in a material adverse effect on its business, operating results and financial condition.

Metavante faces intense pricing pressure in obtaining and retaining its larger clients. Larger clients are often able to seek price reductions from Metavante when they renew a contract, when a contract is extended, when service or performance issues arise with the client, or when the client's business has significant volume changes. On some occasions, this pricing pressure results in lower revenue from a client than Metavante had anticipated based on its previous agreement with that client. This reduction in revenue can result in a material adverse effect on New Metavante's business, operating results and financial condition.

*Failure to renew client contracts on favorable terms could result in loss of clients and adversely affect results of operations and financial condition.*

Failure to effect renewal of client contracts on favorable terms could have an adverse effect on Metavante's business. Metavante's contracts with customers generally run for several years and provide for early termination fees. Terms are generally renegotiated prior to the end of a contract's term. If New Metavante is not successful in achieving a high rate of contract renewals on favorable terms, its results of operations and financial condition could be adversely affected.

*Damage to the data centers on which Metavante relies could harm its business.*

Metavante's data centers are an integral part of its business. Damage to the data centers due to acts of terrorism, fire, power loss, telecommunications failure and other causes could have a material adverse effect on New Metavante's business, operating results and financial condition. In addition, because Metavante relies on the integrity of the data it processes, if this data is incorrect or somehow tainted, client relations and confidence in Metavante's services could be impaired, which would harm its business.

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### ***Failures in outsourcing or transaction processing facilities could adversely affect Metavante's business and reputation.***

An operational failure in its outsourcing or transaction processing facilities could cause Metavante to lose business. Damage or destruction that interrupts Metavante's services to customers could damage its relationship with customers and may require it to incur substantial additional expense to repair or replace damaged equipment and recover data loss caused by the interruption. Metavante has installed back-up systems and procedures to prevent or reduce disruption, but such steps may not be sufficient to prevent an interruption of services. An interruption that lasts more than several hours could cause Metavante to experience a reduction in revenues as a result and could have a negative impact on its reputation and business.

### ***Network operational difficulties or security problems with its systems could damage Metavante's reputation and business.***

Metavante depends on the reliable operation of network connections from its clients and its clients' end users to its systems. These networks are owned and operated by third party telecommunications companies. Any operational problems or outages in these systems could cause Metavante to be unable to process transactions for its clients and its clients' end users, resulting in decreased revenues. In addition, any system delays, failures or loss of data, whatever the cause, could reduce client satisfaction with Metavante's products and services and harm its financial results.

Metavante also depends on the security of its systems. Metavante's networks may be vulnerable to unauthorized access, computer viruses and other disruptive problems. Metavante transmits confidential financial information in providing its services. In addition, under agreements with certain customers, Metavante may be financially liable if consumer data is compromised while in Metavante's possession, regardless of the safeguards Metavante may have instituted. A material security problem affecting Metavante could damage its reputation, deter financial services providers from purchasing its products, deter their customers from using its products or result in liability to Metavante. Any material security problem affecting New Metavante's competitors could affect the marketplace's perception of online banking, bill payment, and electronic commerce service in general and have the same effects.

### ***Lack of system integrity or credit quality related to Metavante's funds settlement could result in a financial loss.***

Metavante settles funds on behalf of financial institutions, other businesses and consumers and receives funds from clients, card issuers, payment networks and consumers on a daily basis for a variety of transaction types. Transactions facilitated by Metavante include debit card, credit card and electronic bill payment transactions, supporting consumers, financial institutions and other businesses. These payment activities rely upon the technology infrastructure that facilitates the verification of activity with counterparties and the facilitation of the payment. If the continuity of operations or integrity of processing were compromised this could result in a financial loss to Metavante due to a failure in payment facilitation. In addition, Metavante may issue credit to consumers, financial institutions or other businesses as part of the funds settlement. A default on this credit by a counterparty could result in a financial loss to Metavante.

### ***A failure to comply with privacy regulations could adversely affect relations with customers and have a negative impact on business.***

In the course of providing services to its customers, Metavante may collect, process and retain sensitive and confidential information on its customers and their clients. A failure of Metavante's security facilities and systems due to security breaches, acts of vandalism, computer viruses, misplaced or lost data, programming and/or human errors, or other similar causes could result in the misappropriation, loss or other unauthorized disclosure of confidential customer information. Any such failure could result in damage to Metavante's reputation with its customers, expose it to the risk of litigation and liability, disrupt its operations, and negatively impact its business, results of operations, and financial condition.

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***Changes in the network pricing and transaction routing strategies of NYCE Payments Network, LLC, a subsidiary of Metavante, could adversely affect NYCE's revenue and Metavante's results of operations.***

The transaction volume and the corresponding revenues of NYCE, a subsidiary of Metavante, are driven in large measure by NYCE's execution of long-term strategies for network pricing (including interchange and network fees) and transaction routing. As the debit and electronic payments marketplace continues to shift and mature, it may be necessary for NYCE to pursue alternate pricing and/or transaction routing strategies. Any significant changes to NYCE's current pricing and/or transaction routing strategies would likely be implemented over a transitional phase. Such changes could result in reductions of participant card base, reductions in merchant acceptance, and the potential for transaction misrouting during the transitional phase, any of which would adversely affect NYCE's revenue and Metavante's results of operations.

***If Metavante is unable to keep pace with evolving technology and changes in the financial services industry, its revenues and future prospects may decline.***

The markets for Metavante's products and services are characterized by rapid technological change, frequent new product introductions and evolving industry standards. The introduction of products and services embodying new technologies and the emergence of new industry standards can render existing products and services obsolete and unmarketable in short periods of time. Metavante expects new products and services, and enhancements to existing products and services, to be developed and introduced by others, which will compete with the products and services that Metavante offers. The life cycles of Metavante's products and services are subject to dramatic shifts. Its future success will depend upon its ability to enhance current products and services, to develop and introduce new products and services that keep pace with technological developments and emerging industry standards, to maintain existing and establish new business relationships to help it develop and implement new technologies and to address the increasingly sophisticated needs of its clients. There can be no assurance that Metavante will be successful in developing and marketing new products and services or producing enhancements that meet these changing demands, that it will be able to overcome difficulties that could delay or prevent the successful development, introduction and marketing of these products and services, that it will be able to maintain or derive the anticipated benefit from its existing business relationships or be able to establish new relationships or that its new products and services and enhancements will adequately meet the demands of the marketplace and achieve market acceptance. If Metavante is unable to develop and introduce new products and services or enhancements in a timely manner, or if a release of a new product or service does not achieve market acceptance, its business, operating results and financial condition could be materially adversely affected.

***If New Metavante is unable to continue to make acquisitions, its growth may be limited.***

A significant part of Metavante's growth has come through acquisitions and a key component of its growth strategy is based on its ability to make future acquisitions. As part of its acquisition strategy, Metavante may pursue acquisitions of greater size than recently completed, with public or private companies, headquartered in the United States or internationally, or in industries outside of Metavante's core business. Certain of these acquisitions could occur prior to the consummation of the transactions. Metavante may be unable to identify suitable acquisition targets or successfully complete acquisitions in the future due to the absence of quality companies, economic conditions, or price expectations from sellers. If New Metavante is unable to complete additional acquisitions for these or other reasons, its growth may be limited.

***Acquisitions may be difficult to integrate, divert management resources or dilute shareholder value.***

Metavante has undertaken strategic acquisitions in the past and in the future New Metavante may acquire or make investments in complementary companies, products and/or technologies. Future acquisitions could pose numerous risks to New Metavante's operations, including:

problems integrating the purchased operations, personnel, technologies or products,

inability of the acquired business to achieve anticipated revenues, earnings or cash flow,

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unanticipated costs,

diversion of resources and management attention from New Metavante's core businesses,

adverse effects on existing business relationships with suppliers and clients and on Metavante's ability to enter into new business relationships,

entry into markets in which New Metavante has limited or no prior experience, and

potential loss of key employees, particularly those of the acquired organization.

The amount of equity that New Metavante can issue to make acquisitions or raise additional capital will be limited for at least two years following the completion of the transactions, which will limit availability of equity to fund acquisitions during that time period. Also, because New Metavante and/or its subsidiaries will have significant indebtedness and the agreements governing that indebtedness will contain limits on their ability to incur additional debt, New Metavante may be unable to finance acquisitions that would increase its growth or improve its financial and competitive position. To the extent that debt financing is available to finance acquisitions, New Metavante's net indebtedness could be increased as a result of any acquisitions. In addition, the use of equity to finance acquisitions could dilute the interests of New Metavante shareholders.

### ***Foreign currency fluctuations could adversely affect sales and profits and the valuation of international operations.***

Metavante may continue to make acquisitions of companies and obtain application and product development resources outside of the United States. Revenues derived from operations outside of the United States are subject to the risk of fluctuations in foreign currency, which can have an adverse impact on Metavante's sales and profits as amounts that are measured in foreign currencies are translated back to U.S. dollars. Any increase in the value of the U.S. dollar in relation to the value of the local currency will adversely affect Metavante's revenues from its foreign operations when translated into U.S. dollars. Any decrease in the value of the U.S. dollar in relation to the value of the local currency will increase Metavante's cost of foreign acquisitions and the cost of development of its foreign operations to the extent that such costs are payable in foreign currency. Similarly, currency fluctuations can have material effects on the valuation of Metavante's foreign operations or the costs associated with foreign research and development.

### ***Metavante may not be able to protect its intellectual property and it may be subject to infringement claims.***

Metavante relies on a combination of contractual rights and copyright, trademark, patent and trade secret laws to establish and protect its proprietary technology. Despite Metavante's efforts to protect its intellectual property, third parties may infringe or misappropriate its intellectual property or may develop competitive software or technology. Metavante's competitors may independently develop similar technology, duplicate its products or services or design around Metavante's intellectual property rights. Metavante may have to litigate to enforce and protect its intellectual property rights, trade secrets and know-how or to determine their scope, validity or enforceability, which is expensive and could cause a diversion of resources and may not prove successful. The loss of intellectual property protection or the inability to secure or enforce intellectual property protection could harm Metavante's business and ability to compete.

The financial services industry has been subject to claims of patent infringement relating to areas of check imaging, online banking and bill payment, and use of voice recognition units. Metavante may be subject to costly litigation in defending itself and its clients against such claims.

Metavante also may be subject to costly litigation in the event its products or technology infringe upon another party's proprietary rights. Third parties may have, or may eventually be issued, patents and that would be infringed by Metavante's products or technology. Any of these third parties could make a claim of infringement



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against Metavante with respect to its products or technology. Metavante may also be subject to claims by third parties for breach of copyright, trademark or license usage rights. Any such claims and any resulting litigation could subject Metavante to significant liability for damages. An adverse determination in any litigation of this type could require Metavante to design around a third party's patent or to license alternative technology from another party. In addition, litigation is time consuming and expensive to defend and could result in the diversion of the time and attention of management and employees. Any claims from third parties may also result in limitations on Metavante's ability to use the intellectual property subject to these claims.

### ***Litigation relating to Metavante's products could be costly and time consuming to defend.***

Since Metavante's products are used to deliver services that are integral to its clients' businesses, errors, defects or other performance problems could result in financial or other damages to its clients. Product liability litigation arising from these errors, defects or problems, even if Metavante were successful, would be time consuming and costly to defend. Existing or future laws or unfavorable judicial decisions could negate any limitations of liability provisions that are included in Metavante's agreements with its clients.

### ***Metavante is dependent on senior management; failure to attract and retain skilled technical employees could harm its ability to grow.***

Metavante's future success will also depend in large part upon its ability to attract and retain highly skilled technical personnel. Because the development of its products and services requires knowledge of computer hardware, operating system software, system management software and application software, its technical personnel must be proficient in a number of disciplines. Competition for such technical personnel is intense, and Metavante's failure to hire and retain talented personnel could have a material adverse effect on its business, operating results and financial condition.

Metavante's future growth, if any, will also require additional sales and marketing, financial and administrative personnel to develop and support new products and services, to enhance and support current products and services and to expand operational and financial systems. There can be no assurance that it will be able to attract and retain the necessary personnel to accomplish its growth strategies and it may experience constraints that could adversely affect its ability to satisfy client demand in a timely fashion.

Metavante's senior management team has significant experience in the financial services industry, either at Metavante or with clients or competitors, and the loss of this leadership could have a material adverse effect on Metavante's business operating results and financial condition.

### ***Government regulation of the Internet and the financial services industry could harm Metavante's business.***

As the Internet continues to evolve, government regulation of communications and commerce over the Internet is becoming more prevalent. Congress also adopted legislation imposing obligations on financial institutions to develop privacy policies, restrict the sharing of non-public customer data with non-affiliated third parties at the customer's request and establish procedures and practices to protect and secure customer data. These privacy provisions, which apply to Metavante's financial institution clients and may apply to Metavante, as well as other laws and regulations that are currently in existence or may be adopted which govern communications and commerce over the Internet, could limit the market for Internet-based financial services, impose liability for the transmission of protected data and increase expenses.

The financial services industry is subject to extensive and complex federal and state regulation, and financial institutions operate under high levels of governmental supervision. Metavante's clients must ensure that its services and related products work within the extensive and evolving regulatory requirements applicable to them. Federal, state or foreign authorities could adopt laws, rules or regulations affecting client businesses which

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could lead to increased operating costs and could also reduce the convenience and functionality of Metavante's products and services, possibly resulting in reduced market acceptance.

***Metavante's intercompany agreements with New Marshall & Ilsley may be more or less favorable than agreements negotiated at arms-length with independent parties.***

New Metavante has entered into various agreements with New Marshall & Ilsley relating to the organization of its business as a separate entity from New Marshall & Ilsley, as well as other agreements pursuant to which New Metavante will provide services to New Marshall & Ilsley as a client. All of these agreements were negotiated in the overall context of New Metavante's possible future separation from Marshall & Ilsley. As a result, these agreements may have terms and conditions that may be more or less favorable to New Metavante than agreements that are negotiated at arms-length with independent parties. There can be no assurance that the prices charged to New Metavante pursuant to those agreements under which New Marshall & Ilsley will provide a service to New Metavante, and the prices charged by New Metavante pursuant to those agreements under which New Metavante will provide a service to New Marshall & Ilsley, are the same as the prices that Metavante would be required to pay to, or the prices that it would be able to receive from, third parties for similar services.

***Substantial sales of common stock may occur in connection with the distribution, which could cause New Metavante's stock price to decline.***

Substantially all of the shares of New Metavante's common stock that will be distributed in the share distribution will be eligible for immediate resale in the public market. New Metavante is unable to predict whether significant amounts of its common stock will be sold in the open market in anticipation of, or following, this distribution. New Metavante is also unable to predict whether a sufficient number of buyers would be in the market at that time.

Some of the institutional shareholders who receive New Metavante's common stock in the distribution may not be able to hold the stock because of restrictions on the types of investments they may make, or they may simply not want the stock for a variety of other reasons. Sales of substantial amounts of common stock in the public market, or the perception that such sales might occur because of the distribution or otherwise, could harm the market price of New Metavante's stock.

***New Metavante is a holding company, with no operations of its own, and depends on its subsidiaries for cash.***

New Metavante is a holding company and following the transactions it will not have any material assets or operations other than ownership of equity interests of Metavante. New Metavante's operations are conducted almost entirely through its subsidiaries, and its ability to generate cash to meet its obligations or to pay dividends is highly dependent on the earnings of, and receipt of funds from, its subsidiaries through dividends or intercompany loans. Further, the terms of agreements governing New Metavante and/or its subsidiaries' indebtedness may restrict the ability of New Metavante's subsidiaries to pay dividends or otherwise transfer assets to New Metavante. Furthermore, New Metavante and its subsidiaries may be able to incur substantial additional indebtedness in the future that may severely restrict or prohibit its subsidiaries making distributions, paying dividends or making loans to it. In addition, Wisconsin law may impose requirements that may restrict New Metavante's ability to pay dividends to holders of its common stock.

***New Metavante will be restricted in its ability to issue equity for at least two years following completion of the transactions, which could limit its ability to make acquisitions or to raise capital required to service its debt and operate its business.***

The amount of equity that New Metavante can issue to make acquisitions (excluding acquisitions with respect to which New Metavante can prove the absence of substantial negotiations) during applicable safe

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harbor periods) or raise additional capital will be limited for at least two years following completion of the transaction, except in limited circumstances. See Material U.S. Federal Income Tax Consequences of the Holding Company Merger, the New Marshall & Ilsley Share Distribution and Related Transactions beginning on page 102. These limitations may restrict the ability of New Metavante to carry out its business objectives and to take advantage of opportunities such as acquisitions that could supplement or grow the Metavante business. In addition, because New Metavante and/or its subsidiaries will have approximately \$1.75 billion in debt upon completion of the transactions, and the agreements governing its indebtedness will contain limits on its ability to incur additional debt, the inability to raise even a small amount of equity capital at a time when New Metavante needs additional capital could have a material adverse effect on the ability of New Metavante to service its debt and operate its business.

***The voting power of New Metavante's principal shareholder may discourage third party acquisitions of New Metavante at a premium.***

Investor will own 25% of the shares of New Metavante following the consummation of the transactions and will have a stock purchase right to acquire additional shares under certain circumstances in order to maintain its 25% ownership. Pursuant to the shareholders agreement to be entered into by New Metavante and Investor upon completion of the transactions and the amended and restated by-laws of New Metavante to be adopted prior to completion of the transactions, Investor will have the right to name three of New Metavante's initial 11 directors, and Investor's rights to nominate a specified number of directors will continue so long as it owns a specified amount of New Metavante common stock. The shareholders agreement will also provide Investor with preemptive rights to purchase its pro rata shares of any additional shares of common stock issued by New Metavante and the shareholders agreement and the stock purchase right agreement will provide Investor other rights as described below under Additional Agreements Relating to the Transactions Shareholders Agreement beginning on page 141 and Additional Agreements Relating to the Transactions Stock Purchase Right Agreement beginning on page 145. Investor's ownership of New Metavante common stock and its rights under the shareholders agreement and of stock purchase right agreement may have the effect of discouraging offers to acquire control of New Metavante and may preclude holders of New Metavante common stock from receiving any premium above market price for their shares that may otherwise be offered in connection with any attempt to acquire control of New Metavante.

***The trading price and volume of New Metavante's common stock may be volatile following completion of the transactions.***

New Metavante cannot predict how investors who hold shares of Marshall & Ilsley common stock prior to completion of the transactions will react with respect to the shares of New Metavante common stock they receive in the transaction. In addition, Marshall & Ilsley is currently a component of the S&P 500 Index, but it is not anticipated that New Metavante will be a component of that index. This may cause mutual funds or other investment entities whose securities holdings are based on a replication of the S&P 500 Index to sell the shares of New Metavante common stock they receive in the transaction. This may result in greater volatility in the volume and price fluctuation of New Metavante's common stock or in reduced institutional ownership of the stock.

***The interests of Investor may differ from the interests of other holders of New Metavante common stock.***

Immediately after completion of the transactions, Investor will own 25% of New Metavante's voting capital stock and will have a stock purchase right to acquire additional voting capital stock under certain circumstances in order to maintain its 25% ownership. The interests of Investor may differ from those of other holders of New Metavante common stock in material respects. Investor is in the business of making investments in companies. Investor may, from time to time in the future, acquire interests in businesses that directly or indirectly compete with, or are customers of, certain portions of New Metavante's business. Additionally, Investor may determine that the disposition of some or all of its interests in New Metavante would be beneficial to Investor at a time when such disposition could be detrimental to the other holders of New Metavante common stock.

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*Anti-takeover provisions in New Metavante s organizational documents and state law may adversely impact its common stock.*

Various provisions of New Metavante s restated articles of incorporation, amended and restated by-laws and change of control severance agreements which New Metavante intends to enter into with some of its executive officers could delay, defer or prevent a change of control of New Metavante without further action by its shareholders, could discourage potential investors from bidding for New Metavante s common stock at a premium over the market price of the common stock and could adversely affect the market price of, and the voting and other rights of the holders of, the common stock. In addition, the anti-takeover provisions of the Wisconsin Business Corporation Law, among other things, restrict the ability of shareholders to cause a merger or business combination with or obtain control of New Metavante.

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**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This proxy statement/prospectus information statement contains certain forward-looking statements based on current Marshall & Ilsley, New Marshall & Ilsley, New Metavante and Metavante management expectations. Those forward-looking statements include all statements other than those made solely with respect to historical fact. Numerous risks, uncertainties and other factors may cause actual results to differ materially from those expressed in any forward-looking statements. These factors include, but are not limited to, (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the investment agreement; (2) the outcome of any legal proceedings that may be instituted against Marshall & Ilsley, Metavante and others following announcement of the investment agreement; (3) the inability to close the transactions contemplated by the investment agreement due to the failure to obtain shareholder approval or the failure to satisfy other closing conditions contemplated by the investment agreement; (4) the failure to obtain the necessary debt financing arrangements; (5) risks that the proposed transaction disrupts current plans and operations and the potential difficulties in employee retention as a result of the transactions contemplated by the investment agreement; (6) the inability to recognize the benefits of the transactions contemplated by the investment agreement; (7) the amount of the costs, fees, expenses and charges related to the transactions contemplated by the investment agreement and the actual terms of certain financings that will be obtained for such transactions; (8) the impact of the substantial indebtedness incurred to finance the consummation of the transactions contemplated by the investment agreement; and (9) other risks that are set forth in the section entitled Risk Factors, and in the documents incorporated by reference herein, including in the Risk Factors, Legal Proceedings and Management's Discussion and Analysis of Results of Operations and Financial Condition sections of Marshall & Ilsley's SEC filings.

Many of the factors that will determine the outcome of the subject matter of this proxy statement/prospectus information statement are beyond the ability of Marshall & Ilsley, New Marshall & Ilsley, Metavante and New Metavante to control or predict. You should read this proxy statement/prospectus information statement and the documents incorporated by reference into it completely and with the understanding that actual future results may be materially different from expectations. All forward-looking statements made in this proxy statement/prospectus information statement are qualified by these cautionary statements. These forward-looking statements are made only as of the date of this proxy statement/prospectus information statement, and Marshall & Ilsley, New Marshall & Ilsley, New Metavante and Metavante do not undertake any obligation, other than as may be required by law, to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events or changes in future operating results over time or otherwise.

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**THE MARSHALL & ILSLEY SPECIAL MEETING OF SHAREHOLDERS**

**Purpose, Time and Place**

The Marshall & Ilsley special meeting will be held on Thursday, October 25, 2007 at the corporate headquarters of Marshall & Ilsley Corporation, 770 North Water Street, Third Floor, Milwaukee, Wisconsin, at 10:00 a.m., local time.

At the special meeting, Marshall & Ilsley shareholders will be asked:

- (1) to consider and vote upon a proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance;
- (2) to consider and vote on a proposal to approve any adjournments of the special meeting for the purpose of soliciting additional proxies if there are not sufficient votes at the special meeting to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, or for any other purpose; and
- (3) to consider any other business that properly comes before the special meeting or any adjournments or postponements of the special meeting.

**Approval by the shareholders of Marshall & Ilsley of the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement is required to complete the transactions.**

**The Marshall & Ilsley Board has unanimously approved and adopted the investment agreement and determined that the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, are advisable and in the best interests of Marshall & Ilsley and its shareholders and recommends that Marshall & Ilsley shareholders vote FOR the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, and FOR the proposal to approve any adjournments of the special meeting for the purpose of soliciting additional proxies or for any other purpose.**

**Record Date; Voting Information; Required Vote**

The Marshall & Ilsley Board has fixed the close of business on September 19, 2007 as the record date for determining the holders of Marshall & Ilsley common stock entitled to notice of, and to vote at, the special meeting. Only holders of record of Marshall & Ilsley common stock at the close of business on the record date for the special meeting will be entitled to notice of, and to vote at, the special meeting.

As of the record date for the special meeting, 266,839,811 shares of Marshall & Ilsley common stock were outstanding and entitled to vote at the special meeting and there were approximately 31,702 holders of record of Marshall & Ilsley common stock. Each share of Marshall & Ilsley common stock entitles the holder to one vote on each matter to be considered at the special meeting.

If you are a record holder of Marshall & Ilsley common stock as of the record date for the special meeting, you may vote your shares of Marshall & Ilsley common stock in person at the special meeting or by proxy as described below under Voting by Proxy.

The presence in person or by proxy at the special meeting of the holders of at least a majority of the shares of Marshall & Ilsley common stock entitled to vote at the special meeting will constitute a quorum for the special meeting. Properly signed proxies that are marked abstain are known as abstentions. Properly signed proxies that are held by brokers in street name on behalf of customers who have not provided their broker with specific

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voting instructions on nonroutine matters such as the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement are known as broker non-votes. Abstentions and broker non-votes will be counted for the purposes of determining whether a quorum exists at the special meeting but will have the effect of a vote against the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement.

We cannot complete the transactions unless the investment agreement is approved and adopted and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, are approved and adopted by the affirmative vote of the holders of a majority of the outstanding shares of Marshall & Ilsley common stock.

Any adjournments of the special meeting by shareholder vote for the purpose of soliciting additional proxies or for any other purpose must be approved by the affirmative vote of a majority of the shares represented at the special meeting.

Although management is not aware of any other matters that may come before the meeting, if any such matters should be properly presented, the persons named in the accompanying proxy intend to vote such proxy in accordance with their best judgment.

## **Voting by Proxy**

There are three ways to vote your proxy: by mail, by telephone or by the Internet. Marshall & Ilsley shareholders who vote their shares of Marshall & Ilsley common stock by completing and signing a proxy and returning it in time for the special meeting will have their shares voted as indicated on their proxy card. If a proxy is properly executed but does not contain voting instructions, the proxy will be voted **FOR** the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance and **FOR** any proposal to adjourn the special meeting for the purpose of soliciting additional proxies. No proxy voted against the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, will be voted in favor of any proposal to adjourn or postpone the special meeting for the purpose of soliciting additional proxies, unless specifically so designated on the proxy. If other matters are properly presented before the special meeting, the persons named in the proxy intend to vote such proxy in accordance with their best judgment. Marshall & Ilsley does not currently expect that any matter other than as described in this proxy statement/prospectus-information statement will be properly brought before the special meeting.

Marshall & Ilsley shareholders who wish to vote their shares of Marshall & Ilsley common stock by phone should call (866) 894-0537, which will be available 24 hours a day, 7 days a week, until 7 p.m. (Eastern Time) on October 24, 2007. Please have your proxy card available. Follow the instructions provided on the phone call.

Marshall & Ilsley shareholders who wish to vote their shares of Marshall & Ilsley common stock by the Internet should go to <http://www.continentalstock.com>, which will be available 24 hours a day, 7 days a week, until 7 p.m. (Eastern Time) on October 24, 2007. Please have your proxy card available. Follow the instructions to obtain your records and create an electronic ballot.

If your broker holds your shares of Marshall & Ilsley common stock in street name, you must either direct your broker on how to vote your shares or obtain a proxy from your broker to vote in person at the special meeting. Please check the voting form used by your broker for information on how to submit your instructions.

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### **Revocation of Proxies**

Marshall & Ilsley shareholders of record may revoke their proxy at any time prior to the time it is voted at the special meeting. Marshall & Ilsley shareholders of record may revoke their proxy by:

sending a written notice to Marshall & Ilsley's corporate secretary that is received prior to the special meeting stating that you are revoking your proxy;

properly completing a new proxy bearing a later date and properly submitting it so that it is received prior to the special meeting; or

attending the special meeting and voting in person.

Simply attending the special meeting will not revoke your proxy. If you instructed a broker to vote your shares and you wish to change your instructions, you must follow your broker's directions for changing those instructions. If an adjournment occurs and no new record date is set, it will have no effect on the ability of Marshall & Ilsley shareholders of record as of the record date to exercise their voting rights or to revoke any previously delivered proxies.

### **Share Ownership of Management and Certain Shareholders**

At the close of business on the record date for the special meeting, Marshall & Ilsley directors and executive officers as a group owned and were entitled to vote 10,133,196 shares of Marshall & Ilsley common stock, representing approximately 3.8% of the outstanding shares of Marshall & Ilsley common stock. All of the directors and executive officers of Marshall & Ilsley that are entitled to vote at the Marshall & Ilsley special meeting have indicated that they currently intend to vote their shares of Marshall & Ilsley common stock in favor of approving the transactions.

### **No Appraisal Rights**

The shareholders of Marshall & Ilsley, New Marshall & Ilsley and New Metavante will not be entitled to exercise appraisal rights or to demand payment for their shares in connection with the transactions.

### **Solicitation of Proxies**

Marshall & Ilsley is soliciting proxies for the special meeting. Pursuant to the terms of the investment agreement, all expenses incurred by Marshall & Ilsley in connection with the solicitation of proxies will be paid by Marshall & Ilsley after completion of the transactions.

Marshall & Ilsley expects to solicit proxies primarily by mail, but directors, officers and other employees of Marshall & Ilsley as well as Morrow & Co., Inc. may also solicit in person or by Internet, telephone or mail.

Marshall & Ilsley has retained Morrow & Co., Inc. to assist in the solicitation of proxies for a fee of \$7,500 plus reasonable out-of-pocket expenses incurred by Morrow & Co., Inc.

**Marshall & Ilsley shareholders should not send stock certificates with their proxies. The exchange agent for the holding company merger will mail transmittal forms with instructions for the surrender of stock certificates of Marshall & Ilsley common stock to you following completion of the transactions.**



**Table of Contents****THE TRANSACTIONS****Description of the Transactions**

*Below is a description of the transactions contemplated by the transaction agreements. We urge you to read carefully the investment agreement, the separation agreement, the tax allocation agreement, and the forms of the shareholders agreement and the stock purchase right agreement which are attached as Annexes A, B, C, D and E respectively, to this proxy statement/prospectus information statement because they set forth the terms of the transactions. We urge you to read the New Metavante restated articles of incorporation, which are attached as Annex G, and the New Metavante amended and restated by-laws, which are incorporated by reference into this document and filed as an exhibit to the registration statement of which this proxy statement/prospectus information statement is a part, and the New Marshall & Ilsley restated articles of incorporation, which are attached as Annex H, and the New Marshall & Ilsley amended and restated by-laws, which are incorporated by reference into this document and filed as an exhibit to the registration statement of which this proxy statement/prospectus information statement is a part, because they are the primary documents that will govern your rights as holders of common stock of New Metavante and New Marshall & Ilsley, respectively, following the transactions.*

**Business Entities Involved in the Transactions**

**Marshall & Ilsley Corporation.** Marshall & Ilsley Corporation (NYSE: MI), a Wisconsin corporation, is a diversified financial services corporation headquartered in Milwaukee, Wisconsin with approximately \$58.3 billion in assets. Founded in 1847, M&I Marshall & Ilsley Bank is the largest Wisconsin-based bank, with 192 offices throughout the state. In addition, Marshall & Ilsley has 48 locations throughout Arizona; 30 offices along Florida's west coast and central Florida; 16 offices in Kansas City and nearby communities; 22 offices in metropolitan Minneapolis/St. Paul, and one in Duluth, Minnesota; three offices in Tulsa, Oklahoma; and one office in Las Vegas, Nevada. Marshall & Ilsley's Southwest Bank subsidiary has 17 offices in the greater St. Louis area. Marshall & Ilsley also provides trust and investment management, equipment leasing, mortgage banking, asset-based lending, financial planning, investments, and insurance services from offices throughout the country and on the Internet ([www.mibank.com](http://www.mibank.com) or [www.micorp.com](http://www.micorp.com)). Marshall & Ilsley's customer-based approach, internal growth, and strategic acquisitions have made Marshall & Ilsley a nationally recognized leader in the financial services industry.

We refer to the business of Marshall & Ilsley, excluding Metavante's business, as Marshall & Ilsley's banking business. As described below, following completion of the transactions described herein, Marshall & Ilsley will be a limited liability company and will continue to own and operate the banking business but will be a subsidiary of a new publicly-traded company, New M&I Corporation, which will change its name to Marshall & Ilsley Corporation in connection with completion of the transactions.

**Metavante Corporation.** Metavante Corporation, a Wisconsin corporation, delivers banking and payments technologies to over 8,600 financial services firms and businesses worldwide. Metavante's integrated products and services drive account processing for deposit, loan and trust systems, image-based and conventional check processing, lockbox services, electronic funds transfer, consumer healthcare payments, electronic presentment and payment, government and merchant processing and business transformation services. Headquartered in Milwaukee, Wisconsin, Metavante is currently a wholly-owned subsidiary of Marshall & Ilsley. We refer to Metavante Corporation as Metavante in this proxy statement/prospectus-information statement.

As described below, following completion of the transactions, Metavante will be a direct wholly-owned subsidiary of a new publicly-traded company, Metavante Holding Company (which is described below), and will continue to own Metavante's business.

**Metavante Holding Company.** Metavante Holding Company, a Wisconsin corporation and a direct, wholly-owned subsidiary of Marshall & Ilsley, was formed in March 2007 by Marshall & Ilsley for the purpose of completing the transactions. Following completion of the transactions, New Metavante will be a separate, publicly-traded company that will own Metavante, which will continue to own the equity of the companies that own and operate Metavante's business. In connection with the completion of the transactions, the name of

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Metavante Holding Company will be changed to Metavante Technologies, Inc. We refer to Metavante Holding Company as New Metavante in this proxy statement/prospectus-information statement.

*New M&I Corporation.* New M&I Corporation, a Wisconsin corporation and a direct, wholly-owned subsidiary of New Metavante, was formed by New Metavante for the purpose of completing the transactions. Following completion of the transactions, New M&I Corporation will be a separate, publicly-traded company that will own the equity of the companies that own and operate Marshall & Ilsley's banking business. In connection with the completion of the transactions, the name of New M&I Corporation will be changed to Marshall & Ilsley Corporation. We refer to New M&I Corporation as New Marshall & Ilsley in this proxy statement/prospectus-information statement.

*Montana Merger Sub Inc.* Montana Merger Sub Inc., a Wisconsin corporation and a direct, wholly-owned subsidiary of New Metavante, was formed by New Metavante for the purpose of effecting the holding company merger. We refer to Montana Merger Sub Inc. as Merger Sub in this proxy statement/prospectus-information statement.

*WPM, L.P.* WPM, L.P. is a Delaware limited partnership organized by Warburg Pincus Private Equity IX, L.P., a global private equity investment fund managed by Warburg Pincus LLC. We refer to WPM, L.P. as Investor in this proxy statement/prospectus-information statement.

*Warburg Pincus Private Equity IX, L.P.* Warburg Pincus Private Equity IX, L.P., a Delaware limited partnership, is a global private equity investment fund managed by Warburg Pincus LLC and is an affiliate of Investor. Under the investment agreement, Investor may, under certain circumstances, assign its rights under the investment agreement to Warburg Pincus Private Equity IX, L.P. or one or more successor funds to the Investor each of which is controlled by Warburg Pincus LLC and/or Warburg Pincus & Co. (or a controlled affiliate of one of such entities) and is managed by Warburg Pincus LLC or its affiliates.

Warburg Pincus LLC has been a leading private equity investor since 1971. The firm currently has approximately \$20 billion of assets under management and invests in a range of sectors including financial services, consumer and retail, industrial, business services, healthcare, energy, real estate and technology, media and telecommunications. Warburg Pincus has raised 12 private equity investment funds which have invested more than \$25 billion in approximately 550 companies in 30 countries. The firm has invested more than \$12 billion in technology, media and telecommunications as well as financial services companies, including investments in Avaya, Bharti Televentures, Fortent, easycash, Mellon Financial, Yodlee, NeuStar, BEA Systems and WNS Global Services. An experienced partner to entrepreneurs seeking to create and build durable companies with sustainable value, the firm has nine global offices and an active portfolio of more than 100 companies. Warburg Pincus website is [www.warburgpincus.com](http://www.warburgpincus.com).

***Overview***

On April 3, 2007, Marshall & Ilsley, Merger Sub, Metavante, New Metavante and Investor entered into the investment agreement pursuant to which, among other things:

Marshall & Ilsley will separate into two publicly-traded companies: New Marshall & Ilsley, which will own and operate Marshall & Ilsley's banking business, and the issued and outstanding common stock of which will be owned 100% by the Marshall & Ilsley shareholders, and New Metavante, which will own and operate Metavante's business, and 75% of the issued and outstanding common stock of which will be owned by Marshall & Ilsley shareholders and the remaining 25% of which will be owned by Investor;

Marshall & Ilsley's shareholders will receive three shares of New Marshall & Ilsley common stock and one share of New Metavante common stock for every three shares of Marshall & Ilsley common stock held;

Investor will invest \$625 million in New Metavante for an equity interest representing 25% of the New Metavante common stock;

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New Metavante and/or one or more of its subsidiaries will incur approximately \$1.75 billion of indebtedness;

Metavante will pay off certain intercompany indebtedness plus accrued and unpaid interest owed to Marshall & Ilsley (the amount currently owed is approximately \$982 million) and distribute \$1.040 billion of cash (which is expected to include \$290 million of Metavante's excess cash) to New Metavante; and

New Metavante will contribute to New Marshall & Ilsley \$1.665 billion in cash (which includes the \$625 million of proceeds from the investment by Investor and the \$1.040 billion distribution of cash from Metavante (which is expected to include \$290 million of Metavante's excess cash)).

As a result of the completion of the transactions contemplated by the investment agreement,

each holder of Marshall & Ilsley common stock as of the effective time of the holding company merger will have received three shares of New Marshall & Ilsley common stock and one share of New Metavante common stock for every three shares of Marshall & Ilsley common stock held of record;

Investor will have received shares of New Metavante common stock that represent 25% of the shares of New Metavante common stock; and

each holder of Marshall & Ilsley common stock as of the effective time of the holding company merger that would otherwise be entitled to receive fractional shares of New Metavante common stock resulting from the holding company merger will have received cash in lieu of such fractional shares (and therefore will not receive shares of New Marshall & Ilsley common stock in respect of such fractional shares).

The shares of New Marshall & Ilsley common stock to be issued to the holders of Marshall & Ilsley common stock will represent 100% of the outstanding shares of New Marshall & Ilsley common stock and the shares of New Metavante common stock to be issued to the holders of Marshall & Ilsley common stock will represent 75% of the outstanding shares of New Metavante common stock.

***Timing and Structure of the Transactions***

To accomplish the results described above, on the terms and subject to the conditions of the transaction agreements, the parties will engage in the following transactions in the order set forth below. Step 1, the declaration of the conditional distributions and the setting of the record date for the distributions, is expected to take place a number of days prior to or on the closing date. Steps 2 through 10 are all expected to occur on the closing date. Step 11, the automatic conversion of the shares of New Metavante Class A common stock, will occur on the day following the closing date as described below.

*Step 1: Declaration of Conditional Distributions and Setting of Record Date.* The New Metavante board of directors (which, at that time, will be comprised of Ted D. Kellner, Dennis J. Kuester, Michael D. Hayford and Frank R. Martire) will declare a conditional distribution and set the record date for the New Marshall & Ilsley share distribution. The record date for the distribution is expected to be 5:00 p.m., Eastern Time, on the closing date. Because Marshall & Ilsley and New Metavante will instruct the exchange agent for the holding company merger not to permit any transfers of shares of New Metavante common stock from the effective time of the holding company merger up to and including the record date for the distribution, each holder of Marshall & Ilsley common stock that receives shares of New Metavante common stock in the holding company merger will also be a holder of record of shares of New Metavante common stock as of the record date for the distribution and therefore will receive the shares of New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution. The distribution will be subject to the satisfaction or waiver of the conditions set forth in the separation agreement and the investment agreement described under *The Investment Agreement Conditions to the Completion of the Transactions* beginning on page 121.



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*Step 2: Holding Company Merger.* Marshall & Ilsley, New Metavante and Merger Sub will effect the holding company merger by which Merger Sub will merge with and into Marshall & Ilsley with Marshall & Ilsley continuing as the surviving corporation and as a direct, wholly-owned subsidiary of New Metavante. In the holding company merger, every three issued and outstanding shares of Marshall & Ilsley common stock will automatically convert into one share of New Metavante common stock. Fractional shares of New Metavante common stock will not be issued in connection with the holding company merger. Holders of shares of common stock of Marshall & Ilsley that would otherwise be entitled to receive fractional shares of New Metavante common stock resulting from the holding company merger will be paid cash in lieu of such fractional shares (and therefore will not receive shares of New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution in respect of such fractional shares as described in Step 10 below). As a result of the holding company merger, New Metavante will be a publicly-traded company that will own the equity of the companies that own and operate Metavante's business and Marshall & Ilsley's banking business.

*Step 3: Marshall & Ilsley Conversion.* Immediately following the effective time of the holding company merger, Marshall & Ilsley will convert from a Wisconsin corporation to a Wisconsin limited liability company. We refer to this as the Marshall & Ilsley LLC conversion. The purpose of the Marshall & Ilsley LLC conversion (together with the holding company merger) is to cause New Metavante to be treated as the successor to Marshall & Ilsley for federal income tax purposes, which is necessary for the transaction to have the anticipated tax consequences.

*Step 4: Metavante Distribution.* Marshall & Ilsley, now a limited liability company and a direct, wholly-owned subsidiary of New Metavante, will distribute the outstanding shares of Metavante capital stock to New Metavante, which we refer to as the Metavante distribution. Following completion of this distribution, Metavante, which operates Metavante's business directly or through its subsidiaries, will be a direct, wholly-owned subsidiary of New Metavante.

*Step 5: Investment by Investor.* Investor will purchase for \$625 million (i) shares of New Metavante Class A common stock that, as described below in Step 11, will automatically convert on a one-for-one basis into shares of New Metavante common stock at 12:01 a.m. Eastern Standard Time on the day following the closing date and (ii) a stock purchase right to acquire additional shares of New Metavante common stock under certain circumstances.

*Step 6: Consummation of the Debt Financing.* Contemporaneous with the investment by Investor, New Metavante and/or one or more of its subsidiaries will incur approximately \$1.75 billion of indebtedness.

*Step 7: Payment of Intercompany Indebtedness; Distribution.* Metavante will pay off certain intercompany indebtedness plus accrued and unpaid interest owed to Marshall & Ilsley (the amount currently owed is approximately \$982 million). Immediately following the purchase of shares of Class A common stock by Investor, the consummation of the debt financing and the payment of the intercompany indebtedness, Metavante will make a distribution in cash equal to \$1.040 billion (which is expected to include \$290 million of Metavante's excess cash) to New Metavante.

*Step 8: Cash Contribution.* New Metavante will contribute to New Marshall & Ilsley \$1.665 billion in cash (which includes the \$625 million of proceeds from the sale of the New Metavante common stock to Investor and the \$1.040 billion cash distribution from Metavante (which is expected to include \$290 million of Metavante's excess cash)).

*Step 9: Marshall & Ilsley Contribution.* New Metavante will contribute the membership interests of Marshall & Ilsley to New Marshall & Ilsley, which at that time will be a direct, wholly-owned subsidiary of New Metavante. We refer to this contribution as the Marshall & Ilsley contribution. Following these transactions, New Metavante will have two direct, wholly-owned subsidiaries: New Marshall & Ilsley, which will own the equity of the companies that own and operate Marshall & Ilsley's banking business, and Metavante, which will operate Metavante's business directly or through its subsidiaries.

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*Step 10: New Marshall & Ilsley Share Distribution.* New Metavante will effect the New Marshall & Ilsley share distribution by instructing the distribution agent to record in the stock transfer records of New Marshall & Ilsley the distribution of three shares of New Marshall & Ilsley common stock to each holder of New Metavante common stock (other than the New Metavante Class A common stock) as of the record date for the distribution for each share of New Metavante common stock held of record and take the necessary actions to provide for the exchange of shares of Marshall & Ilsley common stock for shares of New Metavante common stock in the holding company merger (and, if applicable, a check representing cash in lieu of fractional shares of New Metavante common stock) and New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution.

*Step 11: Conversion of Class A Common Stock.* At 12:01 a.m. Eastern Standard Time on the day following the closing date, each share of New Metavante Class A common stock issued to Investor in Step 5 above will automatically convert into one share of New Metavante common stock, which shares of New Metavante common stock in the aggregate will represent 25% of the shares of New Metavante common stock. Immediately following the conversion of the New Metavante Class A common stock, the New Metavante common stock will be the only class of New Metavante capital stock outstanding.

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The diagrams below show the Marshall & Ilsley companies involved in the transactions prior to the transactions and after giving effect to the transactions.

Diagram 1: Current Structure of Marshall & Ilsley, Metavante and New Metavante

Diagram 2: Structure After Giving Effect to the Transactions

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\* To be renamed Metavante Technologies, Inc. in connection with the completion of the transactions.

\*\* To be renamed Marshall & Ilsley Corporation in connection with the completion of the transactions.

**The Holding Company Merger**

In the holding company merger, Merger Sub, a direct, wholly-owned subsidiary of New Metavante, will be merged with and into Marshall & Ilsley with Marshall & Ilsley continuing as the surviving corporation and as a direct, wholly-owned subsidiary of New Metavante. Every three issued and outstanding shares of Marshall & Ilsley

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common stock will automatically convert into one share of New Metavante common stock; provided, that fractional shares of New Metavante will not be issued in connection with the holding company merger and holders of shares of common stock of Marshall & Ilsley that would otherwise be entitled to receive fractional shares of New Metavante common stock resulting from the holding company merger will be paid cash in lieu of such fractional shares (and therefore will not receive shares of New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution in respect of such fractional shares) in an amount equal to the value of such fractional shares based on the last sale price, or the closing bid price if no sale occurred, of Marshall & Ilsley common stock on the last business day prior to the closing of the transactions. Each issued and outstanding share of Merger Sub common stock will automatically convert into one share of common stock of the surviving corporation. As a result of the holding company merger, New Metavante will be a publicly-traded company that will own the equity of the companies that own and operate Marshall & Ilsley's banking business and Metavante's business.

Prior to the effective time of the holding company merger, New Metavante's board of directors will adopt, and Marshall & Ilsley, as the sole shareholder of New Metavante at that time, will approve the New Metavante restated articles of incorporation, the form of which is attached as Annex G, and the New Metavante amended and restated by-laws, the form of which is incorporated by reference into this document and filed as an exhibit to the registration statement of which this proxy statement/prospectus information statement is a part. The New Metavante restated articles of incorporation and amended and restated by-laws will contain provisions that differ from those of Marshall & Ilsley's articles of incorporation and amended and restated by-laws. See Comparison of Rights of Marshall & Ilsley, New Metavante and New Marshall & Ilsley Shareholders beginning on page 391. In addition, prior to the closing, New Metavante will enter into the shareholders agreement with Investor.

### **The Investment by Investor**

Immediately following the Metavante distribution, Investor will purchase from New Metavante shares of New Metavante Class A common stock and a stock purchase right for an aggregate purchase price of \$625 million, which we refer to as the equity investment. The terms of the New Metavante Class A common stock provide that shares of such class are not entitled to participate in the New Marshall & Ilsley share distribution. At 12:01 a.m. Eastern Standard Time on the day following the closing date, each share of New Metavante Class A common stock will automatically convert into one share of New Metavante common stock, which shares of New Metavante common stock in the aggregate will represent 25% of the shares of New Metavante common stock.

The investment agreement provides that, at the closing of the transactions, New Metavante and Investor will enter into a stock purchase right agreement, which gives Investor the right to purchase shares of common stock of New Metavante if employee stock options that are outstanding immediately following the New Marshall & Ilsley share distribution are exercised after the share distribution. The stock purchase right agreement will ensure that Investor will own 25% of the common stock of New Metavante following consummation of the issuance and sale by New Metavante to Investor of New Metavante Class A common stock.

### **Debt Financing**

Substantially contemporaneously with the investment by Investor, New Metavante and/or one or more of its subsidiaries will enter into a credit facility providing for a \$1.75 billion term loan and a \$250 million revolving credit facility, which we refer to collectively as the credit facility. Metavante has obtained a commitment letter from JPMorgan, JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Lehman Brothers Commercial Bank, Lehman Commercial Paper Inc., Lehman Brothers Inc., and Baird Financial Corporation, and certain of their respective affiliates (collectively, the committed financing parties), to provide the credit facility. For a description of the commitment letter and the anticipated terms of the debt financing, see Anticipated Terms of Financing Debt Financing, beginning on page 146.

### **The New Marshall & Ilsley Share Distribution**

On or prior to the closing date, New Marshall & Ilsley's board of directors will adopt, and New Metavante, as the sole shareholder of New Marshall & Ilsley at that time, will approve the New Marshall & Ilsley restated



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articles of incorporation, the form of which is attached as Annex H, and the New Marshall & Ilsley amended and restated by-laws, the form of which is incorporated by reference into this document and filed as an exhibit to the registration statement of which this proxy statement/prospectus information statement is a part. The New Marshall & Ilsley restated articles of incorporation and amended and restated by-laws will contain provisions that differ from those of Marshall & Ilsley's articles of incorporation and by-laws. See Comparison of Rights of Marshall & Ilsley, New Metavante and New Marshall & Ilsley Shareholders, beginning on page 391. Prior to the New Marshall & Ilsley share distribution, New Marshall & Ilsley and New Metavante will cause the number of outstanding shares of New Marshall & Ilsley common stock to be increased to at least equal to the number of shares to be distributed to holders of record of New Metavante common stock in the New Marshall & Ilsley share distribution.

At the time established by the New Metavante board of directors, which will be on the closing date and after 5:00 p.m. Eastern Standard Time, New Metavante will effect the New Marshall & Ilsley share distribution.

New Metavante will effect the New Marshall & Ilsley share distribution by instructing the distribution agent to record in the stock transfer records of New Marshall & Ilsley the distribution of three shares of New Marshall & Ilsley common stock to each holder of New Metavante common stock (other than the New Metavante Class A common stock) as of the record date for the distribution for each share of New Metavante common stock held of record.

## **Restrictions on Payment of Dividends**

Under the Wisconsin business corporation law, which we refer to as the WBCL, distributions are paid at the discretion of the board of directors of a Wisconsin corporation. The board may authorize, and the corporation may make, distributions to its shareholders, including in connection with the repurchase of the corporation's shares, in amounts to be determined by the board, unless: (i) after the distribution the corporation would not be able to pay its debts as they become due in the usual course of business or (ii) the corporation's total assets after the distribution would be less than the sum of its total liabilities, plus, unless the articles of incorporation provide otherwise, the amount that would be needed, upon dissolution, to satisfy the preferential rights of shareholders whose preferential rights are superior to those receiving the distribution, if the corporation were to be dissolved at the time of the distribution. Additionally, Section 183.0607 of the Wisconsin limited liability companies act, which we refer to as the WLLCA, contains a similar prohibition with respect to distributions by limited liability companies.

In addition, under U.S. federal bankruptcy laws or comparable provisions of state fraudulent transfer or fraudulent conveyance laws, a transfer or conveyance or the incurrence of an obligation is fraudulent if at the time of such transfer or conveyance or incurrence of such obligation, the transferor or obligor (a) made such transfer or conveyance or incurred such obligation with the intent to hinder, delay or defraud any present or future creditor or (b) received less than reasonably equivalent value or fair consideration for the transfer or conveyance or for the incurrence of the obligation and (i) was insolvent or rendered insolvent by reason of such transfer or conveyance or the incurrence of such obligation, (ii) was engaged in a business or transaction for which its remaining assets constituted unreasonably small capital, or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay as such debts mature.

The measures of insolvency may vary depending upon the applicable law. As a general matter, a transferor or obligor will be considered insolvent if (a) the sum of its debts, including contingent liabilities, is greater than the saleable value of its assets, (b) the present fair saleable value of its assets is less than the amount that would be required to pay its probable liabilities on its existing debts, including contingent liabilities as they become absolute and mature or (c) it cannot pay its debts as they become due.

These provisions will apply to New Metavante in connection with it declaring and effecting the distributions and to Metavante in connection with the transfer to New Metavante of the proceeds of the debt financing, as

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applicable. New Metavante must also have adequate capital in excess of the amount of the New Marshall & Ilsley share distribution, be solvent at the time of the making of the New Marshall & Ilsley share distribution and not become insolvent as a result of making such distribution.

It is a condition to the closing of the transactions that the Marshall & Ilsley Board, New Metavante and Metavante have received opinions of the valuation firm with respect to the capital adequacy and solvency of certain of the entities involved in the transactions.

See Risk Factors Risks Relating to the Transactions Under U.S. federal bankruptcy laws or comparable provisions of state fraudulent transfer laws, you could be required to return all or a portion of the cash and shares received in the distributions on page 36.

### **Receipt of Shares and Cash In Lieu of Fractional Shares**

Holders of common stock of Marshall & Ilsley that are entitled to receive shares of New Metavante in the holding company merger and shares of New Marshall & Ilsley common stock and cash in lieu of fractional shares in the distribution will receive those shares and cash in the manner described below.

*New Metavante and New Marshall & Ilsley Shares.* The exchange agent will:

record in the stock transfer records of New Metavante the issuance of one share of New Metavante common stock to each holder of Marshall & Ilsley common stock as of the effective time of the holding company merger for every three shares of Marshall & Ilsley common stock held of record; and

record in the stock transfer records of New Marshall & Ilsley the distribution of three shares of New Marshall & Ilsley common stock to each holder of New Metavante common stock (other than the New Metavante Class A common stock) as of the record date for distributions for each share of New Metavante common stock held of record.

In addition, following the closing date, the exchange agent will mail to holders of record of stock certificates representing shares of Marshall & Ilsley common stock a letter of transmittal and instructions on how to surrender their shares of Marshall & Ilsley common stock. Upon surrender of such shares to the exchange agent, each such holder will receive the number of shares of New Metavante common stock into which such holder's shares of Marshall & Ilsley common stock were converted in the holding company merger (and, if applicable, a check representing cash in lieu of fractional shares of New Metavante common stock) and the number of shares of New Marshall & Ilsley common stock distributed to such holder in the New Marshall & Ilsley share distribution. Unless holders of stock certificates representing shares of Marshall & Ilsley common stock request physical certificates in the letter of transmittal, they will receive shares of New Metavante common stock and shares of Marshall & Ilsley common stock in book-entry form.

Holders of shares of Marshall & Ilsley common stock that are not represented by one or more stock certificates, including shares held in street name through a broker, will receive the applicable number of shares of New Metavante common stock (and, if applicable, a check representing cash in lieu of fractional shares of New Metavante common stock) and the applicable number of shares of New Marshall & Ilsley common stock without any action on the part of such holders and will receive shares of New Metavante common stock and shares of New Marshall & Ilsley common stock in book-entry form.

*Fractional Shares of New Metavante.* Fractional shares of New Metavante will not be issued in connection with the holding company merger. Holders of shares of common stock of Marshall & Ilsley that would otherwise be entitled to receive fractional shares of New Metavante resulting from the holding company merger will be paid cash in lieu of such fractional shares (and therefore will not receive shares of New Marshall & Ilsley common stock in respect of such fractional shares) in an amount equal to the value of such fractional shares based on the last sale price, or the closing bid price if no sale occurred, of Marshall & Ilsley common stock on

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the last business day prior to the closing of the transactions. Following the closing date, the distribution agent will pay to holders of record of New Metavante common stock (other than the New Metavante Class A common stock) as of the record date for the distribution the amount of cash in lieu of fractional shares of New Metavante to which such holder is entitled.

For example, if you hold 100 shares of Marshall & Ilsley common stock, you will receive:

33 shares of New Metavante common stock plus cash in lieu of the one-third share of New Metavante common stock that you would otherwise be entitled to receive; and

99 shares of New Marshall & Ilsley common stock.

### **Determination of Investment by Investor; Stock Purchase Right Agreement**

The New Metavante share issuance is intended to provide Investor with shares of New Metavante Class A common stock that will be convertible into shares of New Metavante common stock representing 25% of the shares of New Metavante common stock.

The number of shares of New Metavante common stock that would represent 25% of the New Metavante common stock at the closing of the transactions could not be fixed on the date of execution of the investment agreement, however, because the number of issued and outstanding shares of Marshall & Ilsley will change between the date of execution of the investment agreement and the closing date. Accordingly, the investment agreement provides for a formula pursuant to which Investor and Marshall & Ilsley mutually will determine the number of shares of New Metavante Class A common stock to be acquired by Investor in the New Metavante share issuance so that such shares will convert into shares of New Metavante common stock representing 25% of the shares of New Metavante common stock, which number will be determined by multiplying (i) one-third by (ii) the sum of the number of shares of Marshall & Ilsley common stock outstanding immediately prior to the closing of the transactions and the number of restricted shares of Marshall & Ilsley common stock outstanding at that time. See The Investment by Investor on page 65.

The investment agreement provides that, at the closing of the transactions, New Metavante and Investor will enter into a stock purchase right agreement, which gives Investor the right to purchase shares of common stock of New Metavante if employee stock options that are outstanding immediately following the New Marshall & Ilsley share distribution are exercised after the share distribution. The stock purchase right agreement will ensure that Investor will own 25% of the common stock of New Metavante following consummation of the issuance and sale by New Metavante to Investor of New Metavante Class A common stock.

### **Background of the Transactions**

In 2003, Mr. Martire was appointed as President and Chief Executive Officer of Metavante and undertook a strategy of growing Metavante's business through acquisitions. This strategy resulted in Metavante completing 17 acquisitions between March 2003 and March 2007 for an aggregate purchase price of approximately \$1.6 billion. In order to ensure effective Board involvement in Metavante's growth strategy, in 2005, the Marshall & Ilsley Board established the Metavante Acquisition Review Committee to review and make recommendations to the Marshall & Ilsley Board with respect to acquisitions by Metavante and with respect to other strategic initiatives involving Metavante. The members of the Metavante Acquisition Review Committee are Messrs. Dennis J. Kuester (Chairman), Mark F. Furlong, Ted D. Kellner, San W. Orr, Jr., Robert J. O Toole, John S. Shiely and James B. Wigdale.

These acquisitions by Metavante used a significant portion of Marshall & Ilsley's capital. Due to Marshall & Ilsley's reduced capital position, both Metavante and Marshall & Ilsley were constrained in using cash for acquisitions. In response to this capital issue, the Marshall & Ilsley Board began exploring a variety of strategic alternatives in the second half of 2005 with regard to Metavante. In particular, the Marshall & Ilsley

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Board explored several transactions in which Metavante would be spun off and merged with another company. The Marshall & Ilsley Board and the Metavante Acquisition Review Committee have also reviewed other strategic alternatives including an initial public offering of Metavante common stock, a distribution of 100% of Metavante's common stock to the Marshall & Ilsley shareholders and an outright sale of Metavante. The exploration of certain of these strategic alternatives progressed further than others; however, by the fall of 2006, none of them had come to fruition. In the case of an initial public offering of Metavante common stock and a distribution of Metavante's common stock to Marshall & Ilsley shareholders, Marshall & Ilsley determined that such transactions would not create sufficient value to Marshall & Ilsley's shareholders to support a decision to move forward. An outright sale of Metavante was determined to have adverse tax results to Marshall & Ilsley. With regard to a possible spin-off of Metavante followed by a merger of Metavante with another company, no discussions with third parties had progressed beyond preliminary stages.

On September 14, 2006, a meeting of the Metavante Acquisition Review Committee was held at which members of management and representatives of JPMorgan were present. JPMorgan had been engaged to assist in a review of strategic alternatives available with respect to Metavante. At the meeting, representatives of JPMorgan made a presentation that included the following strategic alternatives: a spin-off of Metavante followed by a combination with another company, a spin-off of Metavante as a stand-alone public company and a spin-off of Metavante coupled with an investment in it by a private equity firm. The Committee discussed the alternatives presented as well as the possibility of not entering into any of the proposed transactions. The Committee noted the continued constraints on capital faced by Marshall & Ilsley. The Committee authorized management to contact three potential strategic partners, each of which operated in businesses that were the same as, or complementary to, Metavante's business, to determine whether any of them were interested in pursuing a Reverse Morris Trust transaction in which Metavante would be separated from Marshall & Ilsley in a tax free spin-off and would then merge with the other company. The Committee believed that these three companies offered the highest level of potential synergies in a combination with Metavante.

On September 20, 2006, a meeting of the Marshall & Ilsley Board was held at which representatives of JPMorgan made a presentation on the various strategic transaction alternatives available to Marshall & Ilsley with respect to Metavante, noting that acquisitions are an important part of the growth strategy for each of Marshall & Ilsley and Metavante and their respective industries and that, while in the past they have been fortunate not to have required funds for growth at the same time, ultimately one or both institutions could become disadvantaged in pursuing their respective acquisition strategies due to capital constraints. Representatives of JPMorgan also indicated that both companies were well-positioned within their respective industries and each had the ability to stand on its own. Representatives of JPMorgan also reviewed with the Board strategic options for Metavante that had been considered but were not being pursued. Mr. Kuester, then the Chairman and Chief Executive Officer of Marshall & Ilsley, discussed the possibility of missed opportunities if Marshall & Ilsley was unable to provide capital to both Marshall & Ilsley and Metavante for growth at any given time and pointed to recent acquisition possibilities that, if all had come to fruition, would have severely stressed Marshall & Ilsley's capital resources. After discussion, the Marshall & Ilsley Board approved the recommendation of the Metavante Acquisition Review Committee to pursue discussions regarding the possibility of a spin-off/merger transaction between Metavante and each of the three companies considered to be likely strategic partners.

On several occasions since Mr. David Coulter joined Warburg Pincus as a managing director in December 2005, Mr. Coulter and Mr. Dennis Kuester, Chairman and Chief Executive Officer of Marshall & Ilsley, had informal, non-specific discussions about the possibility of Warburg Pincus investing in Metavante. In addition, from time to time officers and other representatives of Metavante met with representatives of Warburg Pincus as part of their discussions with a number of private equity firms regarding various transactional opportunities in Metavante's industry. In October 2006, Mr. Coulter contacted Mr. Kuester on a more formal basis to propose a meeting to discuss a possible transaction relating to Metavante.

On October 31, 2006, Messrs. Coulter, James Neary and Patrick T. Hackett from Warburg Pincus and Messrs. Kuester, Martire, Michael D. Hayford, Senior Executive Vice President and Chief Operating Officer of

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Metavante, and Donald W. Layden, Jr., Senior Executive Vice President of Metavante, met. At the meeting, Mr. Coulter proposed a possible sponsored spin transaction in which Metavante would be separated from Marshall & Ilsley and Warburg Pincus would invest in the post-spin-off Metavante entity. Mr. Coulter and Mr. Neary stated that this transaction structure would allow Marshall & Ilsley to receive cash in a tax-efficient manner and that the ownership stake of Warburg Pincus in the Metavante entity would lend credibility to Metavante as an independent company and provide market support for its equity securities after the spin-off. Following the meeting, Metavante made limited financial information, consisting of summary historical and business plan information, available to Warburg Pincus pursuant to a standard form of confidentiality agreement.

Between September 20, 2006 and the end of November 2006, the three companies identified as potential strategic partners were contacted by representatives of Marshall & Ilsley. Two of the companies contacted were either not interested in pursuing a transaction with Metavante or not interested in pursuing a transaction on terms acceptable to Marshall & Ilsley. Marshall & Ilsley did pursue spin-off/merger transaction discussions with the third company, but that company was acquired by another company in an all-cash transaction announced in late November 2006.

On November 30, 2006, Warburg Pincus sent a letter to Mr. Kuester proposing a spin-off of Metavante in which Warburg Pincus would purchase between 25% and 35% of the outstanding equity securities of the post-spin-off Metavante entity at an enterprise valuation of between \$4.0 and \$4.2 billion, with the balance of the shares of the post-spin-off Metavante entity being held by the public shareholders of Marshall & Ilsley. The proposal also provided that Metavante would incur \$1 to \$2 billion of indebtedness to allow Marshall & Ilsley to receive up to \$3 billion in cash and/or repayment of indebtedness owed by Metavante to Marshall & Ilsley in the transaction in a tax efficient manner. The proposal did not contemplate any transfer of outstanding indebtedness obligations of Marshall & Ilsley to Metavante. In its proposal, Warburg Pincus noted that it had already retained financial, legal and accounting advisors to assist it in transaction structuring and due diligence.

The Metavante Acquisition Review Committee and the Marshall & Ilsley Board were updated by management on the contacts with Warburg Pincus on December 19 and December 21, 2006, respectively. No specific action was taken with respect to the Warburg Pincus proposal at that time and, in late December, Mr. Kuester informed Mr. Coulter that Marshall & Ilsley would not be taking further action with respect to the Warburg Pincus proposal before the end of the year.

In early January 2007, Mr. Coulter again contacted Mr. Kuester to follow up on their earlier discussion regarding a possible sponsored spin. Mr. Kuester informed Mr. Coulter that the proposal would be discussed with the Metavante Acquisition Review Committee and the Marshall & Ilsley Board.

On January 23, 2007, during a Metavante Acquisition Review Committee meeting, management provided a recap of discussions with Warburg Pincus concerning a potential sponsored spin transaction involving Metavante and indicated that Warburg Pincus was placing a total enterprise value in the range of \$4 billion to \$4.25 billion on Metavante, assuming approximately \$1.5 billion of debt. Management indicated that the proposal contemplated Warburg Pincus purchasing approximately 30% of Metavante and a \$500 million cash distribution to Marshall & Ilsley. Management also reviewed a presentation prepared by JPMorgan which included a comparison of the Warburg Pincus proposal with other spin-off/merger proposals recently considered by the Committee as well as a spin-off of Metavante as a stand alone company. The Committee discussed the Warburg Pincus proposal as well as other possible transactions for separating Metavante from Marshall & Ilsley. The Committee directed management to obtain more information about the Warburg Pincus proposal so that it could determine whether to pursue it.

On January 29, 2007, Marshall & Ilsley and Warburg Pincus entered into a confidentiality agreement following which Warburg Pincus was granted access to a data room containing information with respect to Metavante. Representatives of Marshall & Ilsley and Warburg Pincus agreed that, after Warburg Pincus had completed its due diligence review, it would provide Marshall & Ilsley with a revised proposal for a possible transaction.

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At a February 15, 2007 meeting of the Marshall & Ilsley Board, Mr. Kuester reported on the meeting of the Metavante Acquisition Review Committee and the discussions with Warburg Pincus and noted again that Marshall & Ilsley's and Metavante's businesses were vying for the limited capital resources of Marshall & Ilsley and that recent timing of acquisitions could have placed both businesses in the difficult position of having to choose among the acquisitions available had they all moved forward. He also reviewed the possible scenarios for separating the businesses, including the recent negotiations with the three potential strategic partners, and noted the potential to leverage Metavante's balance sheet to increase the capital of the banking business. He also reported that the Metavante Acquisition Review Committee had authorized management to seek a revised proposal from Warburg Pincus for consideration by the Committee.

On February 15, 2007, Mr. Coulter and Mr. Neary sent a letter to Mr. Kuester containing Warburg Pincus' revised proposal relating to the transaction. The revised proposal provided for a spin-off of Metavante in which Warburg Pincus would purchase between 20% and 35% of the outstanding equity securities of the post-spin-off Metavante entity at an enterprise valuation of \$4.1 billion.

On February 17, 2007, the Metavante Acquisition Review Committee met to review the Warburg Pincus proposal. Also present were members of management and representatives of JPMorgan and Marshall & Ilsley's counsel, Sidley Austin. Representatives of JPMorgan reviewed the financial and other terms of the Warburg Pincus proposal as well as the proposed transaction structure, which contemplated a series of transactions resulting in new holding companies for both Metavante and Marshall & Ilsley, a spin-off of the holding company for Marshall & Ilsley's banking business to Marshall & Ilsley shareholders and an investment by Warburg Pincus in the resulting Metavante holding company. The Committee also received a summary of the due diligence with respect to the proposed transaction conducted by management of Marshall & Ilsley and Sidley Austin. At the meeting, the Metavante Acquisition Review Committee authorized management and JPMorgan to enter into discussions with Warburg Pincus with a view to negotiate an increase to the total enterprise valuation of Metavante to be used in determining the consideration to be paid by Warburg Pincus for its equity stake in the post-spin-off Metavante entity.

Later on February 17, 2007, representatives of JPMorgan contacted representatives of Warburg Pincus and indicated that Marshall & Ilsley believed that an enterprise valuation of Metavante of \$4.5 billion was appropriate and requested that Warburg Pincus provide a revised proposal using a higher enterprise valuation, which would allow a greater amount of indebtedness to be incurred by Metavante resulting in more cash being distributed to Marshall & Ilsley in the transactions. On February 22, 2007, Mr. Coulter and Mr. Neary sent a letter to Mr. Kuester containing a further revised proposal of Warburg Pincus. The proposal provided for a spin-off of Metavante in which Warburg Pincus would purchase between 20% and 30% of the outstanding equity securities of the post-spin-off Metavante entity at an enterprise valuation of \$4.25 billion. The proposal also provided that Metavante would incur \$1.75 billion of indebtedness and that, at closing, Metavante would repay all indebtedness owed by it to Marshall & Ilsley and contribute all of its excess cash to Marshall & Ilsley, subject to Metavante retaining at least \$50 million of cash following the consummation of the transactions.

On February 23, 2007, the Metavante Acquisition Review Committee met to review the revised Warburg Pincus proposal, a copy of which had been distributed to the Committee members in advance of the meeting. Also present were members of management and representatives of JPMorgan. Representatives of JPMorgan reviewed the financial and other terms of the revised proposal from Warburg Pincus, including comparing it to the prior proposal, and answered questions of the Committee. The Committee discussed the revised proposal, including the impact of the proposed Metavante debt on its ability to carry out future acquisitions, the level of cash to be received by Marshall & Ilsley from the transaction and the merits of seeking alternative proposals from other parties and the related timing considerations involved in doing so. Representatives of JPMorgan discussed with the Committee the merits and risks of seeking alternative proposals. The representatives of JPMorgan noted that, although it was possible that a higher valuation could be obtained by conducting a process with a number of potential parties, the potential for receiving offers significantly above the level offered by Warburg Pincus was, in JPMorgan's view, relatively limited, given the enterprise valuations implied by the

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Warburg Pincus proposal compared to the likely valuation ranges for Metavante. In this regard, JPMorgan noted that the Warburg Pincus proposal implied an enterprise valuation for Metavante of \$4.25 billion, compared to the preliminary enterprise valuation range for Metavante implied by JPMorgan's preliminary analyses as of that date of \$4.0 billion to \$4.5 billion. The Committee also discussed the relatively small impact that an improvement in the enterprise valuation attributed to Metavante in the revised Warburg Pincus proposal would have on the cash proceeds ultimately received by Marshall & Ilsley and the value retained by Marshall & Ilsley shareholders who received New Metavante shares in the transaction. In addition, the representatives of JPMorgan also discussed the risk that seeking alternative proposals could jeopardize the revised Warburg Pincus proposal, the incremental time required to seek firm alternative proposals and the potential for market and business conditions to change during this period. The Committee also discussed the possibility that distraction of Metavante's management during the process could negatively impact Metavante's value and the objective of maximizing the value of the transaction, which included the majority stake being retained by shareholders of Marshall & Ilsley and the cash distribution being made to Marshall & Ilsley. The Committee also considered the advisability of seeking a higher valuation from Warburg Pincus. The Committee then met without the representatives of JPMorgan, and further discussed the transaction, including the view of management that Warburg Pincus is a premier private equity investor and would make for a good partner and the recommendation of Messrs. Kuester and Martire to move forward with the current proposal. After discussion, the Committee unanimously approved management's recommendation.

Following the meeting, representatives of Marshall & Ilsley and Warburg Pincus held further discussions regarding the principal terms of the proposed transaction. In the course of the negotiations, it was proposed that Warburg Pincus would acquire 25% of the shares of Metavante, which would result in an aggregate purchase price of \$625 million at the agreed upon enterprise valuation of \$4.25 billion.

On February 28, 2007, a meeting of the Marshall & Ilsley Board was held at which representatives of JPMorgan were present. The Board received an update on the negotiations with Warburg Pincus and the proposed transaction as well as on the deliberations of the Metavante Acquisition Review Committee and its recommendation that the Marshall & Ilsley Board authorize the negotiation of a transaction with Warburg Pincus on the terms outlined in its revised proposal. Representatives of JPMorgan reviewed the financial and other terms of the revised Warburg Pincus proposal. Mr. Kuester provided to the Marshall & Ilsley Board background information regarding Warburg Pincus, including that it currently held investments in four technology companies and that it is considered a premier equity sponsor which takes a long-term view on its investments. At the meeting, the Board authorized management to move forward with negotiation of definitive agreements with Warburg Pincus with respect to the proposed transaction.

On March 2, 2007, Sidley Austin provided drafts of the investment agreement, separation agreement, employee matters agreement and form of shareholders agreement for the transactions to Warburg Pincus and its legal advisor, Wachtell, Lipton, Rosen & Katz, which we refer to as Wachtell Lipton. Because Metavante has been operated as a separate and distinct subsidiary of Marshall & Ilsley for several years, there were no substantive negotiations with regard to the division of assets between Marshall & Ilsley and Metavante; the draft separation agreement provided for Marshall & Ilsley to retain all assets primarily relating to its business and Metavante to retain all assets primarily relating to its business. Drafts of the tax allocation agreement and limited guaranty relating to the transactions were provided to Warburg Pincus and Wachtell Lipton by Sidley Austin during the week of March 5, 2007. On March 12, 2007, Wachtell Lipton delivered comments on the investment agreement, the separation agreement and the form of shareholders agreement to Marshall & Ilsley and Sidley Austin. On March 16, 2007, Marshall & Ilsley delivered to Warburg Pincus and Wachtell Lipton drafts of the business agreements between Marshall & Ilsley and Metavante that would survive the consummation of the transactions. These agreements included an administrative services agreement under which Marshall & Ilsley will provide employee benefits, payroll and related services to New Metavante for a limited period after the consummation of the transactions.

From March 19, 2007 to April 3, 2007, representatives of Warburg Pincus, Wachtell Lipton, Marshall & Ilsley, Metavante, JPMorgan and Sidley Austin held a series of calls to negotiate various open issues in the

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transaction agreements, including the applicable termination provisions and termination fees, provisions relating to solicitation of competing proposals and the provisions of the shareholders agreement of New Metavante, and exchanged revised drafts of the agreements. At the same time, representatives of Warburg Pincus and Wachtell Lipton conducted a due diligence investigation of Metavante.

During the same period, representatives of the parties had a number of discussions relating to the amount of cash to be contributed by Metavante to Marshall & Ilsley in connection with the transactions and the amount of cash that would be required to be retained by New Metavante after the consummation of the transactions and the payment of the expenses of Marshall & Ilsley, Metavante and Warburg Pincus relating to the transactions. Representatives of Marshall & Ilsley expressed a desire to have certainty as to the amount of cash to be contributed by Metavante to Marshall & Ilsley in connection with the transactions. As a result of negotiations, the parties agreed that, instead of having all of Metavante's cash in excess of a fixed amount contributed by Metavante to Marshall & Ilsley, the amount of cash to be contributed by Metavante to Marshall & Ilsley would be fixed at \$1.665 billion, consisting of the \$625 million purchase price paid by Warburg Pincus for its investment in Metavante and an additional \$1.040 billion in cash, which is expected to be funded with \$290 million of the excess cash of Metavante and \$750 million of proceeds from the \$1.75 billion of indebtedness to be incurred by Metavante. The principal point of the negotiations that led to agreement between the representatives of Marshall & Ilsley and the representatives of Warburg Pincus on the \$1.040 billion portion of the cash to be contributed to Marshall & Ilsley was the level of indebtedness that could be incurred by Metavante while still allowing adequate capacity for working capital, acquisitions and capital expenditures; considerations in these negotiations also included anticipated credit ratings and a desire for Metavante's debt/forward EBITDA ratio to be below 4.0x. In determining the \$290 million of excess cash of Metavante to be contributed to Marshall & Ilsley, the parties also considered Metavante's expected cash position of approximately \$121 million on the closing date. Therefore, the \$1.040 billion portion of the cash to be contributed to Marshall & Ilsley represents an amount negotiated between the representatives of Marshall & Ilsley and the representatives of Warburg Pincus with the end result being an amount that the parties believed would allow Metavante adequate capacity for working capital, acquisitions and capital expenditures. This amount was not determined based on the tax basis or value of the assets that comprise the Metavante business or on any other basis other than as described above.

In addition, Metavante would use the proceeds from the debt financing to repay all indebtedness and accrued and unpaid interest owed by Metavante to Marshall & Ilsley. Metavante would retain any additional excess cash and debt financing proceeds for working capital purposes and to pay specified expenses of the transaction. The parties also agreed that each party would bear its own expenses if the transactions were not consummated and that Metavante would pay the expenses of Warburg Pincus if the transactions were consummated. It was agreed that all fees and expenses relating to the contemplated debt financing (including the fees of the lending banks) would be paid by New Metavante.

In the early morning of April 3, 2007, Sidley Austin distributed revised drafts of the investment agreement, separation agreement, shareholders agreement, limited guaranty, tax allocation agreement and employee matters agreement reflecting the discussions to date.

On April 3, 2007, the Marshall & Ilsley Board held a meeting to consider the proposed transaction and the transaction agreements. Also present at the meeting were members of management and representatives of JPMorgan and Sidley Austin. Management provided an overview of the transaction, including a description of the structure, and discussed applicable valuation and economics. Management also reviewed corporate governance issues and the expected composition of the board of directors of New Metavante. Representatives of JPMorgan provided JPMorgan's financial analysis of the proposed transaction, copies of which had been provided to the Marshall & Ilsley Board prior to the meeting, and delivered its oral view, subsequently confirmed in its valuation letter dated April 3, 2007, that, based on and subject to various assumptions described in such valuation letter, Metavante had, as of that date, an enterprise value in the range between \$3.8 billion and \$4.4 billion. During the course of its presentation, JPMorgan noted that the financial analyses contained in its financial presentation were substantially similar to the preliminary financial analyses contained in JPMorgan's preliminary presentation to the Marshall & Ilsley Board on February 23, 2007 (described above). The differences in the range of enterprise value principally



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reflected the inclusion of updated financial information for Metavante, including updated financial projections provided to JPMorgan by Marshall & Ilsley's management reflecting an increase of approximately \$100 million in projected license and internal and external software development capital expenditures associated with the strategic alliance between Metavante and TEMENOS. In addition, the organic revenue growth projections for 2008 through 2011 were reduced from 7% to 4% to reflect management's revised expectations of Metavante's performance, taking into account Metavante's performance during the first quarter of 2007 as well as expectations for the rest of 2007 through 2011. These two items resulted in the reduction of Metavante's enterprise value as compared to the range of enterprise values included in JPMorgan's February 23, 2007 preliminary presentation. Representatives of Sidley Austin provided an overview of the fiduciary duties of the Marshall & Ilsley Board members under applicable law as well as a summary of the material terms of the transaction agreements, copies of drafts of which had been provided to the Marshall & Ilsley Board prior to the meeting. Representatives of Sidley Austin also discussed the anticipated tax treatment of the transaction and answered questions of the directors. Management then provided a summary of the employee matters agreement as well as of the continuing business agreements between Marshall & Ilsley and Metavante. Management then gave its recommendation to the Marshall & Ilsley Board that the proposed transactions be approved. Following discussion, the representatives of JPMorgan and Sidley Austin left the meeting and the Marshall & Ilsley Board unanimously determined that the investment agreement and the transactions contemplated thereby were advisable and in the best interests of Marshall & Ilsley and its shareholders and adopted the investment agreement and the separation agreement and approved the transactions contemplated by these agreements. Management then presented its communication plan relating to the transaction.

Through the day of April 3, 2007, members of management and representatives of Warburg Pincus, Sidley Austin and Wachtell Lipton finalized the transaction agreements, the disclosure schedules to the investment agreement and the schedules to the separation agreement. In the late afternoon of April 3, 2007, Marshall & Ilsley, Investor and the other parties to the investment agreement executed the investment agreement, and the parties to the separation agreement, the tax allocation agreement, the employee matters agreement and the limited guaranty executed those agreements. Also that afternoon, Metavante, JPMorgan Chase Bank, JPMorgan and Morgan Stanley Senior Funding, Inc. executed the commitment letter for debt financing and Warburg Pincus delivered its equity commitment to provide the necessary funding to Investor to consummate its investment in New Metavante. In addition, Marshall & Ilsley and Metavante executed the continuing business agreements between the parties.

Following the execution of the transaction agreements, in the late afternoon of April 3, 2007 Marshall & Ilsley issued a press release announcing that it had entered into the definitive investment agreement and the related transaction agreements.

**Marshall & Ilsley's Reasons for the Transactions; Recommendation of the Marshall & Ilsley Board**

**The Marshall & Ilsley Board has unanimously approved and adopted the investment agreement and determined that the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, are advisable and in the best interests of Marshall & Ilsley and its shareholders and recommends that Marshall & Ilsley shareholders vote FOR the proposal to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance.**

In reaching its decision to approve and adopt the investment agreement and the transactions contemplated by the investment agreement and recommend that Marshall & Ilsley shareholders approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, the Marshall & Ilsley Board consulted with Marshall & Ilsley's management, as well as its financial and legal advisors, and considered a variety of factors weighing positively in favor of the transactions, including the following:

*Provides Both Companies with Access to Dedicated Sources of Capital for Organic Growth and Acquisitions.* The Marshall & Ilsley Board considered that both Marshall & Ilsley's banking business and Metavante's business

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required significant capital to continue internal growth and acquisition strategies and that the separation of Marshall & Ilsley and Metavante provides each with access to independent dedicated sources of capital. The Marshall & Ilsley Board noted that although New Metavante will not receive any proceeds from the investment by Investor or the indebtedness to be incurred by New Metavante and/or one or more of its subsidiaries in connection with the transactions and that a portion of Metavante's excess cash will be distributed to New Marshall & Ilsley in connection with the transactions, New Metavante would be in a better position to finance its internal growth and acquisition strategies after the closing of the transactions because it will be able to dedicate its excess cash to Metavante's business rather than funding Marshall & Ilsley's business and will have its own equity currency to use as consideration in acquisitions. The Marshall & Ilsley Board considered the restrictions that will be placed on New Metavante's ability to incur additional debt pursuant to the credit facility governing the indebtedness to be incurred in connection with the transactions as described under *Anticipated Terms of Financing*, the restrictions on the issuance of additional equity by New Metavante as described under *Risk Factors - Risks Relating to Metavante and New Metavante* and Metavante's estimated cash balance after the expected contribution of \$290 million in cash to Marshall & Ilsley in connection with the transactions, and concluded that, New Metavante would have adequate financing from cash flow generated from its operations and permitted debt and equity financing to fund its internal growth and acquisition strategies.

*Financial Terms of the Investment Agreement; Receipt by Marshall & Ilsley of Cash.* The Marshall & Ilsley Board considered the financial terms of the investment agreement, including:

the \$625 million investment that Investor will make in New Metavante prior to the New Marshall & Ilsley share distribution;

the approximately \$1.75 billion of indebtedness that New Metavante and/or one or more of its subsidiaries will incur prior to the New Marshall & Ilsley share distribution;

the repayment by Metavante of certain intercompany indebtedness plus accrued and unpaid interest owed to Marshall & Ilsley (the amount currently owed is approximately \$982 million);

the contribution by New Metavante to New Marshall & Ilsley of \$1.665 billion in cash (which includes the \$625 million of proceeds from the sale of the New Metavante common stock to Investor and the \$1.040 billion distribution of cash received from Metavante); and

that under the investment agreement New Metavante or Metavante will pay all of Investor's expenses related to the transactions. The Marshall & Ilsley Board evaluated the historic financial condition and operating results of Marshall & Ilsley's banking business and Metavante's business, including information with respect to their respective earnings history, as well as the prospects of each business. The Marshall & Ilsley Board also evaluated analyses and other financial information related to Metavante, Marshall & Ilsley and the transactions.

*Strategic Alternatives.* The Marshall & Ilsley Board considered various strategic alternatives to the transactions, including:

continuing to operate both Marshall & Ilsley's banking business and Metavante's business;

an initial public offering of Metavante's common stock or a spin-off of 100% of Metavante's business to Marshall & Ilsley's existing shareholders;

a sale of Metavante's business to a financial or strategic buyer; and

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a spin-off of Metavante's business combined with a merger of the Metavante business with another public company. The Marshall & Ilsley Board considered that the transaction with Investor combined benefits of several other potential transactions by using a tax efficient structure to provide Marshall & Ilsley shareholders with the opportunity to participate in the potential growth of Metavante's business while also permitting Marshall & Ilsley

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to receive cash in the transactions and Metavante to obtain the benefits of a significant equity investment from Warburg Pincus, including the market credibility resulting from Warburg Pincus' valuation of Metavante, access to Warburg Pincus' financial expertise, industry knowledge and global contacts and potential future equity financing by Warburg Pincus.

*Improved Tangible Capital Position of Marshall & Ilsley.* The Marshall & Ilsley Board took into account the fact that the transactions would benefit Marshall & Ilsley by increasing Marshall & Ilsley's tangible capital by an estimated \$1.8 billion and providing total cash proceeds to Marshall & Ilsley of approximately \$2.6 billion.

*Continued Participation of Marshall & Ilsley Shareholders in Potential Success of New Marshall & Ilsley and New Metavante.* The Marshall & Ilsley Board considered that effecting the separation of New Marshall & Ilsley and New Metavante would allow Marshall & Ilsley shareholders to continue to participate in the potential growth and success of each company. The Marshall & Ilsley Board noted that upon completion of the transactions, Marshall & Ilsley shareholders would receive shares of New Marshall & Ilsley that represent 100% of the issued and outstanding shares of New Marshall & Ilsley common stock and shares of New Metavante common stock that, giving effect to the investment by Investor, will represent 75% of the issued and outstanding shares of New Metavante common stock.

*Better Alignment of Employee Incentive Awards.* The Marshall & Ilsley Board considered that the separation will result in the equity securities of each of New Marshall & Ilsley and New Metavante being publicly traded with a valuation that is expected to reflect more closely the efforts and performance of each company's management. Such equity securities should enable each company to provide incentive compensation arrangements, including stock options and restricted stock, for its key employees that are directly related to the market performance of each company's common stock. The Marshall & Ilsley Board believes that equity-based compensation arrangements tied more closely to the performance of the respective companies should provide enhanced incentives for performance and improve the ability for each company to attract, retain and motivate qualified personnel.

*Potential for Contribution by Warburg Pincus to New Metavante.* The Marshall & Ilsley Board considered Warburg Pincus' reputation for making operational and strategic contributions to companies in which it has invested and the potential for Warburg Pincus to make similar beneficial contributions to the business of New Metavante, including providing New Metavante access to Warburg Pincus' financial expertise, industry knowledge in technology and financial services and global contacts through Warburg Pincus' representatives on New Metavante's board of directors.

*Debt Level of Metavante and Ability to Pursue Acquisitions.* The Marshall & Ilsley Board considered that the debt incurred by New Metavante and/or one of its subsidiaries in connection with the consummation of the transactions should not preclude New Metavante from pursuing future transactions or its growth strategy because the cash flow from New Metavante's operations is expected to be adequate to provide New Metavante with capital resources to pursue acquisitions after meeting its debt service obligations and New Metavante will have the ability to obtain debt financing under the terms of the credit facility governing the indebtedness to be incurred in connection with the transactions subject to the restrictions described under "Anticipated Terms of Financing" and to obtain equity financing, including from Warburg Pincus, subject to the restrictions described under "Risk Factors - Risks Relating to Metavante and New Metavante." The Marshall & Ilsley Board noted that the commitment letter for the credit facility provided that these restrictions would be customary in nature and concluded that, although these restrictions would restrict the ability of New Metavante to incur additional debt, these restrictions would not impede New Metavante's growth and acquisition plans.

*Terms of the Separation Agreement and Investment Agreement.* The Marshall & Ilsley Board reviewed and considered the terms of the investment agreement and the separation agreement, including:

that Marshall & Ilsley has the ability to terminate the investment agreement under a number of circumstances, including in order to accept a proposal from a third party to acquire Marshall & Ilsley and its subsidiaries, including Metavante, subject to paying a \$75 million fee;

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that the completion of the transactions is subject to, among other things, (i) New Metavante obtaining a private letter ruling and New Metavante and Marshall & Ilsley obtaining an opinion of counsel, in each case, with respect to the tax-free nature of the New Marshall & Ilsley share distribution and (ii) the receipt of capital adequacy and solvency opinions with respect to Marshall & Ilsley and certain of its subsidiaries as described under The Investment Agreement Shareholders Meeting; Conditions to the Completion of the Transactions;

that the Marshall & Ilsley Board has the right to change its recommendation of the transactions under certain circumstances if failure to do so would be inconsistent with the board of directors fiduciary duties to its shareholders under applicable laws, and that doing so may result in Marshall & Ilsley being required to pay Investor a termination fee of \$75 million as described under The Investment Agreement Covenants No Solicitation of Acquisition Proposals; Recommendation of Marshall & Ilsley Board; and

that under specified circumstances either Marshall & Ilsley or Investor would be required to pay a termination fee if the investment agreement was terminated.

The Marshall & Ilsley Board also considered the course of negotiations of the transaction agreements.

*Valuation Letter of the Financial Advisor.* The Marshall & Ilsley Board considered the view of JPMorgan, orally provided to the Marshall & Ilsley Board on April 3, 2007, and subsequently confirmed by delivery of a written valuation letter, dated as of the same date, that as of that date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations set forth in the valuation letter, the range of enterprise values of Metavante was between \$3.8 billion and \$4.4 billion, which would imply a range of values between approximately \$515 million and \$665 million for the proportionate share of Metavante represented by the number of shares of common stock of New Metavante to be purchased by Investor under the investment agreement and the number of shares of common stock of New Metavante that Investor may purchase under the stock purchase right agreement. The Marshall & Ilsley Board noted that the enterprise value of \$4.25 billion used to calculate the amount to be paid by Investor under the investment agreement was within the range of values included in JPMorgan's valuation letter. The Marshall & Ilsley Board took note of the scope of JPMorgan's view and its limitations, as well as the fact that JPMorgan's \$10 million fee is payable only upon consummation of the transactions contemplated by the investment agreement, which the Marshall & Ilsley Board considered a customary arrangement with a financial advisor in the context of transactions of this nature. In addition, the Marshall & Ilsley Board discussed the fact that JPMorgan had provided substantial investment banking and other services to Warburg Pincus and its portfolio companies over a number of years. While the Marshall & Ilsley Board was not aware of the specific amounts paid to JPMorgan by Warburg Pincus in respect of such services, the Marshall & Ilsley Board did not believe that JPMorgan's valuation analysis was compromised by JPMorgan's work for Warburg Pincus and its portfolio companies.

*Marshall & Ilsley Shareholder Vote.* The Marshall & Ilsley Board considered that under the investment agreement it is a condition to completion of the transactions that a majority of the outstanding shares of Marshall & Ilsley common stock vote to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, thereby giving the Marshall & Ilsley shareholders the opportunity to accept or reject the transactions.

*Representation on New Metavante Board of Directors.* The Marshall & Ilsley Board considered that, upon completion of the New Marshall & Ilsley share distribution, (i) subject to applicable law and regulatory process, Marshall & Ilsley would have one designee on the New Metavante board of directors, (ii) the Chairman of the Board of New Metavante would be Dennis J. Kuester for a period of one year from the date of closing and if Dennis J. Kuester is unable to serve during such one-year period, or after such one-year period, Frank R. Martire would, subject to the approval of the board of directors of New Metavante, succeed Dennis J. Kuester as Chairman of the Board of New Metavante, (iii) two directors would be officers of New Metavante, one of whom would be the President and Chief Executive Officer and one of whom would be the Senior Executive Vice

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President and Chief Operating Officer and (iv) subject to applicable law and regulatory process, five additional directors would be selected by Marshall & Ilsley after consulting with the President and Chief Executive Officer of Metavante and with the consent of Investor, each of whom shall qualify as independent of Metavante under the rules of the New York Stock Exchange and the Exchange Act and one of whom shall be a director of Marshall & Ilsley. The Marshall & Ilsley Board considered that, subject to applicable law and regulatory process, three directors would be designated by Investor.

*Recommendation of Management.* The Marshall & Ilsley Board took into account the recommendation of management of Marshall & Ilsley and Metavante in favor of the transactions.

*Experience of Warburg Pincus in Completing Transactions.* The Marshall & Ilsley Board considered the success of Warburg Pincus in completing complex transactions in the past, as well as its reputation in the private equity industry.

*Maintain Beneficial Business Relationships through Contractual Relationships.* The Marshall & Ilsley Board considered that, as structured, the transactions allowed Metavante and Marshall & Ilsley to continue their mutually beneficial business relationship as supplier and purchaser of services through the continuing business agreements between Marshall & Ilsley and Metavante.

*Tax Treatment of the Transactions.* The Marshall & Ilsley Board considered that the separation of New Marshall & Ilsley and New Metavante is expected to be treated as a tax-free reorganization for federal income tax purposes. The Marshall & Ilsley Board also considered that the New Marshall & Ilsley share distribution may result in significant U.S. federal income tax liabilities to New Metavante if 50% or more of the stock of New Marshall & Ilsley or New Metavante is acquired, directly or indirectly, by one or more persons as part of a plan or series of related transactions that includes the share issuance and merger.

In addition, the Marshall & Ilsley Board also considered a variety of factors weighing negatively against the transactions, including the following, but concluded that the positive factors outweighed the negative factors:

*Allocation of Potential Tax Liabilities.* The Marshall & Ilsley Board considered the allocation under the tax allocation agreement of any tax liabilities resulting from a determination that the share issuance and merger was not tax free.

*Financial Impact of the Separation of Marshall & Ilsley and Metavante.* The Marshall & Ilsley Board considered the financial impact of the loss of the assets, revenue and cash flows of Metavante's business on Marshall & Ilsley which could make New Marshall & Ilsley more vulnerable to economic and other factors specifically affecting the banking industry and limit the cash flow available to New Marshall & Ilsley to pursue its growth strategy. In addition, the Marshall & Ilsley Board considered the financial impact on Metavante of being separated from Marshall & Ilsley, including that Metavante would be more vulnerable to economic and other factors specifically affecting its business.

*Debt Financing.* The Marshall & Ilsley Board considered that completion of the transactions requires that Metavante or one or more of its subsidiaries obtain approximately \$1.75 billion of debt financing and the risks related to obtaining the debt financing.

*Leverage and Risks of Insolvency of New Metavante.* The Marshall & Ilsley Board considered that following the transactions, New Metavante will have a significant amount of indebtedness, which could limit its financial and operational flexibility. The Marshall & Ilsley Board also considered that if New Metavante were to become insolvent at some point following completion of the proposed transactions (including as a result of a termination of or material modification to supplier or customer relationships), the proposed distributions could be challenged by creditors of New Metavante as a fraudulent conveyance and shareholders who received the funds or shares of New Marshall & Ilsley common stock in the distributions could be required to return all or a portion of them to New Metavante.

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*Ongoing Obligations After Completion of the Transactions.* The Marshall & Ilsley Board took note of the fact that under the terms of the investment agreement, Marshall & Ilsley is subject to a 36-month non-competition covenant and a six-month employee non-solicit covenant and is required under specified circumstances to provide certain transition services to New Metavante.

*Restraints on Future Transactions.* The Marshall & Ilsley Board considered that in order to preserve the tax-free nature of the transactions Marshall & Ilsley may be constrained from entering into a transaction or series of transactions in which 50% or more of New Marshall & Ilsley stock is acquired depending on whether Marshall & Ilsley engaged in substantial negotiation with respect to such transactions in the two-year period prior to the New Marshall & Ilsley share distribution.

*Interests of Executive Officers and Directors of Marshall & Ilsley in the Transactions.* The Marshall & Ilsley Board considered the interests of executive officers and directors of Marshall & Ilsley in the transactions described below under *The Transactions Interests of Certain Persons in the Transactions* beginning on page 90.

*Limited Express Contractual Recourse Against Investor and Warburg Pincus Private Equity IX, L.P.* The Marshall & Ilsley Board considered that Marshall & Ilsley's recourse against Investor or Warburg Pincus Private Equity IX, L.P., in the case of a breach by Investor of its obligations under the investment agreement is limited to seeking damages under the limited guarantee of Warburg Pincus Private Equity IX, L.P. in favor of Marshall & Ilsley and Metavante described below under *Additional Agreements Relating to the Transactions Limited Guarantee* beginning on page 141.

The foregoing discusses the material factors considered by the Marshall & Ilsley Board and is not exhaustive of all factors considered by the Marshall & Ilsley Board. In view of the variety of factors considered in connection with its evaluation of the separation agreement and the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, the Marshall & Ilsley Board considered the factors as a whole and did not find it practicable to, and did not, quantify or otherwise assign relative weight to the specific factors considered in reaching its determination to approve the separation agreement, investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance. In addition, each member of the Marshall & Ilsley Board may have given differing weights to different factors.

In considering the recommendation of the Marshall & Ilsley Board to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, Marshall & Ilsley shareholders should be aware that certain executive officers and directors and certain shareholders of Marshall & Ilsley have certain interests in the proposed transactions that may be different from, or in addition to, the interests of Marshall & Ilsley shareholders generally. The Marshall & Ilsley Board was aware of these interests when approving the separation agreement and the investment agreement and recommending that the Marshall & Ilsley shareholders vote to approve and adopt the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance. See *The Transactions Interests of Certain Persons in the Transactions* beginning on page 90.

**Metavante Business Plan Information**

Marshall & Ilsley does not as a matter of course make public disclosure of its business plans. The business plan information prepared by Metavante's management set forth below was provided to Warburg Pincus in February 2007 in connection with its due diligence review of Metavante. The 2007 and 2008 business plan information was not prepared with a view toward public disclosure or with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information. In the view of Metavante's management, the 2007 business plan was prepared on a reasonable basis in connection with Metavante's 2007 business planning process, reflects the best estimates and judgments available at the time of preparation and presents, to the best of Metavante's management's knowledge

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and belief at the time of preparation, the expected course of action and the expected future financial performance of Metavante. The 2008 business plan information was prepared at the request of Warburg Pincus in connection with its due diligence review of Metavante and reflects Metavante's management's preliminary high end and low end estimates of the future performance of Metavante based on the assumptions set forth below. The 2007 and 2008 business plan information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this information are cautioned not to place undue reliance on the business plan information.

Neither Metavante's independent registered public accounting firm, nor any other independent registered public accounting firm, have compiled, examined, or performed any procedures with respect to the business plan information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the business plan information.

The following table presents the income statement included in Metavante's 2007 business plan provided to Warburg Pincus in February 2007. This information should be read in light of the factors described above and below.

## Metavante 2007 Business Plan Information

	2007 (in millions)
Total revenue	\$ 1,620.3
Expenses excluding interest and taxes	1,311.8
Income before interest and income taxes	308.5
Interest expense, net of interest income	27.1
Income before income taxes	281.4
Income tax provision	106.2
Net income	\$ 175.2

In addition, the 2007 business plan that Warburg Pincus received projected EBITDA (earnings before interest, taxes, depreciation and amortization) of \$468 million. The following table is a reconciliation of 2007 projected net income to projected EBITDA.

	2007 (in millions)
Net Income	\$ 175
Add: Net interest expense	27
Income tax provision	106
Depreciation and amortization	129
Acquisition intangible amortization	31
EBITDA	\$ 468

Significant assumptions underlying the 2007 business plan information included the following:

Metavante would remain a subsidiary of Marshall & Ilsley;

Metavante's debt outstanding and related interest costs would remain at the same level as 2006;



Metavante's administrative charges paid to Marshall & Ilsley would not change during 2007;

The amount charged by Metavante to Marshall & Ilsley for data processing and other services would not change during 2007;

Revenue growth excluding acquisitions would be in the mid-single digits;

Margins would be similar to those achieved in 2006; and

No acquisition activity would occur after the Valutec Card Solutions, Inc. acquisition.

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The Metavante 2008 business plan was prepared at the request of Warburg Pincus in connection with its due diligence review of Metavante and had not otherwise been prepared by management. Metavante provided the following range of 2008 results to Warburg Pincus based on management's preliminary estimates in February 2007.

## Metavante 2008 Business Plan Information

	Low End	High End
	2008	2008
	(in millions)	
Base revenue	\$ 1,701.5	\$ 1,784.7
Acquisition revenue	200.0	500.0
<b>Total revenue</b>	<b>1,901.5</b>	<b>2,284.7</b>
Expenses excluding interest and taxes	1,546.7	1,859.5
<b>Income before interest and income taxes</b>	<b>354.8</b>	<b>425.2</b>
Interest expense, net of interest income	27.0	27.0
<b>Income before income taxes</b>	<b>327.8</b>	<b>398.2</b>
Income tax provision	123.8	150.3
<b>Net income</b>	<b>\$ 204.0</b>	<b>\$ 247.9</b>

In addition, the 2008 business plan that Warburg Pincus received projected an EBITDA range of \$542.6 million to \$651.1 million. The following table is a reconciliation of 2008 projected net income to projected EBITDA:

	Low End	High End
	2008	2008
	(in millions)	
Net income	\$ 204.0	\$ 247.9
Add: Net interest expense	27.0	27.0
Income tax provision	123.8	150.3
Depreciation and amortization (including acquisition amortization)	187.8	225.9
<b>EBITDA</b>	<b>\$ 542.6</b>	<b>\$ 651.1</b>

Significant assumptions underlying the 2008 business plan information included the following:

Metavante would complete future acquisitions that contribute to 2008 revenue growth;

Metavante would remain a subsidiary of Marshall & Ilsley;

Metavante's debt outstanding and related interest costs would remain at the same level as 2006;

Metavante's administrative charges paid to Marshall & Ilsley would not change during 2008;

The amount charged by Metavante to Marshall & Ilsley for data processing and other services would not change during 2008; and

Margins would be similar to those assumed in the 2007 business plan.

The estimates and assumptions underlying the business plan of Metavante involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions. In addition, the business plan does not include additional interest costs from the additional indebtedness to be incurred in connection with the transactions, additional costs associated with being a public company, certain non-recurring charges relating to the transactions and other effects of the separation from Marshall & Ilsley. The estimates and assumptions underlying the business plan may not be realized and are

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inherently subject to significant business, economic, competitive and regulatory uncertainties, all of which are difficult to predict and many of which are beyond the control of Marshall & Ilsley and Metavante and will be beyond the control of New Metavante after the consummation of the transactions. Accordingly, there can be no assurance that the results indicated by the business plan would be realized or that actual results would not differ materially from those presented in the business plan. The inclusion of the business plan information herein should not be interpreted as an indication that Marshall & Ilsley or Metavante considers this information a reliable prediction of future results, and this information should not be relied on for that purpose. The business plan information is not included in this document in order to induce any Marshall & Ilsley shareholder to vote in favor of approving the transactions. See Special Note Regarding Forward-Looking Statements beginning on page 55 and Risk Factors beginning on page 32.

**Metavante does not generally make public disclosure of its business plans and strategies. Accordingly, neither Marshall & Ilsley nor Metavante intends to update or otherwise revise the business plan information to reflect circumstances existing since the preparation of the business plan or to reflect the occurrence of unanticipated events, including the transactions, even in the event that any or all of the underlying assumptions are shown to be in error. Furthermore, Metavante does not intend to update or revise the business plan to reflect changes in general economic or industry conditions.**

### **Valuation Letter of Financial Advisor to the Marshall & Ilsley Board**

At a meeting of the Marshall & Ilsley Board held on April 3, 2007, JPMorgan orally provided the Marshall & Ilsley Board with its view, subsequently confirmed by delivery of a written valuation letter dated as of the same date, that as of that date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations set forth in the valuation letter, the range of enterprise values of Metavante was between \$3.8 billion and \$4.4 billion, which would imply a range of values between approximately \$515 million and \$665 million for the proportionate share of Metavante represented by the number of shares of common stock of New Metavante to be purchased by Investor under the investment agreement and the number of shares of common stock of New Metavante that Investor may purchase under the stock purchase right agreement (this proportionate share of Metavante is referred to in this document as the WPM Investment ).

**The full text of the valuation letter of JPMorgan, dated April 3, 2007, which sets forth, among other things, the assumptions made, procedures followed, matters considered, and qualifications and limitations on the review undertaken by JPMorgan in connection with its valuation, is attached to this proxy statement/prospectus information statement as Annex F and is incorporated into this proxy statement/ prospectus information statement by reference. The summary of JPMorgan s valuation letter included in this proxy statement/prospectus information statement is qualified in its entirety by reference to the full text of such valuation letter. You are urged to read the valuation letter carefully and in its entirety. JPMorgan provided its valuation letter for the information and assistance of the Marshall & Ilsley Board in connection with its consideration of the transactions contemplated by the investment agreement and the other transaction agreements. The valuation letter addresses only the valuation of Metavante, on an enterprise value basis, and the implied value of the WPM Investment. The valuation letter does not constitute a recommendation to any shareholder of Marshall & Ilsley as to how such shareholder should vote at the special meeting with respect to the approval and adoption of the investment agreement and the transactions contemplated by the investment agreement and the other transaction agreements or any other matter and should not be relied upon by any shareholder as such.**

In connection with rendering its view, JPMorgan, among other things:

reviewed drafts of the investment agreement and the stock purchase right agreement;

reviewed certain publicly available business and financial information concerning Metavante and the industries in which it operates;

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reviewed the publicly available financial terms of certain transactions involving companies JPMorgan deemed relevant and the consideration received for such companies;

compared the financial and operating performance of Metavante with publicly available information concerning certain other companies JPMorgan deemed relevant and reviewed the current and historical market prices of certain publicly traded securities of such other companies;

reviewed certain internal financial analyses and forecasts prepared by the managements of Marshall & Ilsley and Metavante relating to Metavante's business, including forecasts for Metavante adjusted to reflect the consummation of the transactions contemplated by the investment agreement and the stock purchase right agreement; and

performed such other financial studies and analyses and considered such other information as JPMorgan deemed appropriate for the purposes of the valuation letter.

In addition, JPMorgan held discussions with certain members of the managements of Marshall & Ilsley and Metavante with respect to the past and current business operations of Metavante, the financial condition and future prospects and operations of Metavante, and certain other matters JPMorgan believed necessary or appropriate to its inquiry.

In giving its view, JPMorgan relied upon and assumed, without assuming responsibility or liability for independent verification, the accuracy and completeness of all information that was publicly available or was furnished to or discussed with JPMorgan by Marshall & Ilsley and Metavante or otherwise reviewed by or for JPMorgan. JPMorgan did not conduct, and was not provided with, an independent valuation or appraisal of any assets or liabilities (including any contingent, derivative or off-balance sheet assets or liabilities) of Marshall & Ilsley or Metavante. JPMorgan did not evaluate the solvency of Marshall & Ilsley or Metavante under any state or federal laws relating to bankruptcy, insolvency or similar matters or the available surplus of Marshall & Ilsley or any of its subsidiaries for purposes of complying with applicable state laws relating to the payment of dividends. In relying on financial analyses and forecasts provided to it, JPMorgan assumed that the financial analyses and forecasts were reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of Metavante. JPMorgan expressed no view as to such analyses or forecasts or the assumptions on which they were based.

**JPMorgan based its view on economic, market and other conditions as in effect on, and the information made available to JPMorgan as of, the date of the valuation letter. Subsequent developments may affect JPMorgan's view and JPMorgan does not have any obligation to update, revise, or reaffirm its view as set forth in the valuation letter. The valuation letter does not constitute an opinion as to the fairness, from a financial point of view or otherwise, of the terms of any of the transactions contemplated by the investment agreement and the stock purchase right agreement, including the consideration to be received by New Metavante from Investor for the issuance of shares of New Metavante common stock pursuant to the investment agreement or for the issuance of shares of New Metavante common stock pursuant to the stock purchase right agreement, and JPMorgan expressed no view as to the underlying decision by Marshall & Ilsley to engage in the transactions contemplated by the investment agreement and the stock purchase right agreement. In the valuation letter, JPMorgan expressed no view as to the price at which the common stocks of Marshall & Ilsley, New Marshall & Ilsley or New Metavante would trade at any future time.**

The following is a summary of the material financial analyses presented by JPMorgan to the Marshall & Ilsley Board in connection with rendering its view and delivering the valuation letter described above. Except as indicated under "Other" below, these analyses were substantially similar to the preliminary valuation analyses presented by JPMorgan at earlier meetings of the Marshall & Ilsley Board and the Metavante Acquisition Review Committee to assist Marshall & Ilsley in its negotiations of a transaction with Warburg Pincus. The purpose of each of the analyses performed was to determine implied valuation ranges for Metavante and the WPM Investment. Each of the analyses performed by JPMorgan provided an indication of the enterprise value of

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Metavante to assist in evaluating the consideration to be received from Investor for its equity stake in Metavante. The following paragraphs summarize, but do not purport to be complete descriptions of, the analyses JPMorgan performed. The preparation of a valuation is a complex process and is not susceptible to partial analysis or summary descriptions. The following summary and the analyses performed by JPMorgan must be considered as a whole. Selecting portions of the following summary and the analyses performed by JPMorgan, without considering all of its analyses as a whole, could create an incomplete view of the process or assumptions underlying JPMorgan's analyses and valuation.

In arriving at its valuation, JPMorgan considered all of the financial analyses that it performed and did not attribute any particular weight to any individual analysis or factor that it considered or reach any specific conclusion with respect to any individual analysis. Rather, JPMorgan made its determination as to the implied enterprise valuation of Metavante and the implied value for the WPM Investment on the basis of JPMorgan's experience and professional judgment after considering the results of all of the analyses performed by it. No company or transaction used in JPMorgan's analyses as a comparison is directly comparable to Marshall & Ilsley or Metavante or the transactions contemplated by the investment agreement and the stock purchase right agreement.

Analyses that are based upon forecasts of future results are inherently uncertain, as they are subject to numerous factors or events beyond the control of the parties and their advisors. Accordingly, the forecasts and analyses made or used by JPMorgan are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by those analyses. Moreover, JPMorgan's analyses are not and do not purport to be appraisals or otherwise reflective of the prices at which businesses actually could be bought or sold.

### **Comparable Company Trading Multiples Analysis**

JPMorgan analyzed selected financial and market data for companies that JPMorgan determined to be comparable in their operations and financial characteristics to Metavante, which are listed below. Although none of the selected companies is directly comparable to Metavante, each of the companies included was chosen because it is a publicly traded company providing either core processing or payment processing technology and services to financial institutions, merchants and other firms and has financial characteristics that are similar to Metavante. The purpose of this analysis was to determine implied valuation ranges for Metavante by calculating the enterprise value of each of the selected companies as a multiple of selected financial data derived from such companies' public trading prices and other publicly available historical and projected information.

Using publicly available information, JPMorgan calculated the ratio of enterprise value, or EV, to estimated earnings before interest, taxes, depreciation and amortization, which is referred to herein as EBITDA, for 2007 for each of these comparable companies. JPMorgan also calculated the ratio of enterprise value to EBITDA minus forecast capital expenditures, which is referred to herein as Capex, for 2007 for each of these comparable companies as well as ratios of their stock trading prices to estimated 2007 GAAP and cash earnings per share. All market data used by JPMorgan in its analyses was as of March 28, 2007.

JPMorgan calculated the enterprise value of each of those comparable companies by first adding the sum of the long-term and short-term debt of each of the comparable companies to the sum of the market value of such comparable company's common equity, the book value of such comparable company's preferred stock and the book value of such comparable company's minority interest, and then subtracting from that result such comparable company's cash and cash equivalents.

JPMorgan calculated estimated EBITDA-Capex by subtracting forecast capital expenditures from estimated EBITDA. JPMorgan calculated the estimated cash net income for the comparable companies by adding after-tax amortization from acquisitions and after-tax amortization of stock-based compensation back to GAAP net income. Wherever possible, estimated EBITDA, capital expenditures, net income and after-tax amortizations from acquisitions and stock-based compensation for each of the comparable companies were based on consensus equity research estimates from First Call. In certain circumstances where First Call did not provide estimates for certain financial data, JPMorgan relied on various equity research reports to develop estimates.

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The following table lists the selected companies and presents the results of this analysis:

	EV/ EBITDA	EV/ (EBITDA Capex)	P/E (GAAP Net Income)	P/E (Cash Net Income)
<b>Core Processing Companies</b>				
Jack Henry & Associates	10.5x	13.0x	20.0x	19.3x
Fidelity National Information Services	9.7x	12.9x	23.9x	17.2x
Fiserv	9.4x	11.6x	18.3x	17.2x
<b>Average</b>	<b>9.9x</b>	<b>12.5x</b>	<b>20.7x</b>	<b>17.9x</b>
<b>Payment Processing Companies</b>				
First Data Corp.	11.3x	13.5x	21.5x	17.6x
Total System Services, Inc.	10.9x	11.6x	26.0x	25.8x
Global Payments, Inc.	10.5x	11.9x	21.1x	19.2x
CheckFree Corp.	9.1x	12.0x	21.6x	18.3x
<b>Average</b>	<b>10.4x</b>	<b>12.3x</b>	<b>22.5x</b>	<b>20.2x</b>

JPMorgan then calculated implied valuation ranges for Metavante by applying ranges of multiples derived from the analysis outlined above to Marshall & Ilsley's management's projections of 2007 EBITDA, 2007 EBITDA-Capex, 2007 GAAP net income and 2007 cash net income for Metavante after giving effect to the transactions contemplated by the investment agreement and related agreements. The ranges of multiples JPMorgan selected reflected its professional judgment of appropriate multiples to apply to Marshall & Ilsley's management's projections based on its comparison of Metavante's operating and financial characteristics to the selected companies listed above. For each metric, JPMorgan used its judgment to select a range of multiples that JPMorgan believed encompassed or approximated the multiples for the most relevant comparable companies. For certain metrics, JPMorgan excluded multiples that were outside the core range of multiples or that were otherwise less relevant for analytical purposes because of operating, financial or other characteristics that differed from those of Metavante. In particular, although JPMorgan believed that both core processing companies and payment processing companies were generally comparable to Metavante and therefore were useful to analyze in connection with its valuation of Metavante, JPMorgan believed that the core processing companies (i.e., Jack Henry & Associates, Fidelity National Information Services and Fiserv) generally engaged in business lines that were more directly comparable to that of Metavante. Since JPMorgan concluded that the range of multiples for each financial metric that would result from the inclusion of all high and low multiples for all core processing and payment processing companies would be too wide to assist in a meaningful analysis, JPMorgan based its range of multiples for each financial metric on the high and low multiples (rounded to the nearest 0.5) of the core processing companies.

A range of 9.5x to 10.5x was applied to the 2007 EBITDA projections; based on this analysis JPMorgan derived an implied range of enterprise values for Metavante of approximately \$4,300 million to \$4,755 million and an implied range of values for the WPM Investment of \$640 million to \$750 million. A range of 11.5x to 13.0x was applied to 2007 EBITDA-Capex projections; based on this analysis JPMorgan derived an implied range of enterprise values for Metavante of approximately \$3,385 million to \$3,825 million and an implied range of values for the WPM Investment of \$410 million to \$520 million. A range of 18.5x to 24.0x was applied to the 2007 GAAP net income projections; based on this analysis JPMorgan derived an implied range of enterprise values for Metavante of approximately \$3,865 million to \$4,495 million and an implied range of values for the WPM Investment of \$530 million to \$685 million. A range of 17.0x to 19.5x was applied to the 2007 cash net income projections; based on this analysis JPMorgan derived an implied range of enterprise values for Metavante of approximately \$4,085 million to \$4,430 million and an implied range of values for the WPM Investment of \$585 million to \$670 million.

**Precedent Transaction Multiples Analysis**

JPMorgan analyzed certain publicly available information relating to selected precedent transactions that were announced from December 8, 2004 to December 20, 2006 and that JPMorgan judged to be comparable as

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they involved companies providing core processing and payment processing technology and services to financial institutions, merchants and other firms and having financial characteristics that are similar to Metavante. The purpose of this analysis was to determine an implied valuation range for Metavante by calculating the transaction value of each of the selected precedent transactions as a multiple of EBITDA for the last twelve months, or LTM EBITDA, prior to the announcement of each transaction.

JPMorgan calculated the transaction value, or TV, in the selected precedent transactions as multiples of the target company's publicly reported EBITDA for the last twelve months prior to the announcement of the transaction. JPMorgan calculated the transaction value for purposes of this analysis by first adding the target company's sum of its long-term and short-term debt to the sum of the value of the target company's common equity based on the value at which the acquirer intended to purchase the target company's common equity, the book value of the target company's preferred stock and the book value of the target company's minority interest, and then subtracting from that result the target company's cash and cash equivalents.

JPMorgan noted that the mergers and acquisitions environment varies over time. JPMorgan also noted that no transaction reviewed by JPMorgan was directly comparable to the transactions contemplated by the investment agreement and the stock purchase right agreement and that, accordingly, its analysis involved complex considerations and judgments concerning differences in financial and operating characteristics of Metavante relative to the targets in the selected transactions and other factors that would affect the acquisition values in the precedent transactions.

The following table lists the selected precedent transactions and presents the results of this analysis:

<b>Announcement Date</b>	<b>Acquirer</b>	<b>Target</b>	<b>TV/LTM EBITDA</b>
12/20/2006	M&F Worldwide, Corp.	John H. Harland Company	7.4x
10/16/2006	The Carlyle Group and Providence Equity Partners	Open Solutions Inc.	13.7x
09/15/2005	Open Solutions Inc.	BISYS Group Info Services	9.4x
09/15/2005	Fidelity National Information Services, Inc.	Certegy, Inc.	9.2x
12/08/2004	Thomas H. Lee Advisors, LLC and Texas Pacific Group	Fidelity National Information Services, Inc.	8.6x

Based on this analysis, JPMorgan then calculated an implied valuation range for Metavante by applying a range of 8.6x to 9.3x to Marshall & Ilsley's management's projected EBITDA for the twelve months prior to September 30, 2007, the anticipated transaction date. The selected range of multiples reflected JPMorgan's professional judgment of appropriate multiples to apply to Marshall & Ilsley's management projections based on its comparison of the operating and financial characteristics of the target companies listed above to Metavante. In selecting this range of multiples, JPMorgan selected a range that it believed encompassed or approximated the multiples observed in the most relevant comparable transactions and excluded those multiples that were outside the core range of multiples or that were otherwise less relevant for analytical purposes because of operating, financial or other characteristics that differed from those of Metavante or differences between the comparable transactions analyzed and the transactions contemplated under the investment agreement. In particular, JPMorgan noted that the most relevant transactions for analytical purposes were the last three listed in the table because of the nature of the transaction (T.H. Lee and Texas Pacific Group purchased a 25% interest in Fidelity National) or the financial characteristics of the target company following the transaction, particularly its leverage levels. Based on this analysis, JPMorgan derived an implied range of enterprise values for Metavante of approximately \$3,500 million to \$3,785 million and an implied range of values for the WPM Investment of \$435 million to \$510 million.



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### **Discounted Cash Flow Analysis**

JPMorgan conducted a discounted cash flow analysis of Metavante. JPMorgan performed its analysis based on Marshall & Ilsley's management's financial plan and certain other publicly available information, using September 30, 2007 as the valuation date. The purpose of this analysis was to calculate an estimated range of illustrative enterprise values for Metavante based on future cash flows projected by Marshall & Ilsley's management.

Marshall & Ilsley's management's financial plan consisted of financial projections for years 2007 through 2011. JPMorgan estimated a range of present values for the future free cash flows expected to be generated by Metavante based upon the financial plan. The discount rates utilized to calculate the present value of future free cash flows were chosen based upon an analysis of Metavante's weighted average cost of capital. JPMorgan's analysis of Metavante's weighted average cost of capital was based on several variables related to the capital asset pricing model for the cost of equity, including estimates of applicable risk factors, or betas, ranging from 1.1 to 1.3, an estimated risk-free rate of return of 4.7% and an estimated equity market premium of 5.0%. In addition, JPMorgan used a range of estimated pre-tax cost of debt for Metavante of 5.5% to 6.0%, an assumed tax rate of 38% and long-term target debt-to-total capital ratios ranging from 0% to 20%. On the basis of this analysis and its professional judgment, JPMorgan selected a discount rate range of 9.5% to 10.5%. The terminal value was calculated using perpetuity growth rates ranging from 3.5% to 4.0%. In its professional judgment, JPMorgan believed that this range of perpetuity growth rates reasonably reflected long-term growth prospects both for Metavante and the larger general economy, and constituted a more appropriate assumption regarding future growth rates than Metavante's historical revenue growth rate of 25% for 2003-2006, given the impact that Metavante's acquisition activity during that period had on its historical growth rate. JPMorgan also observed that this range of perpetuity growth rates resulted in implied terminal multiples of LTM EBITDA ranging from 7.5x to 9.6x. JPMorgan then noted that the range of terminal multiples was consistent with the EBITDA-based valuations for comparable companies. This analysis yielded a range of illustrative enterprise values for Metavante of approximately \$3,500 million to \$4,380 million and a range of implied values for the WPM Investment of \$435 million to \$660 million.

### **Summary**

On the basis of the foregoing analyses, JPMorgan estimated a range of enterprise values of Metavante between \$3.8 billion and \$4.4 billion. JPMorgan's estimate was based on its review of all the analyses it conducted and the use of its experience and professional judgment after considering the results of all of the analyses performed. JPMorgan's estimate of the range of enterprise values for Metavante does not reflect the application of any specific mathematical formula to the analyses, nor does it attribute any particular weight to any individual analysis or factor. However, in applying its judgment to derive the estimated valuation ranges from the various multiples and valuation ranges resulting from its individual analyses, JPMorgan did bear in mind its judgment that a discounted cash flow analysis and an analysis of the multiples of price to GAAP earnings and price to cash earnings of comparable companies were customary means of calculating the values of companies in Metavante's industry and, accordingly, should have a meaningful impact on JPMorgan's determination of the overall enterprise valuation range for Metavante. JPMorgan derived the range of values for the WPM Investment by subtracting the anticipated post-transaction net debt for Metavante from the range of enterprise values JPMorgan estimated for Metavante, and then multiplied the result of that calculation by 25% to reflect the proportionate ownership interest of Metavante being sold to Investor.

### **Other**

In addition to the financial analyses summarized above, JPMorgan's preliminary analyses also included an analysis of a hypothetical leveraged buyout of Metavante by a financial buyer and the value that Marshall & Ilsley's stockholders could receive in such a transaction. For purposes of this analysis, JPMorgan assumed that the transaction would be completed on September 30, 2007 and that a subsequent sale of Metavante would occur on September 30, 2012 at a price ranging from approximately 9x to 10x of Metavante's projected EBITDA for

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the twelve months ending on September 30, 2012. JPMorgan also assumed that a purchaser's required rate of return would be between 15% and 18% in a transaction of this type. JPMorgan derived its assumed sale price multiples from its analyses of comparable companies and precedent transactions multiples described above. JPMorgan's assumptions regarding required rates of return were based on its experience in recent proposed and consummated transactions involving financial buyers, after taking into account the size and characteristics of the WPM Investment. Based on this analysis, JPMorgan derived an implied range of enterprise values for Metavante of approximately \$4,100 million to \$4,477 million. JPMorgan prepared this analysis for informational purposes only and did not include it in its final analyses presented to the Marshall & Ilesley Board or rely on it in rendering its view and delivering the valuation letter described above.

**Miscellaneous**

The Marshall & Ilesley Board selected JPMorgan to render the valuation letter in connection with the transactions contemplated by the investment agreement and the stock purchase right agreement because of JPMorgan's reputation as an internationally recognized investment banking and advisory firm with substantial experience in certain similar transactions and because JPMorgan is familiar with Marshall & Ilesley and its businesses, including Metavante's business.

The engagement letter with JPMorgan dated April 2, 2007, provides that, upon the consummation of the transactions contemplated by the investment agreement, JPMorgan will receive a fee from Marshall & Ilesley in the amount of \$10 million for its services as Marshall & Ilesley's financial advisor. Marshall & Ilesley has also agreed to indemnify JPMorgan for certain liabilities arising out of its engagement as Marshall & Ilesley's financial advisor. In addition, Marshall & Ilesley has agreed to reimburse JPMorgan for all reasonable expenses incurred by it in connection with its provision of services to Marshall & Ilesley, including reasonable fees of outside counsel and other professional advisors. JPMorgan and its affiliates have in the past performed, and may continue to perform, a variety of commercial banking and investment banking services for Marshall & Ilesley and its affiliates and for Warburg Pincus and its portfolio companies, all for customary compensation. Specifically, JPMorgan acted as a lead manager for Marshall & Ilesley's offerings of its bank notes, senior notes and subordinated notes in 2005, as a lead manager for two offerings by Marshall & Ilesley of its bank notes in 2006 and as joint remarketing agent for senior notes of Marshall & Ilesley in 2007. JPMorgan and its affiliates received fees of approximately \$0.9 million, \$0.5 million and \$0.8 million in 2005, 2006 and the year to date in 2007, respectively, for investment banking and other services provided to Marshall & Ilesley and its affiliates unrelated to the WPM Investment. JPMorgan and its affiliates received fees of approximately \$31.2 million, \$4.0 million and \$71.1 million in 2005, 2006 and the year to date in 2007, respectively, for investment banking and other services provided to Warburg Pincus and its portfolio companies unrelated to the WPM Investment.

JPMorgan and its affiliates comprise a full service securities firm and a commercial bank engaged in securities trading and brokerage activities, as well as providing investment banking, asset management, financing, and financial advisory services and other commercial and investment banking products and services to a wide range of corporations and individuals. In the ordinary course of their trading, brokerage, asset management, and financing activities, JPMorgan and its affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for their own accounts or the accounts of customers, in debt or equity securities or senior loans of Marshall & Ilesley and its affiliates, Warburg Pincus' portfolio companies and any other company that may be involved in the transactions contemplated by the investment agreement and the other related agreements.

In addition, in connection with the transactions, JPMorgan, JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Lehman Brothers Commercial Bank, Lehman Commercial Paper Inc., Lehman Brothers Inc., and Baird Financial Corporation, and certain of their respective affiliates, have agreed to provide a term loan facility and a revolving credit facility to New Metavante and/or one or more of its subsidiaries pursuant to and in accordance with the terms and conditions contained in a commitment letter. The commitment letter provides for the payment to these lenders at closing of an underwriting and commitment fee. It is expected that JPMorgan's portion of such fee will be approximately \$7.9 million, subject to reduction by fees paid to other lenders participating in the syndication of the credit facility. An affiliate of JPMorgan will also be paid an annual fee of \$150,000 for acting as administrative agent under the credit facility.

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### **Antitrust and Regulatory Approvals**

*Antitrust Approvals.* Under the HSR Act, the transactions may not be completed until Notification and Report Forms have been filed by or on behalf of each of Warburg Pincus Private Equity IX, L.P. and Marshall & Ilsley with the DOJ and the FTC and the specified waiting period has been observed. Warburg Pincus and Marshall & Ilsley each filed Notification and Report Forms with the DOJ and FTC on or prior to June 25, 2007. The applicable waiting period under the HSR Act expired on July 24, 2007. At any time before or after completion of the transactions, the DOJ, FTC or others (including states and private parties) could take action under the antitrust laws, including seeking to prevent the transactions, to rescind the transactions or to conditionally approve the transactions.

It is possible that the governmental entities with which antitrust filings are made may seek, as conditions for granting approval of the transactions, various regulatory concessions. There can be no assurance that:

Investor or Marshall & Ilsley will be able to satisfy or comply with the conditions;

compliance or non-compliance will not have adverse consequences on New Metavante after completion of the transactions; or

the required regulatory approvals will be obtained within the time frame contemplated by Investor and Marshall & Ilsley and referred to in this proxy statement/prospectus information statement or on terms that will be satisfactory to Investor and Marshall & Ilsley. See The Investment Agreement Conditions to the Completion of the Transactions beginning on page 121.

*Bank Regulatory Approvals.* The transactions may be subject to the approval of filings, notifications, reports and applications under the Bank Holding Company Act of 1956, as amended, the Change in Bank Control Act of 1978, as amended, the Home Owner's Loan Act, and other federal or state banking laws or regulations, including, without limitation, any required approvals from the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Wisconsin Department of Financial Institutions and the Missouri Division of Finance. Warburg Pincus and Marshall & Ilsley filed a waiver request from the application requirements of Section 3 of the Bank Holding Company Act with the Federal Reserve Bank of Chicago on April 9, 2007 and received the waiver on June 22, 2007. Additional waivers may be sought or other filings or applications may be made if necessary.

*Other Requisite Approvals.* The transactions may also be subject to the approval of filings, notifications, reports and applications under applicable state or federal laws or regulations and the rules and regulations of the National Association of Securities Dealers, Inc. (the "NASD") or any other applicable regulatory authority regulating broker-dealers, investment advisors and insurance companies.

### **Accounting Treatment**

Notwithstanding the legal form of the transactions, New Marshall & Ilsley will be considered the divesting entity and treated as the accounting successor to Marshall & Ilsley and Metavante will be considered the accounting spinnee for financial reporting purposes in accordance with EITF Issue No. 02-11, Accounting for Reverse Spinoffs.

Reverse spinoff accounting is appropriate in situations in which the treatment of the legal spinnee as the accounting successor results in the most accurate depiction of the substance of the transaction for shareholders and other users of the financials statements. Under this treatment, the historical financial statements of New Marshall & Ilsley will be the historical financial statements of Marshall & Ilsley. In making its determination, Marshall & Ilsley considered the following indicators, among others:

current senior management of Marshall & Ilsley will continue to manage and operate New Marshall & Ilsley; and

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current shareholders of Marshall & Ilsley will retain their 100% interest in Marshall & Ilsley through New Marshall & Ilsley while retaining only a 75% interest in New Metavante.

### **Interests of Certain Persons in the Transactions**

In considering the recommendation of the Marshall & Ilsley Board to approve and adopt the investment agreement and the transactions contemplated by the investment agreement and the separation agreement, Marshall & Ilsley shareholders should be aware that directors and executive officers of Marshall & Ilsley have certain interests in the transactions that differ from, or are in addition to, the interests of Marshall & Ilsley shareholders generally. These interests are summarized below.

*New Positions in New Metavante.* Following completion of the closing of the transactions, Dennis J. Kuester will serve as Chairman of the Board of New Metavante for a period of one year from the closing date and Frank R. Martire will serve as President and Chief Executive Officer of New Metavante. If Dennis J. Kuester is unable to serve during such one-year period, or after such one-year period, Frank R. Martire will succeed Dennis J. Kuester as Chairman of the Board of New Metavante. In addition, pursuant to the investment agreement, following the closing of the transactions, Ted D. Kellner, a current non-employee director of Marshall & Ilsley, will serve on the board of directors of New Marshall & Ilsley and will serve on the board of directors of New Metavante.

The investment agreement also provides that Frank R. Martire, the President and Chief Executive Officer of Metavante immediately prior to the closing date, will be the President and Chief Executive Officer of New Metavante at the time of the New Marshall & Ilsley share distribution and thereafter until duly changed in accordance with the organizational documents of New Metavante and applicable law. In addition, it is currently contemplated that most of the senior management of Metavante will become the senior management of New Metavante and most of the senior management of Marshall & Ilsley will become the senior management of New Marshall & Ilsley.

*Equity Compensation of Executive Officers and Directors.* Each option held by a Metavante or New Metavante employee to purchase Marshall & Ilsley stock outstanding prior to the completion of the New Marshall & Ilsley share distribution will be converted into an option to purchase New Metavante stock, effective immediately after the New Marshall & Ilsley share distribution, and adjusted to reflect the New Marshall & Ilsley share distribution. Each option held by a Marshall & Ilsley or New Marshall & Ilsley employee or director to purchase Marshall & Ilsley common stock outstanding prior to the completion of the New Marshall & Ilsley share distribution will be converted into an option to purchase New Marshall & Ilsley common stock, effective immediately after the New Marshall & Ilsley share distribution, and adjusted to reflect the New Marshall & Ilsley share distribution. Prior to the completion of the New Marshall & Ilsley share distribution, 75% of the outstanding options to purchase Marshall & Ilsley common stock held by an individual who, immediately following the consummation of the transactions, will be a director of New Metavante and either a Marshall & Ilsley or New Marshall & Ilsley employee or a director of New Marshall & Ilsley will be converted into New Marshall & Ilsley options and 25% of the outstanding options to purchase Marshall & Ilsley common stock held by these individuals will be converted into New Metavante options, effective immediately after the New Marshall & Ilsley share distribution, and adjusted to reflect the New Marshall & Ilsley share distribution. The employee matters agreement provides that the number of shares of New Metavante common stock or New Marshall & Ilsley common stock, as the case may be, subject to each converted option for these individuals and the per share exercise price of the converted options will be fixed in a way that maintains the intrinsic value of the option to purchase Marshall & Ilsley common stock and does not increase the ratio of the per share exercise price of the converted option to the value of one share of Marshall & Ilsley common stock on the closing date.

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The following table sets forth the number of options to purchase Marshall & Ilsley common stock held by each director and executive officer of Marshall & Ilsley as of August 31, 2007, which will be converted into options to purchase New Marshall & Ilsley common stock, or in the case of an individual who is a director of New Metavante immediately following the separation and either a Marshall & Ilsley or New Marshall & Ilsley employee or a director of New Marshall & Ilsley, options to purchase both New Marshall & Ilsley common stock and New Metavante common stock, together with the weighted-average exercise price of such options.

**Stock Options Held by Directors or Executive Officers**

Director or Executive Officer	Number of Stock Options Held by Director or Executive Officer	Weighted Average Exercise Price
Malcolm M. Aslin	10,000	\$ 43.92
Andrew N. Baur	15,000	\$ 41.93
Jon F. Chait	35,000	\$ 40.39
John W. Daniels, Jr.	15,000	\$ 41.93
Ryan R. Deneen	72,200	\$ 42.20
Thomas R. Ellis	218,000	\$ 36.56
Randall J. Erickson	236,250	\$ 37.14
Mark F. Furlong	655,525	\$ 36.08
Michael D. Hayford	175,000	\$ 39.14
Mark R. Hogan	186,500	\$ 34.29
Patricia R. Justiliano	140,125	\$ 34.59
Ted D. Kellner	45,000	\$ 32.80
Brent J. Kelly	25,000	\$ 45.63
Beth D. Knickerbocker	40,000	\$ 43.28
Kenneth C. Krei	180,500	\$ 40.39
Dennis J. Kuester	1,703,750	\$ 34.64
David J. Lubar	5,000	\$ 47.46
Katharine C. Lyall	45,000	\$ 32.80
Frank R. Martire	195,750	\$ 44.15
John A. Mellows	30,000	\$ 36.52
Thomas J. O'Neill	376,000	\$ 34.67
San W. Orr, Jr.	50,000	\$ 32.06
Robert J. O'Toole	30,000	\$ 36.52
Peter M. Platten, III	45,000	\$ 37.34
Paul J. Renard	162,125	\$ 34.06
John L. Roberts	325,250	\$ 33.72
Thomas A. Root	111,800	\$ 33.23
John S. Shiely	45,000	\$ 35.51
Gregory A. Smith	90,000	\$ 45.83
Michael C. Smith	33,500	\$ 45.49
Ronald E. Smith	135,750	\$ 37.92
Debra S. Waller	20,000	\$ 39.62
George E. Wardeberg	45,000	\$ 33.46
James B. Wigdale	1,119,000	\$ 29.48
<b>Total</b>	<b>6,617,025</b>	<b>\$ 38.08</b>

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The following table sets forth the number of options to purchase Marshall & Ilsley common stock held by each person that New Metavante expects to become a director or executive officer of New Metavante as of the closing date, together with the weighted-average exercise price of such options. Information is as of August 31, 2007. The options will be converted into options to purchase New Metavante common stock, or in the case of an individual who is a director of New Metavante immediately following the separation and either a Marshall & Ilsley or New Marshall & Ilsley employee or a director of New Marshall & Ilsley, options to purchase both New Marshall & Ilsley common stock and New Metavante common stock.

	<b>Number of</b>	
	<b>Stock Options</b>	<b>Weighted</b>
	<b>Held by Director</b>	<b>Average</b>
	<b>or Executive</b>	<b>Exercise</b>
<b>Director or Executive Officer</b>	<b>Officer</b>	<b>Price</b>
Debra A. Bronder	44,875	\$ 40.72
David Coulter		
Frank G. D Angelo	127,875	\$ 41.95
Paul T. Danola	111,000	\$ 42.68
Navroz (Norrie) J. Daroga	51,500	\$ 42.70
James R. Geschke	84,250	\$ 40.57
Michael D. Hayford	175,000	\$ 39.14
Brian C. Hurdis	97,125	\$ 42.13
Ted D. Kellner	45,000	\$ 32.80
Dennis J. Kuester	1,703,750	\$ 34.64
Rachel A. Landrum	41,250	\$ 43.44
Donald W. Layden, Jr.	54,500	\$ 44.35
Frank R. Martire	195,750	\$ 44.15
James Neary		
Timothy C. Oliver	25,000	\$44.28
Steven A. Rathgaber	26,375	\$ 44.67
Gary A. Refinski	94,375	\$ 39.15
Adarsh Sarma		
<b>Total</b>	<b>2,877,625</b>	<b>\$ 37.85</b>

All shares of Marshall & Ilsley restricted stock shall be treated the same as all other outstanding shares of Marshall & Ilsley common stock in the transactions contemplated by the investment agreement and the separation agreement, except that each share of New Metavante common stock and New Marshall & Ilsley common stock received with respect to these shares will remain subject to the same restrictions as the corresponding shares of Marshall & Ilsley restricted stock to which it relates and will continue to be subject to the terms of the applicable Marshall & Ilsley equity plan.

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The following table sets forth the number of shares of restricted stock held by executive officers and directors of Marshall & Ilsley.

**Restricted Stock Held by Executive Officers or Directors**

<b>Director or Executive Officer</b>	<b>Number of Shares of Marshall &amp; Ilsley Restricted Stock</b>
Ryan R. Deneen	8,600
Thomas R. Ellis	11,850
Randall J. Erickson	14,550
Mark F. Furlong	51,625
Michael D. Hayford	11,700
Mark R. Hogan	8,350
Patricia R. Justiliano	6,075
Brent J. Kelly	2,500
Beth D. Knickerbocker	5,400
Kenneth C. Krei	18,100
Dennis J. Kuester	65,250
Frank R. Martire	21,750
Thomas J. O'Neill	16,900
Paul J. Renard	6,475
John L. Roberts	12,950
Thomas A. Root	3,900
Gregory A. Smith	20,850
Michael C. Smith	4,000
Ronald E. Smith	9,400
<b>Total</b>	<b>300,225</b>

The following table sets forth the number of shares of restricted stock held by each person that New Metavante expects to become a director or executive officer of New Metavante as of the closing date.

<b>Director or Executive Officer</b>	<b>Number of Shares of Marshall &amp; Ilsley Restricted Stock</b>
Debra A. Bronder	2,375
David Coulter	10,875
Frank G. D'Angelo	10,275
Paul T. Danola	3,200
Navroz (Norrie) J. Daroga	6,300
James R. Geschke	11,700
Michael D. Hayford	8,525
Brian C. Hurdis	

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Ted D. Kellner	
Dennis J. Kuester	65,250
Rachel A. Landrum	1,250
Donald W. Layden, Jr.	4,200
Frank R. Martire	21,750
James Neary	
Timothy C. Oliver	*
Steven A. Rathgaber	9,041
Gary A. Refinski	6,075
Adarsh Sarma	
<b>Total</b>	<b>160,816</b>

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\* Mr. Oliver is expected to receive \$400,000 equivalent value of restricted stock of New Metavante upon closing of the transactions.



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*Expected Grants of Stock Options.* The following table sets forth information concerning the number of options to purchase shares of New Metavante common stock and the fair value of such options expected to be issued in connection with the completion of the transactions to each of the New Metavante executive officers listed below. The number of option awards was agreed upon through negotiations among Investor, Metavante management and Marshall & Ilsley, subject to approval by the board of directors of New Metavante. In determining the expected grants, Investor targeted a percentage of the new option pool for such officers spread evenly over a five-year period, and front-loaded the options by allocating a higher percentage of the targeted percentage in the initial grants than would be expected as an annual grant going forward. For example, for Mr. Martire, the front-end load is approximately 3.3 times his expected annual grant. The other executive officers, as well as a limited number of other optionees, will also receive a front-end load in the initial grant.

Name	Expected Stock Options to be Granted	Assumed Fair Value of Stock Options
Frank R. Martire	750,000	\$ 5,760,000
Michael D. Hayford	575,000	\$ 4,416,000
Frank G. D Angelo	275,000	\$ 2,112,000
Paul T. Danola	100,000	\$ 768,000
Steven A. Rathgaber	50,000	\$ 384,000
Donald W. Layden, Jr.	275,000	\$ 2,112,000
Timothy C. Oliver	60,000	\$ 460,800
Total	2,085,000	\$ 16,012,800

The following weighted-average assumptions were used in calculating the fair value of the stock options expected to be awarded, using the Black-Scholes valuation model, assuming a grant date of June 30, 2007:

Expected term of option (in years)	6
Expected volatility factor	23.69%
Expected dividend yield	0%
Risk-free interest rate	4.91%
Strike price	\$ 21.88*

\* The \$21.88 strike price was calculated based on the purchase price to be paid by Investor for shares of New Metavante common stock pursuant to the investment agreement and is used for illustrative purposes only and does not represent the actual strike price of such options or an estimate of the market price of New Metavante common stock after the closing of the transactions.

The actual value, if any, that an individual will realize upon exercise of an option will depend on the excess of the market value of New Metavante common stock over the exercise price on the date the option is exercised, which cannot be forecasted with reasonable accuracy.

The other executive officers of Metavante are also likely to receive awards of stock options in connection with the completion of the transactions at levels undetermined at this date. These options will be part of an initial grant made at the closing of the transactions, and will have an exercise price equal to the fair market value of New Metavante common stock on the grant date. The options received in this special grant will be 25% vested upon grant, and 25% in each of the three years thereafter. More specific information regarding the Metavante Equity Incentive Plan is provided under Compensation of Executive Officers of New Metavante New Metavante Equity Incentive Plan in this proxy statement/prospectus information statement.

*New Equity Compensation Plans.* Marshall & Ilsley will use, or will cause its appropriate subsidiary to use, reasonable best efforts to cause New Metavante to adopt a New Metavante equity compensation plan prior to the New Marshall & Ilsley distribution that will reserve a percentage of the equity of New Metavante equal to 9% for



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new options and other equity grants to be issued in connection with the transaction and anticipated to be issued within the following four to five years, plus a number of shares sufficient for the substitution of existing Marshall & Ilsley options and other equity grants or rights held by Metavante or New Metavante employees or directors, which is expected to represent approximately an additional 9.5% of the equity of New Metavante. Marshall & Ilsley may also cause New Metavante to adopt an annual bonus plan if requested to do so by Investor.

*Incentive Compensation.* The incentive compensation earned by participants under the Metavante Corporation Long-Term Incentive Plan with respect to performance periods that include the separation date that are based on performance of Marshall & Ilsley will be determined jointly by Marshall & Ilsley, New Marshall & Ilsley, Metavante, New Metavante and the Investor as of the separation date and will be paid by Metavante and New Metavante after the conclusion of the performance period. Payments based on the performance of Metavante generally will be made by Metavante and New Metavante in accordance with the terms of the Metavante Corporation Long-Term Incentive Plan. It is anticipated that the net income factor currently set forth in the plan will be replaced with a factor more directly tied to shareholder value.

*Employment Agreements.* Prior to the transactions, the only Metavante executive officer to have an employment agreement with Metavante was Steven A. Rathgaber. New Metavante expects to enter into employment agreements with Messrs. Martire, Hayford, D Angelo and Layden, effective as of the closing of the transactions. The employment agreements will have an initial term of two or three years and will automatically renew for consecutive one-year terms unless either party gives written notice of its intention not to renew at least 60 days prior to any expiration date. Under the employment agreements, each executive is entitled to a base salary which will be reviewed annually by the compensation committee of New Metavante's board of directors, as well as to employee benefits, in accordance with New Metavante's policies for senior executives. The employment agreements are expected to provide for incentive compensation, at the company's discretion, based upon performance.

The base salary amounts for each of the covered executive officers are projected to be: Mr. Martire \$675,000; Mr. Hayford \$525,000; Mr. D Angelo \$425,000; and Mr. Layden \$400,000. It is expected that the employment agreements will provide that these amounts may be increased in subsequent years, but generally may not be reduced. The target annual bonuses, as a percentage of base salary, are expected to be as follows: Mr. Martire 100%; Messrs. Hayford and D Angelo 90%; and Mr. Layden 75%.

If the employment agreements are terminated by New Metavante without cause or by the executive with good reason either of which is a qualifying termination the executive will receive: (i) his earned but unpaid base salary and accrued but unused vacation pay; (ii) a lump sum cash severance equal to the product of two times the sum of (x) the executive's base salary and (y) the executive's target bonus; (iii) continuation of welfare benefits for 24 months following termination, subject to certain restrictions in the event the executive obtains other employment providing for such benefits; and (iv) vesting in all time-based options that would have become vested within 12 months of the termination date. Payment of all or part of the lump sum cash severance may be delayed for six months following termination if required by Code Section 409A. No severance payments or benefits will be payable upon a termination of employment that is not a qualifying termination, and payment of severance payments and benefits are subject to the executive's execution of a release of claims against New Metavante. The employment agreements will subject each executive to standard ongoing confidentiality and work product obligations and to non-competition and non-solicitation covenants while employed by New Metavante and for one year after termination of employment for any reason.

Cause is defined as:

the executive's willful refusal to perform in any material respect the executive's duties or responsibilities for the company or to comply in any material respect with the company's policies and procedures;

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conduct by the executive materially injurious to the company or its business reputation;

conviction or entry of a plea of guilty or *nolo contendere* to a crime (other than a vehicular misdemeanor); or

fraud or other illegal conduct in the performance of the executive's duties for the company.

Good reason is defined as:

reduction in the executive's base salary;

relocation of greater than 35 miles of the executive's place of employment;

material diminution in the executive's title;

removal of the executive from the company's executive committee; or

nonrenewal notice given by the company.

Each executive will also be a party to a change of control agreement, which will be substantially similar to the Metavante change of control agreements. See [Change of Control Agreements and Related Matters](#) below.

*Incremental Equity Awards.* In connection with the transactions, stock options held by Marshall & Ilsley employees and directors who will be continuing employees and directors of New Marshall & Ilsley and stock options held by retired Marshall & Ilsley employees will be converted to New Marshall & Ilsley options. These options will be converted based on a formula which will retain, following the separation, the aggregate spread and the ratio of exercise price to the share value on the options as the option holders had immediately prior to the transactions. While this conversion formula preserves the option holder's position following the separation of the two companies, it does not recognize the impact of certain ongoing factors which are projected to result from this separation. These factors, and their anticipated impact on the Black-Scholes value of the options, were identified and analyzed by Hewitt Associates, the compensation consultants engaged by the compensation committee of Marshall & Ilsley's board of directors. One factor is that the stock of New Marshall & Ilsley, without the Metavante component, is projected to have lower volatility. A decrease in the volatility of a company's stock results in a lower Black-Scholes valuation. Another factor is that the New Marshall & Ilsley common stock is projected to have a higher dividend yield. An increase in the dividend yield also results in a lower Black-Scholes valuation. After consideration of the analysis prepared by Hewitt Associates and other factors deemed relevant by Marshall & Ilsley's compensation committee, and in keeping with Marshall and Ilsley's executive compensation objectives, Marshall & Ilsley's compensation committee determined to provide an incremental equity award to ongoing employees and directors of New Marshall & Ilsley as described below. These factors will also have an impact on the Black-Scholes value of options held by retired employees of Marshall & Ilsley who hold options to purchase Marshall & Ilsley common stock. Because Marshall & Ilsley's 2006 Equity Incentive Plan does not allow for equity awards to retired employees, the Marshall & Ilsley compensation committee determined to provide a cash payment in lieu of an incremental equity award to retired Marshall & Ilsley employees who hold options to purchase Marshall & Ilsley common stock.

Participants in the Marshall & Ilsley Long-Term Incentive Plan who remain as such at New Marshall & Ilsley (other than Mr. Kuester), as well as members of the Marshall & Ilsley board of directors (other than Mr. Kellner), will receive an incremental equity award in the form of restricted shares. Other participants in Marshall & Ilsley's 2006 Equity Incentive Plan will receive options to purchase New Marshall & Ilsley common stock. The incremental award will be determined based on the amount of vested and unvested outstanding options, taking into consideration the remaining term of the options. The incremental award will be immediately vested based on the option holder's proportion of vested options to his or her total outstanding options. To the extent the outstanding Marshall & Ilsley options are unvested, the incremental award will have an ongoing vesting schedule. To the extent immediately vested restricted shares are granted, awards to participants in the



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Marshall & Ilsley Long-Term Incentive Plan will have a three-year deferred release period and will be subject to a non-compete provision. Awards to directors will not be subject to a non-compete provision. Unvested restricted share awards will vest one-third in each of the last three years of a five-year vesting period. To the extent immediately vested options are awarded, the options will be subject to a deferred exercise period during which one-third of the options will be eligible for exercise after each of the initial three years following the award and will be subject to a non-compete provision. Unvested options granted will vest one-third in each of the first three years beginning on the first anniversary date.

It is expected that Messrs. Kuester and Kellner will be directors of New Metavante immediately following the separation and will continue as directors of New Marshall & Ilsley. As such, their options will be converted to options to purchase both New Marshall & Ilsley common stock and New Metavante common stock, as described above.

The incremental equity awards are subject to the closing of the transactions and will be awarded on the last business day preceding the effective date of the transactions. Participants must be active employees or directors on the date of award in order to receive this grant.

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The following table sets forth the number of shares of restricted stock to be granted to each participant and the estimated value of the awards on individual and aggregate bases, based on the closing price of Marshall & Ilsley common stock on August 31, 2007 (\$43.71):

**Incremental Equity Award**  
**for Marshall & Ilsley Directors and Executive Officers**

<b>Director or Executive Officer</b>	<b>Number of Restricted Shares to be Granted</b>	<b>Estimated Value of Award</b>
Malcolm M. Aslin	433	\$ 18,926
Andrew N. Baur	600	\$ 26,226
Jon F. Chait	775	\$ 33,875
John W. Daniels, Jr.	600	\$ 26,226
Ryan R. Deneen	2,455	\$ 107,308
Thomas R. Ellis	5,840	\$ 255,266
Randall J. Erickson	6,675	\$ 291,764
Mark F. Furlong	17,573	\$ 768,116
Michael D. Hayford		\$
Mark R. Hogan	4,321	\$ 188,871
Patricia R. Justiliano	3,694	\$ 161,465
Ted D. Kellner		\$
Brent J. Kelly	1,083	\$ 47,338
Beth D. Knickerbocker	1,583	\$ 69,193
Kenneth C. Krei	6,138	\$ 268,292
Dennis J. Kuester		\$
David J. Lubar		\$
Katharine C. Lyall	1,183	\$ 51,709
Frank R. Martire		\$
John A. Mellowes	875	\$ 38,246
Thomas J. O'Neill	9,158	\$ 400,296
San W. Orr, Jr.	775	\$ 33,875
Robert J. O'Toole	875	\$ 38,246
Peter M. Platten, III	1,133	\$ 49,523
Paul J. Renard	3,794	\$ 165,836
John L. Roberts	7,470	\$ 326,514
Thomas A. Root	2,453	\$ 107,221
John S. Shiely	1,025	\$ 44,803
Gregory A. Smith	3,900	\$ 170,469
Michael C. Smith	1,452	\$ 63,467
Ronald E. Smith	3,928	\$ 171,693
Debra S. Waller	500	\$ 21,855
George E. Wardeberg	825	\$ 36,061
James B. Wigdale (1)	850	\$ 37,154
<b>Total</b>	<b>91,966</b>	<b>\$ 4,019,834</b>

- (1) As a retired Marshall & Ilsley employee who holds options to purchase Marshall & Ilsley common stock, as described above, Mr. Wigdale is also eligible to receive a cash payment in the amount of \$466,512, resulting in a total benefit to Mr. Wigdale of \$503,666. The resulting aggregate value of awards to participants, including this cash payment for Mr. Wigdale, is \$4,486,346.

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*Change of Control Agreements and Related Matters.* Prior to the transactions, Metavante and Marshall & Ilsley had entered into change of control agreements with certain Metavante executive officers, including Messrs. Martire, Hayford, D Angelo and Paul T. Danola. In order to assure management continuity and stability, upon the closing of the transactions, New Metavante expects to enter into change of control agreements (the New Metavante change of control agreements ) with certain executive officers and employees, including all members of the New Metavante executive committee.

The New Metavante change of control agreements with the executive officers are expected to be substantially similar to the change of control agreements that existed prior to the closing of the transactions. They guarantee the named executive officers specific payments and benefits upon a termination of employment as a result of a change of control of Metavante. If a change of control occurs, the agreement becomes effective and continues for four years from such change of control. Under the change of control agreements, change of control will be defined in substantially the same manner as the existing Metavante change of control agreements.

The New Metavante change of control agreements are expected to provide for specified benefits if, after a change of control of Metavante occurs, the executive officer voluntarily terminates his employment for good reason or is involuntarily terminated without cause. Good reason is generally defined as a reduction of the executive's base salary or target bonus opportunity, the company's failure to provide the executive with the same long-term incentive opportunities and benefits provided to other peer executives of the entity which employs the executive after the change of control, or a significant relocation of the executive's primary work location. Cause is generally defined as the executive's willful, deliberate and continual failure to substantially perform his duties where such failure constitutes gross misconduct or results in (or was intended to result in) demonstrable material injury to the company, or the executive commits acts of fraud or dishonesty constituting a felony that results in gain to, or enrichment of, the executive at the company's expense.

Upon a termination for good reason or without cause, the executive officer is entitled to a lump sum cash payment consisting of:

accrued but unpaid base salary;

the higher of (i) the average annualized bonuses paid or payable to the executive by the company in respect of the three fiscal years prior to the change of control and (ii) the annualized bonus paid or payable for the most recently completed fiscal year prior to the year in which the termination occurs (such amount being the higher annual bonus ), prorated for the fiscal year in which the termination occurs;

three, two or one times (dependent on the length of the term of the agreement) the sum of: (i) the executive's annual base salary (including certain deferred amounts) and (ii) the higher annual bonus;

a payment equal to the retirement benefits lost for three, two or one years (dependent on the length of the term of the agreement); and

three, two or one times (dependent on the length of the term of the agreement) the value of certain other fringe benefits.

In addition, in the event of a qualifying termination, the executive is expected to be entitled to continued medical and dental benefits for 36, 24 or 12 months (depending on the length of the term of the agreement) after the date of termination and has the right to purchase his or her company car, if any, at book value. The New Metavante change of control agreements also, subject to certain limitations, provide for gross-up payments in the event payments to an executive under the Metavante change of control agreement are subject to the excise tax (the excise tax ) provided for under Section 4999 of the Code, or any similar federal, state or local tax which may be imposed, in an amount such that the executive officer will be in the same after-tax position as if no 20% excise tax under Section 4999 had been imposed. However, if the applicable excise tax could be avoided by reducing the executive's payment under the change of control agreement by \$50,000 or less, and if the executive



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would be in a better after-tax position than if no reduction were made, then the executive is not entitled to any gross-up. The New Metavante change of control agreements also require the company to pay certain legal expenses incurred by the executive officer in connection with enforcing his rights under the change of control agreement or disputing the company's decision to terminate him or the gross-up payments paid thereunder. Payment of all or part of the lump sum cash payment to an executive may be delayed for six months following termination if required by Code Section 409A. Severance payments and benefits are also subject to the executive officer's execution and non-revocation of a release of claims against New Metavante.

*Terms of Employment.* In connection with the transactions, in addition to the changes evidenced by the employment contracts described above, it is expected that the terms of employment, including base salary and bonus structure, may be adjusted for certain other executive officers on account of increased responsibilities and duties.

### **Federal Securities Law Consequences; Resale Restrictions**

New Metavante and New Marshall & Ilsley common stock issued in the transactions will not be subject to any restrictions on transfer arising under the Securities Act of 1933, except for shares issued to any Marshall & Ilsley shareholder who may be deemed to be an affiliate of New Metavante for purposes of Rule 145 under the Securities Act. It is expected that each affiliate will enter into an agreement with New Metavante not to transfer any New Metavante common stock received pursuant to the transactions except in compliance with the resale provisions of Rule 145 under the Securities Act or as otherwise permitted under the Securities Act. The investment agreement requires Marshall & Ilsley to use its reasonable best efforts to cause its affiliates to enter into these agreements.

The issuance of New Metavante common stock to Marshall & Ilsley shareholders in the holding company merger will be registered under the Securities Act. Accordingly, the shares of New Metavante common stock issued in the holding company merger may be traded freely and without restriction by shareholders who are not deemed to be affiliates of New Metavante. Any subsequent transfer of these shares by any affiliate of New Metavante at the time that Marshall & Ilsley's shareholders adopt the investment agreement must:

be registered under the Securities Act;

comply with Rule 145 promulgated under the Securities Act (permitting limited sales under specified circumstances); or

otherwise be exempt from registration under the Securities Act.

These restrictions are expected to apply to the directors and executive officers of Marshall & Ilsley and New Metavante and any holder of 10% or more of Marshall & Ilsley common stock (and to certain relatives or the spouse of those persons and any trusts, estates, corporations or other entities in which those persons have a 10% or greater beneficial or equity interest).

### **New York Stock Exchange Trading**

Marshall & Ilsley common stock, which currently trades on the New York Stock Exchange under the symbol **MI**, will cease trading on the New York Stock Exchange as of the closing date.

New Marshall & Ilsley intends to apply to have its common stock authorized for listing on the New York Stock Exchange under the symbol **MI** and New Metavante intends to apply to have its common stock authorized for listing on the New York Stock Exchange under the symbol **MV**. It is expected that New Marshall & Ilsley's common stock and New Metavante's common stock would begin trading on the day following the closing date. In addition, a when-issued trading market for New Marshall & Ilsley common stock and New Metavante common stock may develop following the effectiveness of the registration statements registering the shares of New Marshall & Ilsley common stock and New Metavante common stock under the Exchange Act. We refer to that date as the Exchange Act registration statements date.

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When-issued trading refers to conditional purchase or sale transactions with respect to a security that has been authorized, but is not yet issued and available. The when-issued trading market would be a market that develops prior to the completion of the transactions. If when-issued markets develop, we expect that any when-issued trades of New Marshall & Ilsley common stock and New Metavante common stock would settle within four trading days after the closing date. On the first trading day following the closing date, any when-issued trading with respect to New Marshall & Ilsley common stock and New Metavante common stock will end and regular way trading will begin. If the transactions do not close, all when-issued trading would be null and void.

**No Appraisal Rights**

The shareholders of Marshall & Ilsley, New Metavante and New Marshall & Ilsley will not be entitled to exercise appraisal rights or to demand payment for their shares in connection with the transactions.

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**MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE HOLDING COMPANY MERGER, THE NEW MARSHALL & ILSLEY SHARE DISTRIBUTION AND RELATED TRANSACTIONS**

Subject to the limitations and qualifications described herein, the following discussion constitutes the opinion of Sidley Austin LLP, counsel to Marshall & Ilsley, as to the material U.S. federal income tax consequences of the holding company merger and the New Marshall & Ilsley share distribution to U.S. holders of Marshall & Ilsley common stock. The discussion which follows is based on the Internal Revenue Code, Treasury regulations promulgated under the Internal Revenue Code, and judicial and administrative interpretations thereof, all as in effect as of the date of this proxy statement/prospectus information statement, all of which are subject to change at any time, possibly with retroactive effect. The discussion assumes that the holding company merger, the New Marshall & Ilsley share distribution and related transactions will be consummated in the manner described in this proxy statement/prospectus information statement and in accordance with the separation agreement and the investment agreement and that the conditions of the parties to the consummation of such transactions set forth in the separation agreement and the investment agreement (other than receipt of a tax opinion) will be satisfied and not waived by the parties. This is not a complete description of all of the consequences of the holding company merger, the New Marshall & Ilsley share distribution or related transactions and, in particular, may not address U.S. federal income tax considerations applicable to Marshall & Ilsley shareholders subject to special treatment under U.S. federal income tax law. Shareholders subject to special treatment include, for example, financial institutions, dealers in securities, traders in securities who elect to apply a mark-to-market method of accounting, insurance companies, tax-exempt entities, partnerships and other pass-through entities, and holders who hold Marshall & Ilsley common stock as part of a hedge, straddle, conversion or constructive sale transaction. For purposes of this proxy statement/prospectus information statement, a U.S. holder means a shareholder of Marshall & Ilsley, New Marshall & Ilsley or New Metavante, as the case may be, other than an entity or arrangement treated as a partnership for U.S. federal income tax purposes, that for U.S. federal income tax purposes is

an individual who is a citizen or resident of the United States;

a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or of any political subdivision thereof;

an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust if it (i) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (ii) was in existence on August 20, 1996 and has properly elected under applicable United States Treasury Regulations to be treated as a United States person.

This discussion does not address the U.S. federal income tax consequences to Marshall & Ilsley shareholders who are not U.S. holders or who do not hold Marshall & Ilsley common stock, New Marshall & Ilsley common stock or New Metavante common stock as a capital asset. No information is provided in this proxy statement/prospectus information statement with respect to the tax consequences of the holding company merger, the New Marshall & Ilsley share distribution or related transactions under applicable foreign, state or local laws.

**Marshall & Ilsley shareholders are urged to consult with their tax advisors regarding the tax consequences of the holding company merger, the New Marshall & Ilsley share distribution and related transactions to them, as applicable, including the effects of U.S. federal, state, local, foreign and other tax laws.**

**The Holding Company Merger**

The completion of the transactions is conditioned upon the receipt of a private letter ruling from the Internal Revenue Service (which ruling was received on September 12, 2007) to the effect that the holding company merger and the Marshall & Ilsley LLC conversion qualify as a reorganization under Section 368(a) of the

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Internal Revenue Code. Sidley Austin, counsel to Marshall & Ilsley, is of the opinion (and the private letter ruling provides) that the material U.S. federal income tax consequences of the holding company merger and Marshall & Ilsley LLC conversion will be as follows:

no gain or loss will be recognized by a Marshall & Ilsley shareholder solely as the result of the receipt of New Metavante common stock in the holding company merger, except with respect to cash received in lieu of fractional shares;

the aggregate tax basis of the New Metavante common stock that a Marshall & Ilsley shareholder receives in the holding company merger will be the same as the aggregate tax basis of the shares of Marshall & Ilsley common stock converted into shares of New Metavante common stock, decreased by the amount of any tax basis allocable to any fractional share interest in New Metavante common stock for which cash is received;

the holding period of the New Metavante common stock received by a Marshall & Ilsley shareholder in the holding company merger will include the holding period of the shareholder's Marshall & Ilsley common stock, provided that the Marshall & Ilsley common stock is held as a capital asset on the date of the holding company merger;

a Marshall & Ilsley shareholder who receives cash in lieu of fractional shares of New Metavante common stock will recognize gain or loss equal to the difference between the amount of cash received and the basis of the Marshall & Ilsley common stock allocable to the fractional share interest; and

no gain or loss will be recognized by Marshall & Ilsley or New Metavante in the holding company merger and the Marshall & Ilsley LLC conversion.

In addition, Sidley Austin, counsel to Marshall & Ilsley, is of the opinion that the distribution by Marshall & Ilsley LLC of the equity interests of Metavante to New Metavante will be disregarded (and therefore tax-free) for U.S. federal income tax purposes.

The private letter ruling and the opinions described above are or will be based, in part, on assumptions and representations as to factual matters that have been or will be received from Marshall & Ilsley and New Metavante, including those contained in certificates of officers of Marshall & Ilsley and New Metavante, as requested by the Internal Revenue Service or counsel. If any of those assumptions or representations is inaccurate as of the effective time of the holding company merger, the Marshall & Ilsley LLC conversion or the Metavante distribution, the tax consequences of the transactions could differ materially from those described above. Opinions of counsel neither bind the Internal Revenue Service or any court, nor preclude the Internal Revenue Service from adopting a contrary position.

If the holding company merger and the Marshall & Ilsley LLC conversion do not qualify as a reorganization under Section 368(a) of the Internal Revenue Code, each Marshall & Ilsley shareholder would recognize taxable gain or loss equal to the difference between the fair market value of the New Metavante common stock received in the holding company merger and such shareholder's basis in the common stock exchanged therefor.

### **The New Marshall & Ilsley Share Distribution**

The completion of the transactions is conditioned upon the receipt of (i) a private letter ruling from the Internal Revenue Service (which ruling was received on September 12, 2007) to the effect that the Marshall & Ilsley contribution and the New Marshall & Ilsley share distribution qualify as a reorganization under Section 368(a)(1)(D) of the Internal Revenue Code and a distribution eligible for nonrecognition under Sections 355(a) and 361(c) of the Internal Revenue Code and (ii) with respect to certain requirements for tax-free treatment under Section 355 of the Internal Revenue Code on which the Internal Revenue Service will not rule (namely, that the New Marshall & Ilsley share distribution (a) is motivated, in whole or substantial part, by one or more corporate business purposes, (b) is not being used principally as a device for the distribution of earnings and profits of New Metavante or New Marshall & Ilsley, and (c) is not part of a plan (or series of related

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transactions) pursuant to which one or more persons will acquire, directly or indirectly, stock representing a 50% or greater interest in New Metavante or New Marshall & Ilsley under Section 355(e) of the Internal Revenue Code), an opinion of Sidley Austin LLP, counsel to Marshall & Ilsley (or another law firm of national standing), to the effect that such requirements will be satisfied.

Sidley Austin, counsel to Marshall & Ilsley, is of the opinion (and the private letter ruling provides) that the material U.S. federal income tax consequences of the Marshall & Ilsley contribution and New Marshall & Ilsley share distribution will be as follows:

no gain or loss will be recognized by New Marshall & Ilsley or New Metavante in the Marshall & Ilsley contribution;

no gain or loss will be recognized by (and no amount will otherwise be included in the income of) the New Metavante shareholders on their receipt of the New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution;

no gain or loss will be recognized by New Metavante in the New Marshall & Ilsley share distribution;

the aggregate tax basis of the New Marshall & Ilsley common stock and the New Metavante common stock in the hands of the New Metavante shareholders will be the same as the aggregate tax basis of the New Metavante common stock held by such holders immediately before the New Marshall & Ilsley share distribution allocated in proportion to the fair market value of each (if a New Metavante shareholder that purchased or acquired shares of New Metavante common stock on different dates or at different prices is not able to identify which particular share of New Marshall & Ilsley common stock is received with respect to a particular share of New Metavante common stock, the shareholder may designate which share of New Marshall & Ilsley common stock is received with respect to a particular share of New Metavante common stock, provided the terms of the designation are consistent with the terms of the New Marshall & Ilsley share distribution); and

assuming that the shares of New Metavante common stock held by each New Metavante shareholder are capital assets in the hands of such shareholder, the holding period of the New Marshall & Ilsley common stock received by the New Metavante shareholder will include the holding period for the New Metavante common stock on which the New Marshall & Ilsley share distribution is made (i.e., the shareholder's holding period for the Marshall & Ilsley common stock from which his or her shares of New Metavante common stock were converted in the holding company merger).

For a hypothetical example of a tax basis calculation, please see Annex I to this proxy statement/prospectus- information statement.

The private letter ruling and the opinions described above are or will be based, in part, on assumptions and representations as to factual matters that have been or will be received from Investor, Marshall & Ilsley and New Metavante, including those contained in certificates of the officers of Marshall & Ilsley and New Metavante, as requested by the Internal Revenue Service or counsel. If any of those assumptions or representations is inaccurate as of the effective time of the Marshall & Ilsley contribution or the New Marshall & Ilsley share distribution, the tax consequences of the Marshall & Ilsley contribution and New Marshall & Ilsley share distribution could differ materially from those described above. Opinions of counsel neither bind the Internal Revenue Service or any court, nor preclude the Internal Revenue Service from adopting a contrary position.

If the New Marshall & Ilsley share distribution does not qualify as a tax-free distribution under section 355 of the Internal Revenue Code, New Metavante would recognize taxable gain equal to the excess of the fair market value of the New Marshall & Ilsley common stock distributed to the New Metavante shareholders over New Metavante's tax basis in the New Marshall & Ilsley common stock. In addition, each New Metavante shareholder who receives New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution would generally be treated as receiving a taxable dividend in an amount equal to the fair market value of the New Marshall & Ilsley common stock received to the extent of the earnings and profits of New Metavante.

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### **Effect of Certain Acquisitions of the Stock of New Marshall & Ilsley or New Metavante**

Even if the New Marshall & Ilsley share distribution otherwise qualifies as a tax-free distribution under Section 355 of the Internal Revenue Code, the distribution of New Marshall & Ilsley common stock to New Metavante shareholders in connection with the New Marshall & Ilsley share distribution would result in significant U.S. federal income tax liabilities to New Metavante, (but not Marshall & Ilsley shareholders), if there is an acquisition of stock of New Marshall & Ilsley or New Metavante as part of a plan or series of related transactions that includes the New Marshall & Ilsley share distribution and that results in an acquisition of 50% or more of New Marshall & Ilsley or New Metavante outstanding common stock. For purposes of these rules, any acquisitions of the stock of New Marshall & Ilsley or New Metavante within two years before or after the New Marshall & Ilsley share distribution are presumed to be part of a plan, although the parties may be able to rebut that presumption. For purposes of this test, the investment by Investor will be treated as part of such a plan or series of transactions. Under the terms of the investment agreement, Investor will acquire 25% of New Metavante common stock. Thus, an additional 25% change in the ownership of the New Metavante common stock could trigger a significant tax liability for New Metavante under Section 355 of the Internal Revenue Code (for which New Marshall & Ilsley may be required to indemnify New Metavante under the tax allocation agreement unless such taxes would not have been imposed but for specified acts of New Metavante or its affiliates (including Investor)).

The process for determining whether a prohibited change in control has occurred under the rules is complex, inherently factual and subject to interpretation of the facts and circumstances of a particular case. If New Marshall & Ilsley or New Metavante does not carefully monitor its compliance with these rules, it might inadvertently cause or permit a prohibited change in the ownership of New Metavante or of New Marshall & Ilsley to occur, thereby triggering New Marshall & Ilsley's or New Metavante's respective obligations to indemnify the other pursuant to the tax allocation agreement, which would have a material adverse effect on New Metavante and/or New Marshall & Ilsley. New Metavante will be primarily liable for these taxes, and there can be no assurance that New Marshall & Ilsley would be able to fulfill its obligations under the tax allocation agreement if New Marshall & Ilsley was determined to be responsible for these taxes thereunder. In addition, these mutual indemnity obligations could discourage or prevent a third party from making a proposal to acquire either party.

### **Information Reporting**

Current Treasury regulations require New Metavante shareholders who own at least 5 percent of the total outstanding stock of New Metavante and who receive New Marshall & Ilsley common stock pursuant to the New Marshall & Ilsley share distribution to attach to his, her or its federal income tax return for the year in which the New Marshall & Ilsley share distribution occurs, a detailed statement setting forth the data that may be appropriate in order to show the applicability of Section 355 of the Internal Revenue Code to the New Marshall & Ilsley share distribution. New Metavante will provide the appropriate information to each such shareholder upon request.

**The foregoing sets forth the material U.S. federal income tax consequences of the holding company merger, the New Marshall & Ilsley share distribution and related transactions under current law. This discussion does not address tax consequences that may vary with, or are contingent on, individual circumstances. Moreover, it does not address any non-income tax or any foreign, state or local tax consequences of the holding company merger, the New Marshall & Ilsley share distribution and related transactions. Each Marshall & Ilsley shareholder is encouraged to consult his, her or its tax advisor as to the particular consequences of the holding company merger, the New Marshall & Ilsley share distribution and related transactions to the shareholder, including the application of state, local and foreign tax laws, and as to possible prospective or retroactive changes in tax law that may affect the tax consequences described above.**

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### **THE INVESTMENT AGREEMENT**

*The following is a summary of the material terms and provisions of the investment agreement. All references to the investment agreement are to the investment agreement, as amended or supplemented from time to time. The following summary is qualified in its entirety by reference to the complete text of the investment agreement. The full text of the investment agreement is included in this proxy statement/prospectus information statement as Annex A and is incorporated herein by reference. We encourage you to read the entire investment agreement.*

#### **The Internal Transactions**

Upon the terms and subject to the conditions of the investment agreement, the parties will effect the transactions described below on the closing date.

#### ***The Holding Company Merger***

Under the investment agreement and in accordance with the WBCL, Merger Sub will merge with and into Marshall & Ilsley, with Marshall & Ilsley continuing as the surviving corporation and as a direct, wholly-owned subsidiary of New Metavante. In the holding company merger, each issued and outstanding share of Marshall & Ilsley common stock will automatically convert into one-third of a share of New Metavante common stock. Every issued and outstanding share of Merger Sub common stock will automatically convert into one share of common stock of the surviving corporation. As a result of the holding company merger, New Metavante will also be a publicly-traded company.

#### ***Exchange of Shares***

In connection with the holding company merger, on or prior to the closing date, Marshall & Ilsley and New Metavante will deposit, or cause to be deposited, with the exchange agent, certificates representing the shares of New Metavante common stock to be issued and delivered in exchange for Marshall & Ilsley certificates and cash, in lieu of fractional shares, to be issued in accordance with the holding company merger.

After the effective time of the holding company merger, there will be no transfers on the stock transfer books of Marshall & Ilsley of shares of Marshall & Ilsley common stock that were issued and outstanding immediately prior to the effective time. Marshall & Ilsley and New Metavante will instruct the exchange agent for the holding company merger not to permit any transfers of New Metavante common stock from the effective time of the holding company merger up to and including the record date for the New Marshall & Ilsley share distribution. Accordingly, each holder of Marshall & Ilsley common stock that receives shares of New Metavante common stock in the holding company merger will also be a holder of record of shares of New Metavante common stock as of the record date for the New Marshall & Ilsley share distribution and therefore will receive shares of New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution.

#### ***Treatment of Stock Options and Restricted Stock***

Each option held by a Metavante employee to purchase shares of Marshall & Ilsley common stock outstanding immediately prior to the effective time of the holding company merger will be converted during the holding company merger into an option to purchase shares of New Metavante common stock. Each option held by a Marshall & Ilsley employee or director to purchase shares of Marshall & Ilsley common stock outstanding immediately prior to the effective time of the holding company merger will be converted during the holding company merger into an option to purchase shares of New Marshall & Ilsley common stock. Prior to the completion of the distribution, each outstanding option to purchase Marshall & Ilsley stock held by an individual who, immediately following the separation, is a director of New Metavante and either a Marshall & Ilsley or New Marshall & Ilsley employee or a director of New Marshall & Ilsley shall be converted into both a New Marshall & Ilsley option and a New Metavante option, effective immediately after the distribution. Each converted option will have the same terms and conditions as the corresponding Marshall & Ilsley option to which

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it relates and will continue to be subject to the same terms and conditions as the applicable Marshall & Ilsley equity plan. The employee matters agreement provides for the adjustment to the exercise price and the number of shares subject to such options to reflect the distribution.

All shares of Marshall & Ilsley restricted stock will be treated the same as all other outstanding shares of Marshall & Ilsley common stock in the holding company merger and the distribution; provided, however, that each share of New Metavante common stock and New Marshall & Ilsley common stock received in such transactions with respect to the shares of Marshall & Ilsley restricted stock shall be subject to the same restrictions as the corresponding share of Marshall & Ilsley restricted stock to which it relates and shall continue to be subject to the terms of the applicable Marshall & Ilsley equity plan.

### ***Effective Time***

The holding company merger will become effective as set forth in the articles of merger filed with the Wisconsin Department of Financial Institutions on the closing date.

### ***New Metavante Restated Articles of Incorporation and Amended and Restated By-laws***

Prior to the effective time of the holding company merger, New Metavante's board of directors will adopt, and Marshall & Ilsley, as the sole shareholder of New Metavante at that time, will approve the New Metavante restated articles of incorporation, the form of which is attached as Annex G, and the New Metavante amended and restated by-laws, the form of which is incorporated by reference into this document and filed as an exhibit to the registration statement of which this proxy statement/prospectus information statement is a part. The New Metavante restated articles of incorporation and amended and restated by-laws will contain provisions that differ from those of Marshall & Ilsley's articles of incorporation and by-laws. See Comparison of Rights of Marshall & Ilsley, New Metavante and New Marshall & Ilsley Shareholders beginning on page 391.

### ***Marshall & Ilsley LLC Conversion***

Under the investment agreement and in accordance with the WBCL, immediately following the effective time of the holding company merger, Marshall & Ilsley will convert from a Wisconsin corporation into a Wisconsin limited liability company (as converted, MI LLC). The effective time of the Marshall & Ilsley LLC conversion, will be the time and date on which the articles of conversion and articles of organization are duly filed with the Wisconsin Department of Financial Institutions.

### ***Metavante Distribution***

Under the investment agreement, immediately following the effective time of the Marshall & Ilsley LLC conversion, MI LLC will distribute the outstanding shares of Metavante common stock to New Metavante. Following the distribution, all of the outstanding shares of capital stock of Metavante will be owned by New Metavante.

### ***Investment by Investor***

Under the investment agreement, immediately following the distribution of all of the outstanding shares of capital stock of Metavante to New Metavante and contemporaneous with the debt financing, Investor will purchase, for \$625 million, shares of New Metavante Class A common stock that will automatically convert on a one-for-one basis into shares of New Metavante common stock at 12:01 a.m. Eastern Standard Time on the first day following the closing date, which shares of New Metavante common stock will represent 25% of the shares of New Metavante common stock. Immediately following the conversion of the New Metavante Class A common stock, the New Metavante common stock will be the only class of New Metavante capital stock issued and outstanding.



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### ***Consummation of the Debt Financing***

Under the investment agreement, contemporaneous with the investment by Investor, New Metavante and/or one or more of its subsidiaries will incur approximately \$1.75 billion of indebtedness.

### ***Payment of Intercompany Indebtedness***

Under the investment agreement, New Metavante and/or one of its subsidiaries will pay off certain intercompany indebtedness plus accrued and unpaid interest owed to Marshall & Ilsley (the amount currently owed is approximately \$982 million).

Immediately following the purchase of Class A shares by Investor, the consummation of the debt financing and the payment of the intercompany indebtedness, Metavante will pay a dividend in cash equal to \$1.040 billion to New Metavante.

### ***Cash Contribution***

Under the investment agreement, New Metavante will contribute to New Marshall & Ilsley \$1.665 billion in cash (which includes the \$625 million of proceeds from the sale of the New Metavante common stock to Investor).

### ***Marshall & Ilsley Contribution***

Under the investment agreement, contemporaneously with the cash contribution of \$1.665 billion to New Marshall & Ilsley, New Metavante will contribute all of the outstanding membership interests of MI LLC to New Marshall & Ilsley. Following the transactions above, New Metavante will have two direct, wholly-owned subsidiaries: New Marshall & Ilsley, which will own the equity of MI LLC (formerly Marshall & Ilsley) and Metavante, which will operate Metavante's business.

### ***New Marshall & Ilsley Share Distribution***

Under the investment agreement and subject to the terms of the separation agreement, New Metavante will effect the New Marshall & Ilsley share distribution by instructing the distribution agent to record in the stock transfer records of New Marshall & Ilsley the distribution of three shares of New Marshall & Ilsley common stock to each holder of New Metavante common stock (other than the New Metavante Class A common stock) as of the record date for the distribution for each share of New Metavante common stock held of record and mail to each such holder a letter of transmittal and instructions on how to exchange certificates representing shares of Marshall & Ilsley common stock for certificates representing shares of New Metavante common stock for the holding company merger and New Marshall & Ilsley common stock for the New Marshall & Ilsley share distribution.

### ***Covenants***

Each party has undertaken certain covenants in the investment agreement concerning the transactions and the conduct of its business from the date of the investment agreement generally until the date of completion of the transactions or termination of the investment agreement. The following summarizes the more significant of these covenants:

#### ***Shareholders Meeting; No Solicitation of Acquisition Proposals; Recommendation of Marshall & Ilsley Board***

*Shareholders Meeting.* Marshall & Ilsley has agreed to duly take all lawful action to call, give notice of, convene and hold a meeting of its shareholders as promptly as practicable after the date of the investment

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agreement for the purpose of obtaining the approval and adoption of the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, by Marshall & Ilsley shareholders. Unless the Marshall & Ilsley Board makes a change in its recommendation in accordance with the terms of the investment agreement (as described below), Marshall & Ilsley has agreed to use its reasonable best efforts to solicit shareholder approval and the Marshall & Ilsley Board has agreed to declare that the investment agreement and the transactions are advisable and in the best interests of Marshall & Ilsley and its shareholders and recommend to the shareholders of Marshall & Ilsley approval of the investment agreement and the transactions by the shareholders of Marshall & Ilsley. In addition, if a change in recommendation is made by Marshall & Ilsley and within 15 business days after Investor receives any written notice from Marshall & Ilsley of such change in recommendation in accordance with the investment agreement Investor delivers a written notice (a force the Marshall & Ilsley vote notice ) to Marshall & Ilsley that Investor desires that the investment agreement and the transactions be submitted to the shareholders of Marshall & Ilsley, then Marshall & Ilsley shall be obligated to submit the investment agreement and the transactions to the shareholders of Marshall & Ilsley at the special meeting of shareholders for the purpose of obtaining shareholder approval.

*No Solicitation of Acquisition Proposals.* Marshall & Ilsley has agreed that neither it, any of its subsidiaries nor any of the executive officers or directors of Marshall & Ilsley or of Metavante shall, and Marshall & Ilsley has agreed not to authorize any of its or its subsidiaries' respective officers, directors, employees, agents or representatives to (and has agreed to instruct JPMorgan, in its capacity as Marshall & Ilsley's investment banker, not to), directly or indirectly:

solicit, initiate or knowingly encourage (including by way of furnishing non-public information) the making of any inquiry, offer or proposal which constitutes or that would reasonably be expected to lead to, any Marshall & Ilsley acquisition proposal (as described below) or Metavante acquisition proposal (as described below);

enter into any letter of intent, agreement in principle, merger agreement, acquisition agreement, option agreement, or other agreement providing for any Marshall & Ilsley acquisition proposal (each, an Marshall & Ilsley acquisition agreement ) or any Metavante acquisition proposal; or

participate in any discussions or negotiations regarding any Marshall & Ilsley acquisition proposal or any Metavante acquisition proposal;

provided, however, that if, without any breach by Marshall & Ilsley or its subsidiaries of their non-solicitation obligations under the investment agreement, Marshall & Ilsley receives an unsolicited bona fide written Marshall & Ilsley acquisition proposal or Metavante acquisition proposal from any person, Marshall & Ilsley may:

furnish information (including non-public information) with respect to Marshall & Ilsley and its subsidiaries, including Metavante, to any such person pursuant to a confidentiality agreement, which in the case of a Metavante acquisition proposal, shall contain terms no less restrictive on such person than those in the confidentiality agreement with Investor are to Investor; and

participate in negotiations with such person regarding such Marshall & Ilsley acquisition proposal or Metavante acquisition proposal, if:

in the good faith judgment of the Marshall & Ilsley Board after consultation with its outside legal counsel, failure to take such action would be inconsistent with the fiduciary duties of the Marshall & Ilsley Board to its shareholders under applicable laws; and

in the case of a Metavante acquisition proposal only, in the good faith judgment of the Marshall & Ilsley Board, after consultation with its outside legal counsel and financial advisor(s), such Metavante acquisition proposal is or is reasonably likely

to lead to a superior Metavante acquisition proposal (as described below).

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Notwithstanding the foregoing, Marshall & Ilsley is not prohibited from, following receipt of a Marshall & Ilsley acquisition proposal or a Metavante acquisition proposal, contacting the person making such Marshall & Ilsley acquisition proposal or Metavante acquisition proposal and its advisors solely for the purpose of clarifying the proposal and the material terms thereof and the conditions to consummation.

Marshall & Ilsley has agreed to (i) promptly (and in any case within 48 hours) notify Investor if Marshall & Ilsley has received any Metavante acquisition proposal and (ii) keep Investor reasonably informed on a prompt basis as to any material developments regarding any such Metavante acquisition proposal. The notice is required to include, to the extent then known, the identity of the parties and a copy of any Metavante acquisition proposal and the material documents submitted therewith and, if conveyed orally, a description of the material terms thereof.

Under the investment agreement the term **Marshall & Ilsley acquisition proposal** means any inquiry, proposal or offer (other than a Metavante acquisition proposal) from any person with respect to:

a merger, reorganization, share exchange, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving Marshall & Ilsley or any of its subsidiaries that, if consummated, would result in any person (or the shareholders of such person in the aggregate) beneficially owning securities representing 25% or more of the total voting power of Marshall & Ilsley then outstanding;

any direct or indirect purchase or sale, lease, exchange, transfer or other disposition of 25% or more of the consolidated assets (including stock of Marshall & Ilsley's subsidiaries) of Marshall & Ilsley and its subsidiaries, taken as a whole; or

any direct or indirect purchase or sale of, or tender or exchange offer for, or similar transaction with respect to, the equity securities of Marshall & Ilsley that, if consummated, would result in any person (or the shareholders of such person in the aggregate) beneficially owning securities representing 25% or more of the total voting power of Marshall & Ilsley (or of the surviving parent entity in such transaction) then outstanding;

provided, however, that no such inquiry, proposal or offer shall be considered to be a Marshall & Ilsley acquisition proposal if it relates to a transaction that the Marshall & Ilsley Board reasonably determines in good faith, after consultation with its outside legal counsel, is not reasonably likely to prevent or materially impair, modify or delay the consummation of the transactions contemplated by the investment agreement.

Under the investment agreement the term **Metavante acquisition proposal** means any inquiry, proposal or offer from any person solely with respect to:

a merger, reorganization, share exchange, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction solely involving Metavante or any of its subsidiaries that, if consummated, would result in any person (or the shareholders of such person in the aggregate) beneficially owning securities representing 25% or more of the total voting power of Metavante then outstanding;

any direct or indirect purchase or sale, lease, exchange, transfer or other disposition of 25% or more of the consolidated assets (including stock of Metavante's Subsidiaries) of Metavante and its subsidiaries, taken as a whole; or

any direct or indirect purchase or sale of, or similar transaction with respect to, the equity securities of Metavante that, if consummated, would result in any person (or the shareholders of such person in the aggregate) beneficially owning securities representing 25% or more of the total voting power of Metavante (or of the surviving parent entity in such transaction) then outstanding.

Under the investment agreement the term **superior Metavante acquisition proposal** means any unsolicited bona fide written Metavante acquisition proposal on terms that, in the good faith judgment of the Marshall &



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Ilsley Board after consultation with its outside legal counsel and financial advisor(s) and after taking into account all legal, financial, regulatory and other aspects of the proposal, including the financing terms thereof, is:

reasonably capable of being consummated; and

superior from a financial point of view to the shareholders of Marshall & Ilsley to the transactions contemplated by the investment agreement (as may be modified by any revised proposals that may be made by Investor pursuant to the investment agreement, as described below).

*Marshall & Ilsley Covenant to Recommend.* Marshall & Ilsley has agreed that its board of directors will recommend the approval and adoption of the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Marshall & Ilsley share distribution to Marshall & Ilsley's stockholders. Marshall & Ilsley has also agreed that neither the Marshall & Ilsley Board nor any committee thereof shall:

withdraw, modify, qualify or amend its recommendation in any manner adverse to Investor;

fail to publicly reaffirm its recommendation within five business days after receiving a written request to do so from Investor in response to any public statement or disclosure by Marshall & Ilsley or any of its affiliates that could reasonably be interpreted to have any of the effects set forth in the first or third bullet of this section, if such request is made by Investor within five business days after such public statement or disclosure;

approve, recommend, agree to or accept, any Marshall & Ilsley acquisition proposal; or

approve, recommend, agree to or accept, any Metavante acquisition proposal (each of the actions in the foregoing bullets, a change in recommendation );

provided, however, that at any time prior to the receipt of the shareholder approval at the special meeting (or in case of the third bullet above, at any time subject to compliance with the next proviso of this section), the Marshall & Ilsley Board may make a change in recommendation if:

Marshall & Ilsley has complied with its non-solicitation obligations under the investment agreement;

in the good faith judgment of the Marshall & Ilsley Board, after consultation with the outside legal counsel of Marshall & Ilsley, the failure to make such change in recommendation would be inconsistent with the fiduciary duties of the Marshall & Ilsley Board to its shareholders under applicable laws; and

in the case of a change in recommendation in response to a Metavante acquisition proposal, the Marshall & Ilsley Board, after consultation with its outside legal counsel and financial advisors, has also determined in its good faith judgment that such Metavante acquisition proposal is a superior Metavante acquisition proposal;

provided, further, that at any time, the Marshall & Ilsley Board may approve, recommend, agree to or accept, any Marshall & Ilsley acquisition proposal if:

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Marshall & Ilsley has complied with its non-solicitation obligations under the investment agreement;

in the good faith judgment of the Marshall & Ilsley Board, after consulting with its outside legal counsel, the failure to take such action would be inconsistent with the fiduciary duties of the Marshall & Ilsley Board to its shareholders under applicable laws; and

prior to or concurrently with authorizing or permitting Marshall & Ilsley or any of its subsidiaries to enter into any Marshall & Ilsley acquisition agreement, Marshall & Ilsley has terminated the investment agreement in accordance with its terms and has paid Investor the termination fee required thereby (as discussed below).

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The investment agreement also provides that Marshall & Ilsley Board will not make any change in recommendation in response to a Metavante acquisition proposal unless:

Marshall & Ilsley has complied with certain non-solicitation obligations under the investment agreement;

Marshall & Ilsley shall have provided prior written notice to Investor, at least five business days in advance, of its intention to take such action, which notice shall specify the material terms and conditions of such Metavante acquisition proposal (including the identity of the person making such proposal), and shall enclose a copy of the current version of the proposed transaction agreement, if any, with the person making such proposal; and

prior to effecting such change in recommendation, Marshall & Ilsley shall, and shall cause its financial and legal advisors to, during such five business day period, negotiate in good faith with Investor (to the extent Investor desires to negotiate) to make such adjustments to the terms and conditions of the investment agreement as may be proposed by Investor; provided, that in the event of any material revision to any such Metavante acquisition proposal, Marshall & Ilsley shall be required to deliver a new written notice to Investor and to again comply with the requirements of the second bullet above with respect to such new written notice (except that the notice period shall be two business days instead of five business days).

In any case, and in addition to the notice requirements discussed immediately above, if applicable, Marshall & Ilsley has agreed to notify Investor in writing that a change in the recommendation has occurred no later than 24 hours after a change in recommendation has occurred (a change in recommendation notice ), which change in recommendation notice shall set forth the principal reasons for the change in recommendation. No later than 15 business days after Investor receives such written notice, Investor must provide a force the Marshall & Ilsley vote notice to Marshall & Ilsley if it desires that the investment agreement and the transactions be submitted to the shareholders of Marshall & Ilsley.

If, at any time after Marshall & Ilsley has provided a change in recommendation notice in accordance with the terms of the investment agreement and the investment agreement has not been terminated in accordance with its terms, the Marshall & Ilsley Board makes a further change in its recommendation to the shareholders of Marshall & Ilsley as to approval of the investment agreement and the transactions by the shareholders of Marshall & Ilsley based on subsequent material developments:

then Marshall & Ilsley shall deliver a new change in recommendation notice to Investor in accordance with the terms of the investment agreement;

any prior force the Marshall & Ilsley vote notice shall be of no further force or effect (other than that Marshall & Ilsley shall have no right to terminate the investment agreement due to Investor's failure to deliver a force the vote notice until the 15 business day period referred to in the bullet immediately following has elapsed); and

Investor shall have a new 15 business day period from the time of delivery of the notice referred to in the first bullet above in which to provide a force the Marshall & Ilsley vote notice to Marshall & Ilsley in accordance with the terms of the investment agreement. The investment agreement does not prohibit Marshall & Ilsley from complying with Rules 14d-9 or 14e-2 promulgated under the Exchange Act, with respect to a Marshall & Ilsley acquisition proposal or from making any disclosure to the shareholders of Marshall & Ilsley with respect to an Marshall & Ilsley acquisition proposal or a Metavante acquisition proposal, if, in the good faith judgment of the Marshall & Ilsley Board, after consultation with outside legal counsel, failure to make such disclosure would be inconsistent with the fiduciary duties of the Marshall & Ilsley Board to its shareholders under applicable laws.



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***New Metavante Organizational Documents; Governance Matters***

New Metavante and Marshall & Ilsley agreed to take all actions necessary to cause, effective at the time of the New Marshall & Ilsley share distribution, the board of directors of New Metavante to consist of 11 directors, consisting of (i) three directors designated by Investor, (ii) two directors who shall be officers of Metavante, one of whom shall be the President and Chief Executive Officer and one of whom shall be the Senior Executive Vice President and Chief Operating Officer, (iii) one director who shall be designated by Marshall & Ilsley and shall initially be Dennis J. Kuester and (iv) five additional directors selected by Marshall & Ilsley after consulting with the President and Chief Executive Officer of Metavante and with the consent of Investor (which shall not be unreasonably withheld or delayed), each of whom shall qualify as independent directors and one of whom shall be a director of Marshall & Ilsley, provided that if any individual described above is unable to begin serving as a director of New Metavante at the distribution time, the New Metavante board of directors shall not include such individual until he or she is able to serve as a director, provided, further, that if such individual is unable to serve as a director of New Metavante at the distribution time, he or she shall have agreed to begin to serve within a reasonable period of time thereafter, and provided, further, that if Investor or Marshall & Ilsley is prevented by applicable law or regulatory process from designating any of its designees, such designees shall be independent directors designated in accordance with clause (iv) above.

The shareholder agreement provides that the Chairman of the Board of New Metavante will be Dennis J. Kuester for a period of one year from the closing and that if Dennis J. Kuester is unable to serve during such one-year period, or after such one-year period, Frank R. Martire will, subject to the approval of the board of directors of New Metavante, succeed Dennis J. Kuester as Chairman of the Board of New Metavante.

The investment agreement also provides that Frank R. Martire, the President and Chief Executive Officer of Metavante immediately prior to the closing date, will be the President and Chief Executive Officer of New Metavante at the time of the New Marshall & Ilsley share distribution and thereafter until duly changed in accordance with the organizational documents of New Metavante and applicable law.

***Covenants Relating to Conduct of Business***

In general, except as required or expressly permitted or contemplated by agreements relating to the transactions, Marshall & Ilsley (solely with respect to Metavante's business), New Metavante and Metavante are required to conduct their business in the ordinary course in substantially the same manner as previously conducted (and Marshall & Ilsley will allow Metavante to carry on its business with a level of autonomy that is consistent with past practice), to use reasonable best efforts to preserve their business organizations, to maintain their material rights, licenses and permits, to keep available the services of the current officers and other key employees and preserve their relationships with customers, franchises and others having business dealings with them with the intention that the ongoing businesses shall not be materially impaired. Each of Marshall & Ilsley, New Metavante and Metavante has agreed to specific restrictions with respect to itself and its subsidiaries, subject to certain exceptions, including as required or expressly permitted or contemplated by agreements and the disclosure schedules thereto relating to the transactions, relating to the following:

making or permitting any of their subsidiaries to make any distributions of cash, capital stock or property or any combination thereof in respect of any capital stock of New Metavante or Metavante except for (i) the distributions contemplated by the transactions and (ii) the historical \$1 million quarterly cash dividend from Metavante to Marshall & Ilsley;

causing New Metavante or Metavante to split, combine or reclassify any of its capital stock or amend the terms of or change the period of exercisability of or purchase, redeem or otherwise acquire any capital stock or securities convertible into or exercisable or exchangeable for any right, warrant or option to acquire capital stock of New Metavante or Metavante;

issuing or pledging any shares of Metavante stock, indebtedness having the right to vote on Metavante shareholder matters, or securities convertible into or exchangeable for any such shares or indebtedness or entering into any commitment or agreement to do so;

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except as contemplated by the investment agreement or the transaction agreements, amending or proposing to amend the articles, by-laws, or other governing documents of New Metavante or Metavante or amending or proposing to amend the articles, by-laws, or other governing documents of Marshall & Ilsley if the change would delay the closing of the transactions;

acquiring or agreeing to acquire by merger, consolidation, equity purchase or otherwise any business, corporation or other business organization or assets, such limitations with respect to Marshall & Ilsley solely with respect to the Metavante's business, if the acquisition would prevent or materially delay any consent from any governmental entity or otherwise materially frustrate, impede or delay the consummation of the transactions;

selling, leasing, licensing, encumbering or otherwise disposing of any assets of Metavante or any subsidiary of New Metavante or Metavante, including any capital stock of Metavante or any subsidiary of Metavante, or agreeing to do any of the foregoing, other than (i) in the ordinary course consistent with past practice or (ii) sales, leases, licenses, encumbrances or other dispositions of assets with a fair market value of no more than \$3 million in the aggregate;

allowing New Metavante, Metavante or their subsidiaries to commit to make any capital expenditures that would reasonably be expected to be incurred after the closing date other than capital expenditures involving commitments of less than \$1 million in the aggregate or capital expenditures included in Metavante's capital expenditure plan;

settling any litigation, investigation, or other claim if New Metavante, Metavante or any of their subsidiaries would be required to pay in excess of \$4 million individually or \$15 million in the aggregate or if the settlement would require New Metavante, Metavante or their subsidiaries to take any material actions or agree to any material restrictions;

with respect to any employee of Metavante (i) accelerating the vesting of, or the lapsing of restrictions with respect to, any stock options or other stock-based compensation, except as required by applicable law or in accordance with the existing terms of awards already in existence, (ii) increasing or committing to increase the amount of compensation or employee benefits of any Metavante employees except for increases in compensation or employee benefits for individuals (as opposed to general increases), (iii) entering into any new, or amending any existing contracts with any employee or consultant of any Metavante Group (as defined under The Separation Agreement General ) member regarding employment, compensation or benefits (other than (A) actions taken in the ordinary course of business consistent with past practice with respect to employees who are not members of the executive committee of Metavante and (B) hiring or offering employment to a person to serve as Chief Financial Officer of Metavante after consulting with Investor with respect thereto or entering into an agreement relating thereto), or (iv) transferring any employees primarily providing services to Metavante's business to the Marshall & Ilsley Group (as defined under The Separation Agreement General ) or transferring any employees primarily providing services to businesses of Marshall & Ilsley and its affiliates (other than the business of Metavante) to the Metavante Group;

to Metavante or any of its subsidiaries (i) making, amending or changing any material tax election, (ii) making a request for a material tax ruling, or enter into a material closing agreement relating to taxes, (iii) settling or compromising any material tax liability or claims, (iv) filing any material amendments to any previously filed material tax returns, or (v) surrendering any right to claim any material amount of refund of any taxes;

making any material change to Metavante's methods of accounting in effect at December 31, 2006;

entering into, waiving any material rights under or amending in any material respect any material contract between the Metavante Group, on the one hand, and the Marshall & Ilsley Group, on the other hand, that, (x) will survive the closing date of the transactions; or (y) provides for indebtedness for borrowed money; provided, however, that certain business agreements between Marshall & Ilsley and Metavante that will survive the transactions may be amended in the ordinary course of business;



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transferring any material asset that relates primarily to Metavante's business from the Metavante Group to the Marshall & Ilsley Group or transferring any material liabilities (other than those liabilities that relate primarily to Metavante's business) from the Marshall & Ilsley Group to the Metavante Group; and

allowing New Metavante, Metavante or their subsidiaries to incur any indebtedness for borrowed money, other than (i) trade payables incurred in the ordinary course of business, (ii) draws on Metavante's revolving line of credit for settlement-type transactions, and (iii) the debt financing to be incurred in connection with the transactions.

***Reasonable Best Efforts***

The investment agreement provides that each party to the investment agreement, subject to specified limitations, will use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, and to assist and cooperate with the other parties in doing or causing to be done, all things necessary, proper or advisable under the investment agreement and applicable laws to consummate the transactions as soon as reasonably practicable, including obtaining required approvals from third-parties and governmental entities. Each of Investor, Marshall & Ilsley, Metavante, and New Metavante will agree to any restrictions or modifications, or take any action or enter into any settlement or other agreement or binding arrangement to sell, hold, separate or otherwise dispose of any assets, including the capital stock of any subsidiary, suggested or requested by any governmental entity in order to facilitate the receipt of any required approval (including modifications to the shareholders agreement, the administrative services agreement, or the continuing business agreements), so long as such restrictions, modifications, sales, disposals or other actions would not, individually or in the aggregate, (i) reasonably be expected to have a material adverse effect on Metavante or New Metavante, (ii) reasonably be expected to have a material adverse effect on Marshall & Ilsley, (iii) materially detract from the expected financial benefits from the transaction to Marshall & Ilsley and certain subsidiaries relating to Marshall & Ilsley's business or (iv) in the case of Investor, result in (A) an increase in the purchase price or a decrease in the percentage of fully diluted shares of New Metavante common stock or (B) Investor or its affiliates becoming subject to bank regulation or supervision (including being required to register as a bank holding company), other than any bank regulation that Investor or its affiliates are, or become subject to, for reasons unrelated to the transactions.

**Private Letter Ruling; Tax-Free Reorganization Treatment**

Marshall & Ilsley agreed to use its reasonable best efforts to obtain, as soon as practicable after the execution of the investment agreement, a private letter ruling from the Internal Revenue Service to the effect that (i) the holding company merger and the Marshall & Ilsley LLC conversion qualify as a reorganization under Section 368(a) of the Internal Revenue Code and (ii) the Marshall & Ilsley contribution and the New Marshall & Ilsley share distribution qualify as a reorganization under Section 368(a)(1)(D) of the Internal Revenue Code and a distribution eligible for nonrecognition under Sections 355(a) and 361(c) of the Internal Revenue Code.

Marshall & Ilsley further agreed that neither it nor any of its subsidiaries will take (or cause to be taken) any action on or before the closing date, that:

would result in any failure to obtain the private letter ruling above; or

could reasonably be expected to prevent the transactions contemplated under the investment agreement from having the intended tax consequences described in the investment agreement.

Investor agreed that it will not, and will cause its affiliates not to, (i) acquire any shares of Marshall & Ilsley common stock prior to the completion of the transactions or (ii) acquire any shares of capital stock of New Metavante or any of its subsidiaries until the second anniversary of the closing date, other than shares of New Metavante Class A common stock acquired in the New Metavante share issuance and other than shares acquired in transactions that comply with the provisions of the tax allocation agreement.

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### **Employee Benefits Matters**

The investment agreement provides that employee benefit matters are to be treated as set forth in the employee matters agreement.

### **Non-Competition**

For a period of 36 months following closing date, New Marshall & Ilsley will not and will cause its subsidiaries not to engage, within the United States, in competition with the Metavante Group in any business with financial services firms and related businesses that Metavante is engaged in as of the date of the execution of the investment agreement in any substantial respect; provided, that the activities that the Marshall & Ilsley Group shall be restricted from will not include: (i) any business engaged in by members of the Marshall & Ilsley Group as of the date of the execution of the investment agreement, (ii) any activities engaged in solely to service the operations of the Marshall & Ilsley Group, and (iii) any other traditional banking services.

However, Marshall & Ilsley and its subsidiaries are not restricted from, among other things:

owning less than 5% in the aggregate of any class of capital stock of a person engaged, directly or indirectly, in the restricted activities described above, provided that such stock is listed on a national securities exchange;

owning less than 15% in value of any instrument of indebtedness of a person engaged, directly or indirectly, in the restricted activities described above;

owning any securities in a fiduciary capacity;

acquiring control of any person or business that for the fiscal year immediately preceding the acquisition derived less than 10% of its revenues from the restricted activities described above;

acquiring control of any person or business that for the fiscal year immediately preceding the acquisition derived more than 10% of its revenues but less than 35% of its revenues from the restricted activities described above, so long as it uses its reasonable best efforts to divest the operations as promptly as practicable and in any event within 12 months after the consummation of the acquisition of control; or

owning an interest acquired as a creditor in bankruptcy or otherwise than by a voluntary investment decision in a person or business that for the fiscal year immediately preceding the acquisition of the interest derived 10% or more of its revenues from the restricted activities described above, so long as New Marshall & Ilsley or its subsidiary uses its reasonable best efforts to divest the interest as promptly as practicable and in any event within 12 months after the acquisition of the interest, subject to specified conditions.

### ***Non-Solicitation***

For a period of six months following the closing date, neither New Marshall & Ilsley nor any of its subsidiaries will encourage certain employees of the Metavante Group to terminate his or her employment with any member of the Metavante Group or solicit any such individuals for employment outside the Metavante Group which would end or diminish the employee's services to the Metavante Group. Additionally, New Metavante and Metavante agreed, for a period of six months following the closing date, that neither New Metavante nor any of its subsidiaries will encourage certain employees of the Marshall & Ilsley Group (as specified in the investment agreement) to terminate his or her employment with any member of the Marshall & Ilsley Group or solicit such individual for employment outside the Marshall & Ilsley Group which would end or diminish that employee's services to the Marshall & Ilsley Group.



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### ***Debt Financing***

The investment agreement provides that:

each of Marshall & Ilsley, Metavante, New Metavante and Investor agree to use its reasonable best efforts to provide, and to cause its respective subsidiaries, officers, employees, independent auditors, counsel and other representatives to provide, all timely cooperation reasonably required in connection with the arrangement of the debt financing provided for in the debt commitment letter among JPMorgan, JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Lehman Brothers Commercial Bank, Lehman Commercial Paper Inc., Lehman Brothers Inc., Baird Financial Corporation and Metavante (the debt commitment letter );

if any portion of the debt financing becomes unavailable on the terms and conditions contemplated in the debt commitment letter, Investor may arrange to obtain alternative financing from alternative sources following the occurrence of such event, in an amount sufficient (when taken together with the aggregate proceeds contemplated by the equity commitment letter and the portion, if any, of the debt financing that remains available under the Debt Commitment Letter on the terms and conditions contemplated therein) to consummate the transactions; provided, that the terms and conditions of such alternative financing are reasonably acceptable to Metavante; and

Metavante, New Metavante and Marshall & Ilsley will use and will cause their respective subsidiaries to use, their respective reasonable efforts to enforce the provisions of the debt commitment letter.

See Anticipated Terms of Financing beginning on page 146.

### ***Valuation Firm Opinions***

Marshall & Ilsley agreed to use its reasonable best efforts to obtain from American Appraisal Associates, Inc., or any other firm engaged in replacement of such firm in accordance with the investment agreement, an opinion addressed to the Marshall & Ilsley Board, Metavante and New Metavante dated as specified by Marshall & Ilsley on or prior to the closing date to the effect that:

with respect to the Metavante distribution, (i) MI LLC will be able to pay its debts as they mature or become due, (ii) the fair value of MI LLC's total assets will not be less than the sum of its total liabilities, (iii) MI LLC's assets will not be unreasonably small in relation to its business or the Metavante distribution and (iv) MI LLC will have property remaining that does not constitute unreasonably small capital;

with respect to the Marshall & Ilsley contribution and the contribution of cash by New Metavante to New Marshall & Ilsley, (i) New Metavante will be able to pay its debts as they mature or become due, (ii) the fair value of New Metavante's total assets will not be less than the sum of its total liabilities, (iii) New Metavante's assets will not be unreasonably small in relation to its business or the MI LLC contribution or MI cash contribution and (iv) New Metavante will have property remaining that does not constitute unreasonably small capital;

with respect to the dividend of cash by Metavante to New Metavante (i) Metavante will be able to pay its debts as they mature or become due; (ii) the fair value of Metavante's total assets will not be less than the sum of its total liabilities, (iii) Metavante's assets will not be unreasonably small in relation to its business or the Metavante dividend and (iv) Metavante will have property remaining that does not constitute unreasonably small capital;

with respect to the New Marshall & Ilsley share distribution (i) New Metavante will be able to pay its debts as they mature or become due; (ii) the fair value of New Metavante's total assets will not be less than the sum of its total liabilities, (iii) New Metavante's assets

will not be unreasonably small in relation to its business or the New Marshall & Ilsley share distribution and (iv) New Metavante will have property remaining that does not constitute unreasonably small capital; and



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with respect to the consummation of the transactions occurring on the closing date, each of New Metavante, Metavante, New Marshall & Ilsley and MI LLC will (i) be able to pay its debts as they mature or become due; (ii) the fair value and present fair saleable value of each of their respective assets will not be less than the sum of each of their respective aggregate liabilities, (iii) each of their respective assets will not be unreasonably small in relation to each of their respective businesses and (iv) each will have property remaining that does not constitute unreasonably small capital.

### ***Shareholders Agreement***

New Metavante and Investor will take all necessary action to, immediately prior to the closing, execute and deliver to each other the shareholders agreement substantially in the form attached hereto as Exhibit. See Additional Agreements Relating to the Transactions Shareholders Agreement beginning on page 141.

### **Representations and Warranties**

The investment agreement contains representations and warranties made by (i) Investor to New Metavante, Marshall & Ilsley and Metavante, (ii) Marshall & Ilsley to Investor, (iii) each of Marshall & Ilsley, New Metavante, and Metavante to Investor and (iv) each of Marshall & Ilsley and New Metavante to Investor.

Representations and warranties of Investor to New Metavante, Marshall & Ilsley and Metavante relate to, among other things:

limited partnership existence, structure, qualification to conduct business and limited partnership power;

limited partnership authority to enter into, and perform the obligations under, the investment agreement and enforceability of the investment agreement;

absence of a breach of organizational documents and absence of a material breach of laws or agreements as a result of the transactions;

required governmental approvals;

information supplied for use in this proxy statement/prospectus information statement;

litigation;

compliance with laws;

payment of fees to finders or brokers in connection with the transactions;

the equity financing and the limited guarantee of Warburg Pincus Private Equity IX, L.P.;

purpose of acquiring shares;

investment company status; and

ownership of shares of Marshall & Ilsley.

Representations and warranties of Marshall & Ilsley to Investor relate to, among other things:

corporate existence, qualifications as a bank holding company and a financial holding company and corporate power;

corporate existence and assets and liabilities of Merger Sub;

capital structure;

corporate authority to enter into, and perform the obligations under the investment agreement and enforceability of the investment agreement;

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Merger Subs corporate authority to enter into, and perform the obligations under the investment agreement and enforceability of the investment agreement;

absence of a breach of organizational documents and absence of a material breach of laws or agreements as a result of the investment;

required governmental approvals;

compliance with SEC reporting requirements;

information supplied for use in this proxy statement/prospectus information statement;

financial statements;

board of directors approval;

litigation;

compliance with laws;

tax matters; and

permits.

Marshall & Ilsley has also made customary representations and warranties to Investor relating to the required vote of Marshall & Ilsley stockholders to approve the transactions contemplated by the investment agreement, the receipt of a valuation letter of Marshall & Ilsley's financial advisor, JPMorgan, and payment of fees to finders or brokers in connection with the merger.

In addition, each of Marshall & Ilsley, New Metavante and Metavante made the following representations and warranties to Investor with respect to Metavante and certain subsidiaries relating to Metavante's business which relate to:

corporate existence, qualification to conduct business and corporate power;

subsidiaries of Metavante;

capital structure;

corporate authority to enter into, and perform the obligations under, the investment agreement and enforceability of the investment agreement;

financial statements;

information supplied for use in this proxy statement/prospectus information statement;

absence of a breach of organizational documents and absence of a material breach of laws or agreements as a result of the transactions;

required governmental approvals;

board of directors approval;

litigation;

compliance with laws;

absence of certain changes or events;

environmental matters;

intellectual property;

title to properties;

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certain contracts;

employee benefits;

labor relations;

insurance;

liens on assets of members of the Metavante group; and

real property.

Each of New Metavante and Marshall & Ilsley has made representations and warranties to Investor with respect to Metavante relating to:

corporate existence, qualification to conduct business and corporate power of New Metavante;

capital structure;

corporate authority to enter into, and perform the obligations under, the investment agreement and enforceability of the investment agreement;

information supplied for use in this proxy statement/prospectus information statement;

absence of a breach of organizational documents and absence of a material breach of laws or agreements as a result of the transactions;

required governmental approvals;

litigation; and

status of New Metavante shares.

Many of the representations and warranties contained in the investment agreement are subject to materiality or material adverse effect qualifications and/or knowledge qualifications, and none of the representations and warranties survive the closing date.

You should also be aware that these representations and warranties may be subject to important limitations and qualifications agreed to by the parties to the investment agreement, may or may not have been accurate as of the date they were made and do not purport to be accurate as of the date of this proxy statement/prospectus information statement. In particular, in some cases, the representations of Marshall & Ilsley, New Metavante and Metavante contained in the investment agreement were qualified by certain information contained in forms, reports and documents filed by Marshall & Ilsley with the SEC, as well as by confidential disclosure letters that Marshall & Ilsley and Metavante delivered to Investor concurrently with the signing of the investment agreement. In addition, certain representations and warranties were made as of a

specified date, may be subject to contractual standards of materiality different from those generally applicable to shareholders, or may have been used for the purpose of allocating risk among the parties rather than establishing matters as facts.

A material adverse effect is defined as any effect, change, circumstance or development that, individually or in the aggregate with other such effects, changes, circumstances or developments, is both material and adverse to (i) with respect to any person, the ability of the person to consummate the transactions contemplated by the investment agreement or (ii) with respect to Metavante, the business, financial condition, operations, results of operations, properties, assets or liabilities of Metavante and its subsidiaries, taken as a whole, other than, in the case of clause (ii), any effect, change, circumstance or development:

resulting from the announcement of the execution of the investment agreement or any of the transaction agreements or of the transactions contemplated by the investment agreement;

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relating to state, national or international political, social, general business or economic conditions (but only if the person and its subsidiaries, taken as a whole, are not disproportionately affected in any material respect as compared to other comparable companies in their industry);

relating in general to the industries in which the person and its subsidiaries operate (but only if the person and its subsidiaries, taken as a whole, are not disproportionately affected in any material respect as compared to other comparable companies in their industry);

relating to any action or omission of New Metavante, Marshall & Ilsley, Metavante or any of their respective subsidiaries taken with the express prior written consent of Investor after the date of the investment agreement;

relating to the commencement, occurrence or continuation of any war, armed hostilities or acts of terrorism involving or affecting the United States or any other jurisdiction in which the party or any of its subsidiaries operates (but only if the person and its subsidiaries, taken as a whole, are not disproportionately affected in any material respect as compared to other comparable companies in their industry);

relating to financial, banking or securities markets (including any disruption thereof and any decline in the price of any security or any market index);

relating to changes after the date of the investment agreement in United States generally accepted accounting principles or the accounting rules and regulations of the SEC (but only if Metavante and its subsidiaries, taken as a whole, are not disproportionately affected thereby in any material respect as compared to other comparable companies in their industry); or

relating to changes in applicable laws.

**Conditions to the Completion of the Transactions**

***Conditions to Each Party's Obligation to Effect the Transactions***

The respective obligations of Investor, Marshall & Ilsley, New Metavante and Metavante to effect the transactions under the investment agreement that are to occur on the closing date are subject to the satisfaction or waiver of various conditions, including:

the approval and adoption of the investment agreement and the transactions contemplated by the investment agreement, including the holding company merger and the New Metavante share issuance, by Marshall & Ilsley shareholders;

the absence of any law, order or injunction having the effect of making the transactions under the investment agreement illegal or otherwise prohibiting consummation of such transactions;

the absence of any proceeding initiated by any governmental entity seeking an injunction having the effect of making the transactions under the investment agreement illegal or otherwise prohibiting consummation of such transactions;

the waiting period (and any extension thereof) under the HSR Act applicable to the transactions under the investment agreement having expired or been terminated;

the approval for listing on the New York Stock Exchange or, in the case of the shares of New Metavante common stock, such other national securities exchange as New Metavante and Investor may agree of (i) the shares of New Metavante common stock to be issued in the holding company merger and to be reserved for issuance upon exercise of the Metavante options and (ii) the shares of New Marshall & Ilsley common stock to be distributed in the New Marshall & Ilsley share distribution and the shares of New Marshall & Ilsley common stock to be reserved for issuance upon exercise of the New Marshall & Ilsley options;



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the effectiveness of the registration statements including the Form S-4 and Form 10 of which this proxy statement/prospectus information statement is a part and the absence of any stop order or proceeding seeking a stop order with respect to any order of effectiveness;

receipt by New Metavante of a favorable Internal Revenue Service ruling to the effect that (a) the holding company merger and the Marshall & Ilsley LLC conversion qualify as a reorganization under Section 368(a) of the Internal Revenue Code and (b) the Marshall & Ilsley contribution and the New Marshall & Ilsley share distribution qualify as a reorganization under Section 368(a)(1)(D) of the Internal Revenue Code and a distribution eligible for nonrecognition under Sections 355(a) and 361(c) of the Internal Revenue Code;

receipt by Marshall & Ilsley and New Metavante of an opinion of Sidley Austin, counsel to Marshall & Ilsley (or another law firm of national standing) to the effect that certain requirements for tax-free treatment under Section 355 of the Internal Revenue Code on which the Internal Revenue Service will not rule will be satisfied;

the delivery of the capital adequacy and solvency opinions of American Appraisal Associates in accordance with the investment agreement, which shall not have been withdrawn, modified, or rescinded;

certain approvals of state and federal banking authorities;

the receipt by New Metavante of the proceeds of the debt financing pursuant to the terms of the debt financing commitment or, if Investor has secured alternative debt financing, receipt by New Metavante and/or one or more of its wholly-owned subsidiaries of the proceeds of the alternative debt financing; and

the sufficiency of Metavante's funds, following the consummation of the debt financing, to pay a dividend of \$1.040 billion in cash to New Metavante and to permit New Metavante to make a cash contribution of \$1.665 billion to New Marshall & Ilsley.

***Conditions to Obligations of Investor to Effect the Transactions***

Investor's obligation to complete the transactions under the investment agreement that are to occur on the closing date are also subject to the satisfaction or waiver of the following additional conditions:

certain specified representations and warranties of Marshall & Ilsley, Metavante and New Metavante regarding organization, capital structure, authority, no conflicts, brokers or finders and the status of New Metavante shares, must be true and correct as of the date of completion of the transactions as though made on and as of the date of completion of the transactions, except to the extent such representations and warranties speak solely as of the date of the investment agreement or as of another date (in which case such representations and warranties will be true and correct only as of such date(s));

certain specified representations and warranties of Marshall & Ilsley relating to capital structure must be true and correct in all material respects as of the date of the investment agreement and as of the date of the completion of the transactions as though made on and as of such dates, except to the extent such representations and warranties speak solely as of the date of the investment agreement or as of another date (in which case such representations and warranties will be true and correct only as of such date(s));

all other representations and warranties of Marshall & Ilsley, Metavante and New Metavante must be true and correct as of the date of the investment agreement and the date of the completion of the transactions as though made on such dates, except to the extent such representations and warranties speak solely as of the date of the investment agreement or as of another date (in which case such

representations and warranties will be true and correct only as of such date(s), except where the failure of such representations or warranties to be true and correct (without giving effect to any limitation as to

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materiality or material adverse effect set forth in such representations and warranties) does not have and would not have, individually or in the aggregate, a material adverse effect on Metavante;

the performance or compliance of each of Marshall & Ilsley, Metavante and New Metavante with all agreements and covenants required to be performed by it under the investment agreement at or prior to the closing date that are qualified as to materiality or material adverse effect and the performance or compliance in all material respects with all other agreements and covenants required to be performed by it under the investment agreement that are not so qualified;

the continued full force and effect of the transaction agreements (other than the investment agreement) and the full performance and compliance in all material respects by each of Marshall & Ilsley, New Metavante and Metavante with all its obligations under the transaction agreements (other than the investment agreement) at or prior to the closing date; and

the absence of any material adverse effect on Metavante or New Metavante since the execution of the investment agreement.

***Conditions to Obligations of Marshall & Ilsley, Metavante and New Metavante to Effect the Transactions***

Marshall & Ilsley's, Metavante's and New Metavante's obligations to complete the transactions under the investment agreement that are to occur on the closing date are also subject to the satisfaction or waiver of the following additional conditions:

certain specified representations and warranties of Investor regarding organization, authority, and brokers or finders, must be true and correct as of the date of the investment agreement and as of the date of the completion of the transactions as though made on and as such dates, except to the extent such representations and warranties speak only as of the date of the investment agreement or as of another date (in which case such representations and warranties will be true and correct only as of such date(s));

all other representations and warranties of Investor must be true and correct as of the date of the investment agreement and as of the date of completion of the transactions as though made on the date of completion of the transactions, except to the extent such representations and warranties speak only as of the date of the investment agreement or as of another date (in which case such representations and warranties, disregarding qualifications as to materiality or material adverse effect, will be true and correct only as of such date(s)), except where the failure of such representations or warranties to be true and correct (without giving effect to any limitation as to materiality or material adverse effect set forth in such representations and warranties) does not have and would not have, individually or in the aggregate, a material adverse effect on Investor;

the performance or compliance of Investor with all agreements and covenants required to be performed by it under the investment agreement at or prior to the closing date that are qualified as to materiality or material adverse effect and the performance or compliance in all material respects with all other agreements and covenants required to be performed by it under the investment agreement that are not so qualified;

the continued full force and effect of the transaction agreements (other than the investment agreement) and the full performance and compliance in all material respects by Investor with all its obligations under the transaction agreements (other than the investment agreement) at or prior to the closing date; and

the proceeds of the equity financing shall have been deposited with New Metavante in accordance with the investment agreement.

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### **Termination of the Investment Agreement**

#### ***Termination by Marshall & Ilsley or Investor***

Either Marshall & Ilsley or Investor, by action of its respective board of directors, may terminate the investment agreement at any time prior to the closing if:

both Marshall & Ilsley and Investor agree to terminate the agreement by mutual written consent;

the transactions have not been completed by April 4, 2008, provided that this right to terminate is not available to any party that has breached in any material respect any of its obligations under the investment agreement and that has been the cause of, or resulted in the failure of the closing date to occur by April 4, 2008;

any court or governmental entity shall have issued an order, decree or ruling or taken any other action (which action the terminating party shall have used its reasonable best efforts to resist, resolve or lift, as applicable, in accordance with the investment agreement) permanently restraining, enjoining or otherwise prohibiting the transactions, and such order, decree, ruling or other action shall have become final and nonappealable; or

if Marshall & Ilsley shareholders fail to approve and adopt the investment agreement and the transactions contemplated by the investment agreement at the Marshall & Ilsley special meeting.

#### ***Termination by Marshall & Ilsley***

Marshall & Ilsley also may terminate the investment agreement at any time prior to the closing if:

Investor has breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the investment agreement, such that the closing conditions are not capable of being satisfied on or before the April 4, 2008;

the Marshall & Ilsley Board authorizes Marshall & Ilsley to enter into a Marshall & Ilsley acquisition agreement and Marshall & Ilsley has paid to Investor the termination fee in accordance with the terms of the investment agreement; or

the Marshall & Ilsley Board makes a change in recommendation in accordance with the terms of the investment agreement, Investor has not delivered a force the Marshall & Ilsley vote notice that remains in effect and the 15 business day period for delivery of a force the Marshall & Ilsley vote notice has elapsed, in each case pursuant to and in accordance with the terms of the investment agreement, and Marshall & Ilsley has paid to Investor the termination fee in accordance with the terms of the investment agreement.

#### ***Termination by Investor***

Investor also may terminate the investment agreement at any time prior to the closing if:

Marshall & Ilsley, Metavante or New Metavante has breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the investment agreement, such that the closing conditions are not capable of being satisfied on or before the April 4, 2008;

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(i) (A) the Marshall & Ilsley Board shall have failed to recommend the investment agreement and the transactions to its shareholders or (B) the Marshall & Ilsley Board or a committee thereof shall have made a change in recommendation (or publicly announced its intention to take any such action) and (ii) Investor has not delivered a force the Marshall & Ilsley vote notice that remains in effect in accordance with the terms of the investment agreement; or

Marshall & Ilsley shall have breached its obligations to call and hold the special meeting of its shareholders in accordance with the terms of the investment agreement.

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### **Effect of Termination; Termination Fees**

The investment agreement provides that in the event of termination of the investment agreement by either Marshall & Ilsley or Investor pursuant to the termination provisions described above, the agreement shall forthwith become void and there shall be no liability or obligation on the part of Investor, Marshall & Ilsley, Merger Sub, New Metavante or Metavante or their respective subsidiaries, officers or directors under the investment agreement other than with respect to the payment of the termination fees described below, the payment of fees and expenses pursuant to the investment agreement and other specified provisions of the investment agreement, including the provisions relating to continuing obligations under the confidentiality agreement.

#### ***Termination Fees***

Marshall & Ilsley has agreed to pay Investor a termination fee in the following circumstances, subject to specified conditions:

If Investor terminates the investment agreement as a result of (A) the failure of the Marshall & Ilsley Board to recommend the investment agreement and the transactions to its shareholders or (B) the Marshall & Ilsley Board or a committee thereof having made a change in recommendation (or publicly announced its intention to take any such action) and Investor not delivering a force the Marshall & Ilsley vote notice that remains in effect in accordance with the terms of the investment agreement, then Marshall & Ilsley will pay Investor a termination fee equal to \$75 million;

If Investor terminates the investment agreement as a result of Marshall & Ilsley having breached its obligations to call and hold the special meeting of its shareholders in accordance with the terms of the investment agreement, then Marshall & Ilsley will pay Investor a termination fee equal to \$75 million; or

If Marshall & Ilsley terminates the investment agreement in order to enter into a Marshall & Ilsley acquisition agreement or upon making a change in recommendation and Investor has not delivered a force the Marshall & Ilsley vote notice that remains in effect and the 15 business day period for delivery of a force the Marshall & Ilsley vote notice has elapsed, then Marshall & Ilsley will pay Investor a termination fee equal to \$75 million.

Marshall & Ilsley will pay Investor a termination fee of \$75 million if:

Either party terminates the investment agreement as a result of the transactions not being completed by April 4, 2008 or Investor terminates the investment agreement as a result of Marshall & Ilsley, Metavante or New Metavante having breached or failed to perform any of its respective representations, warranties, covenants or other agreements contained in the investment agreement, such that the closing conditions are not capable of being satisfied on or before the April 4, 2008; and

At any time after the date of the investment agreement and before any such termination, a bona fide Marshall & Ilsley acquisition proposal or Metavante acquisition proposal shall have been publicly announced, become publicly known or otherwise been communicated to the senior management, the board of directors or stockholders of Marshall & Ilsley (whether or not conditional), then if within 12 months after such termination, Marshall & Ilsley or any of its subsidiaries enters into a definitive agreement with respect to a Marshall & Ilsley acquisition proposal or Metavante acquisition proposal, or consummates any Marshall & Ilsley acquisition proposal or Metavante acquisition proposal.

If either party shall terminate the investment agreement as a result of Marshall & Ilsley's shareholders not approving and adopting the investment agreement and the transactions contemplated by the investment agreement at the special meeting, then Marshall & Ilsley will pay Investor a termination fee equal to \$20 million and at any time after the date of the investment agreement and before the Marshall & Ilsley special shareholder meeting, a bona fide Marshall & Ilsley acquisition proposal or Metavante acquisition proposal (other than by Investor or any affiliate thereof) shall have been publicly announced, become publicly known or otherwise been



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communicated to the senior management, the board of directors or stockholders of Marshall & Ilsley (whether or not conditional), then if within 12 months after such termination, Marshall & Ilsley or any of its subsidiaries enters into a definitive agreement with respect to a Marshall & Ilsley acquisition proposal or Metavante acquisition proposal, or consummates any Marshall & Ilsley acquisition proposal or Metavante acquisition proposal, then Marshall & Ilsley will pay Investor a termination fee equal to \$55 million in addition to the \$20 million to be paid to Investor as described above.

If the investment agreement is terminated by Investor as a result of the intentional and material breach by Marshall & Ilsley of the investment agreement, then Marshall & Ilsley will pay a termination fee equal to \$75 million.

Investor has agreed to pay Marshall & Ilsley a termination fee of \$75 million if the investment agreement is terminated by Marshall & Ilsley as a result of the intentional and material breach by Investor of the investment agreement.

The investment agreement provides that in no event shall any termination fee exceed \$75 million. Any termination fee to be made under the investment agreement is to be made by the applicable party as promptly as reasonably practicable (and, in any event, within three business days) following the date of termination of the investment agreement; provided, however, that any payment to be made upon termination by Marshall & Ilsley to enter into a Marshall & Ilsley acquisition agreement or the termination of the investment agreement in the event the Marshall & Ilsley Board makes a change in recommendation in accordance with the terms of the investment agreement and Investor has not delivered a force the Marshall & Ilsley vote notice that remains in effect and the 15 business day period for delivery of a force the Marshall & Ilsley vote notice has elapsed, in each case pursuant to and in accordance with the terms of the investment agreement, shall be made to Investor prior to the termination of the investment agreement.

The investment agreement also provides that (i) in no event shall the Investor, on the one hand, or any member of the Marshall & Ilsley Group or the Metavante Group, on the other hand, be liable for, or seek to recover against the other party, any losses or damages with respect to the investment agreement in excess of \$75 million (the cap), (ii) the payment of the cap by the Investor or Warburg Pincus Private Equity IX, L.P. (in the case of Warburg Pincus Private Equity IX, L.P. pursuant to the limited guarantee), on the one hand, or any member of the Marshall & Ilsley Group or the Metavante Group, on the other hand, under the investment agreement shall be the sole and exclusive remedy of such party against the other party and such other party's respective stockholders, partners, members, directors, officers, employees or agents for any losses or damages suffered such party as a result of the failure of the transactions to be consummated or the termination of the investment agreement, and (iii) upon payment of the cap by the Investor or Warburg Pincus Private Equity IX, L.P. (in the case of Warburg Pincus Private Equity IX, L.P. pursuant to the limited guarantee), on the one hand, or any member of the Marshall & Ilsley Group or the Metavante Group, on the other hand, in the event of a termination of the investment agreement, none of Investor or Warburg Pincus Private Equity IX, L.P., on the one hand, or any member of Marshall & Ilsley Group or the Metavante Group, on the other hand, or any of their respective stockholders, partners, members, directors, officers, employees or agents, as the case may be, shall have any further liability or obligation relating to or arising out of the investment agreement or the transactions. Notwithstanding the foregoing, the parties agreed that if any party fails to pay promptly any termination fee due in accordance with the investment agreement, and, in order to obtain such payment, the other party commences a suit which results in a final, binding and nonappealable judgment against the breaching party for the termination fee, the breaching party is obligated to pay to the other party its reasonable attorneys' fees and expenses in connection with such suit; provided, that, the amounts payable by either party pursuant to this sentence shall in no event exceed \$2 million.

### **Amendments to the Investment Agreement**

Subject to applicable law, the investment agreement may be amended by authorization of the boards of directors of the parties to the investment agreement at any time before or after approval of the proposals by



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Marshall & Ilsley shareholders, but, after the approval, no amendment which by law or in accordance with the rules of any relevant stock exchange requires further shareholder approval may be made to the investment agreement without obtaining further approval. All amendments to the investment agreement must be in writing and signed by each party.

### **Fees and Expenses**

The investment agreement provides that upon the closing of the transactions, New Metavante or Metavante will pay to Investor within three business days an amount equal to all of the expenses incurred by Investor related to the transactions, all expenses of the Metavante Group will be paid by Metavante and all expenses of the Marshall & Ilsley Group will be paid by Marshall & Ilsley. All expenses of any party incurred after the closing date shall be paid by such party. The investment agreement also provides that Metavante or New Metavante will bear any costs or expenses incurred in relation to the debt financing, including the reasonable and documented expenses of Marshall & Ilsley, New Metavante, Metavante and their subsidiaries and if the closing occurs, Investor. If the closing of the transactions does not occur, (i) all expenses incurred by Investor shall be paid by Investor, the Marshall & Ilsley Group, and (ii) all expenses incurred by the Metavante Group shall be paid by Marshall & Ilsley or Metavante, as the case may be.

### **Restrictions on Resales by Affiliates**

An affiliate of New Metavante is a person who directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, New Metavante.

Marshall & Ilsley has agreed to deliver to Investor and New Metavante a letter not less than 30 days prior to the closing of the transactions identifying all persons who, in the judgment of Marshall & Ilsley, may be deemed at the closing date, affiliates of New Metavante for purposes of Rule 145 under the Securities Act. Marshall & Ilsley also agreed to use its reasonable best efforts to cause each person identified on such letter to deliver to New Metavante not less than 15 days prior to the closing date, a written agreement mutually agreeable to Investor and Marshall & Ilsley.

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### **THE SEPARATION AGREEMENT**

*The following is a summary of the material terms and provisions of the separation agreement. All references to the separation agreement are to the separation agreement, as amended or supplemented from time to time. The following summary is qualified in its entirety by reference to the complete text of the separation agreement. The full text of the separation agreement is included in this proxy statement/prospectus information statement as Annex B and is incorporated herein by reference. We urge you to read the entire separation agreement.*

#### **General**

The separation agreement among Marshall & Ilsley, Metavante, New Marshall & Ilsley and New Metavante provides for, among other things, the principal corporate transactions required to effect the New Marshall & Ilsley share distribution and other specified terms governing the relationship between Marshall & Ilsley and New Marshall & Ilsley, on the one hand, and Metavante and New Metavante, on the other hand, with respect to or in consequence of the New Marshall & Ilsley share distribution.

We refer to Marshall & Ilsley and New Marshall & Ilsley as the Marshall & Ilsley Parties and Metavante and New Metavante as the Metavante Parties. We refer to the Marshall & Ilsley Parties, M&I LLC and their subsidiaries, after giving effect to the distribution, as the Marshall & Ilsley Group and the Metavante Parties and their subsidiaries (excluding the Marshall & Ilsley Group) as the Metavante Group.

#### **Actions Prior to the Distribution**

A number of days prior to the closing date, the New Metavante board of directors will declare the New Marshall & Ilsley share distribution and set the record date for the New Marshall & Ilsley share distribution, subject to the satisfaction or waiver of the conditions set forth in the separation agreement. The record date for the New Marshall & Ilsley share distribution is expected to be 5:00 p.m. Eastern Time on the closing date.

Prior to the New Marshall & Ilsley share distribution, Metavante and Marshall & Ilsley will cause the number of authorized shares of New Marshall & Ilsley common stock to equal or exceed three times the number of shares of New Metavante common stock issued as of the date set by the New Metavante board to determine holders of record of New Metavante common stock entitled to receive shares of New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution and will cause the number of shares of New Marshall & Ilsley common stock outstanding to be increased to equal three times the number of shares of New Metavante common stock issued and outstanding as of the date set by the New Metavante board to determine holders of record of New Metavante common stock entitled to receive shares of New Marshall & Ilsley common stock in the New Marshall & Ilsley share distribution.

Prior to the New Marshall & Ilsley share distribution, New Metavante will enter into an agreement with a distribution agent (which will also be the exchange agent for the holding company merger) with respect to the New Marshall & Ilsley share distribution. At or prior to the time of the New Marshall & Ilsley share distribution, New Metavante will deliver to the distribution agent shares of New Marshall & Ilsley common stock sufficient to effect the New Marshall & Ilsley share distribution. Following the closing date, the distribution agent will pay to holders of record of New Metavante common stock (other than to the holders of the New Metavante Class A common stock) as of the record date for the New Marshall & Ilsley distribution the amount of cash in lieu of fractional shares of New Metavante to which such holder is entitled.

#### **The Distribution**

Subject to the terms and conditions of the separation agreement, at the time established by the New Metavante board of directors, which will be on the closing date and after 5:00 p.m. Eastern Time, New Metavante will effect the New Marshall & Ilsley share distribution by instructing the distribution agent to record

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in the stock transfer records of New Marshall & Ilsley the distribution of three shares of New Marshall & Ilsley common stock to each holder of New Metavante common stock (other than to the holders of New Metavante Class A common stock) as of the record date for the distributions for each share of New Metavante common stock held of record and mail to each such holder a letter of transmittal and instructions on how to exchange certificates representing shares of Marshall & Ilsley common stock for certificates representing shares of New Metavante common stock for the holding company merger (and, if applicable, a check representing cash in lieu of fractional shares of New Metavante common stock) and New Marshall & Ilsley common stock for the New Marshall & Ilsley share distribution.

### **Timing**

The New Marshall & Ilsley share distribution will be effected after 5:00 p.m. Eastern Time on the closing date.

### **Covenants**

Each of Marshall & Ilsley and Metavante has agreed to take specified actions after the signing of the separation agreement. These actions include the following, among others:

all intercompany receivables, payables and loans between any member of the Metavante Group, on the one hand, and any member of the Marshall & Ilsley Group, on the other hand which are listed in the separation agreement will be cancelled immediately prior to the time of the distributions;

trade payables incurred in the ordinary course of business for purchases of goods or services and expenses shall be promptly paid when due; and

all intercompany agreements between any member of the Metavante Group, on the one hand, and any member of the Marshall & Ilsley Group, on the other hand, will terminate immediately prior to the time of the distribution, other than the transaction agreements and those specifically designated to survive following the distribution.

### **Treatment of Metavante Cash**

On the closing date Metavante will pay a cash dividend to New Metavante of \$1.040 billion. Upon receipt of the cash dividend, New Metavante will then make a cash contribution of \$1.665 billion to New Marshall & Ilsley, consisting of the cash dividend made by Metavante and \$625 million of cash paid by Investor in exchange for shares of Class A common stock of New Metavante. In addition, on the closing date, New Metavante, or one of its subsidiaries, will repay the aggregate principal amount of indebtedness for borrowed money owed to Marshall & Ilsley by Metavante.

The transaction agreements do not permit Marshall & Ilsley to cause any Metavante Group member to make any dividend or distributions of cash and cash equivalents to any Marshall & Ilsley Group member prior to the closing date, other than quarterly cash dividends (not to exceed \$1 million) and the distributions described in the preceding paragraph.

On a pro forma basis it is estimated that New Metavante would have had approximately \$73.6 million in cash and cash equivalents following the dividend and repayment of debt had the transactions been completed on June 30, 2007. See Unaudited Condensed Pro Forma Consolidated Financial Statements of New Metavante beginning on page 320.

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### **Conditions to the Completion of the Distributions**

The separation agreement provides that the obligation of New Metavante to consummate the New Marshall & Ilsley share distribution and the other transactions contemplated by the separation agreement is subject to the following conditions:

each condition to the investment agreement having been fulfilled or waived by the party for whose benefit that condition exists; and

the closing of the sale of the shares of Class A common stock of New Metavante to Investor for a payment of \$625 million.

None of the foregoing conditions may be waived by the New Metavante board of directors without the prior written consent of Marshall & Ilsley and, unless the investment agreement has been terminated, none of the conditions may be waived unless New Metavante receives the prior written consent of Investor, which consent may not be unreasonably withheld, conditioned or delayed.

### **Mutual Release; Indemnification**

#### ***Mutual Release of Pre-Closing Liabilities***

The Marshall & Ilsley Parties and the Metavante Parties, on behalf of themselves and each of the other members of their group, have each agreed to release the other group and its officers, directors and employees from any and all liabilities and claims that it may have or ever will have against the other group which arise out of, result from or relate to events, circumstances or actions taken by the other group occurring or failing to occur or any conditions existing at or prior to the time of the New Marshall & Ilsley share distribution.

The mutual release does not impair the rights of any person under any of the transaction agreements that does not terminate as of the closing date. In addition, the mutual release does not release or discharge any person from:

any liability or obligation under or resulting from any contract between any member of the Metavante Group and any member of the Marshall & Ilsley Group that does not terminate as of the consummation of the New Marshall & Ilsley share distribution;

any liability or obligation assumed, transferred, assigned or allocated to New Marshall & Ilsley, New Metavante or any member of their group in accordance with, or any other liability of either of them under, the separation agreement, any other transaction agreement or the investment agreement;

any liability arising from or related to the sale, lease, manufacture, construction, provision, or receipt of goods or services, payment for goods, property or services purchased, obtained or used in the ordinary course of business by any member of a group from any member of the other group prior to the time of the distribution, or any related refund claims; and

any liability the release of which would result in the release of any person other than a member of either group or their respective directors, officers or employees; except, that each party agrees not to bring suit against the other party or its members of its group or its or their directors, officers or employees with respect to any such liability.

#### ***Indemnification by Marshall & Ilsley***

Under the terms of the separation agreement, the Marshall & Ilsley Parties will and will cause the other members of the Marshall & Ilsley Group to indemnify the Metavante Group members and each of their respective representatives from and against any and all losses relating to any of the following:

all Marshall & Ilsley Group liabilities, including all liabilities not arising out of or resulting from Metavante's business, whether such losses are based upon, arise out of or relate to events, occurrences,

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actions, omissions, facts, circumstances or conditions occurring, existing or asserted before, at or after the distribution;

the enforcement by members of the Metavante Group and each of their respective representatives of their rights to be indemnified, defended and held harmless under the separation agreement; and

the use by any member of the Marshall & Ilsley Group of any trademarks or other source identifiers owned by any member of the Metavante Group.

***Indemnification by Metavante***

Under the terms of the separation agreement, the Metavante Parties will and will cause the other members of the Metavante Group to indemnify the Marshall & Ilsley Group members and each of their respective representatives from and against all losses relating to any of the following:

all Metavante Group liabilities, including all liabilities arising out of or resulting from Metavante's business, whether such losses are based upon, arise out of or relate to events, occurrences, actions, omissions, facts, circumstances or conditions occurring, existing or asserted before, at or after the distribution;

the enforcement by members of the Marshall & Ilsley Group and each of their respective representatives of their rights to be indemnified, defended and held harmless; and

the use by any member of the Metavante Group of any trademarks or other source identifiers owned by any member of the Marshall & Ilsley Group.

The indemnification provisions set forth in the separation agreement do not apply to any indemnification or other claims relating to taxes. Instead, these indemnification obligations are covered in the tax allocation agreement. See *Additional Agreements Relating to the New Marshall & Ilsley Share Distribution Tax Allocation Agreement* on page 133.

Under the separation agreement, Marshall & Ilsley Group liabilities means:

all liabilities of any member of the Marshall & Ilsley Group under, or for which any member of the Marshall & Ilsley Group is expressly made responsible pursuant to, any transaction agreement;

all liabilities of any member of the Marshall & Ilsley Group that are not liabilities of any member of the Metavante Group;

all liabilities of any member of the Metavante Group existing immediately prior to or at the time of the New Marshall & Ilsley share distribution that are not included as Metavante Group liabilities in the separation agreement; and

all liabilities of any member of the Marshall & Ilsley Group or the Metavante Group with respect to indebtedness for borrowed money outstanding immediately prior to the time of the New Marshall & Ilsley share distribution, but excluding any indebtedness with respect to the debt financing;

in the first two cases above, regardless of whether such liability existed prior to, at or after the time of the New Marshall & Ilsley distribution.

Under the separation agreement, Metavante Group liabilities means:

all liabilities of any member of the Metavante Group under, or for which any member of the Metavante Group is expressly made responsible pursuant to, any transaction agreement;

all liabilities of any member of the Metavante Group to the extent based upon, arising out of or resulting from Metavante's business;  
and

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all liabilities of any member of the Marshall & Ilsley Group to the extent based upon, arising out of or resulting from Metavante's business, other than liabilities expressly assumed or retained by the Marshall & Ilsley Parties; in each case, regardless of whether such liability existed prior to, at or after the time of the New Marshall & Ilsley share distribution.

**Termination**

If the investment agreement is terminated, Marshall & Ilsley may terminate the separation agreement and abandon the New Marshall & Ilsley share distribution.

**Amendments**

The separation agreement cannot be amended except by a written agreement executed by the parties to the separation agreement, except that, unless the investment agreement has been terminated, any such amendment will be subject to the prior written consent of Investor, which consent with respect to any amendment after the distribution may not be unreasonably withheld, delayed or conditioned.

**Expenses**

All costs and expenses of Marshall & Ilsley and Metavante related to the negotiation, preparation, execution and delivery of the separation agreement, the investment agreement and the other agreements related to the transactions will be paid in accordance with the provisions regarding fees and expenses set forth in the investment agreement.



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**ADDITIONAL AGREEMENTS**

**RELATING TO THE NEW MARSHALL & ILSLEY SHARE DISTRIBUTION**

*Marshall & Ilsley, Metavante, New Marshall & Ilsley and New Metavante have entered into a tax allocation agreement, an employee matters agreement and certain other services agreements in connection with the transactions contemplated by the investment agreement and separation agreement. All references to the tax allocation agreement and the employee matters agreement are to such agreements, as amended or supplemented from time to time. The material terms of the tax allocation and employee matters agreements are summarized below. The description of the tax allocation agreement is qualified in its entirety by reference to the complete text of the tax allocation agreement, which is included in this proxy statement/prospectus information statement as Annex C, and is incorporated by reference into this document. The description of the employee matters agreement is qualified in its entirety by reference to the complete text of the employee matters agreement, which is incorporated by reference into this document and filed as an exhibit to the registration statement of which this proxy statement/prospectus information statement is a part. We urge you to read the tax allocation agreement and the employee matters agreement carefully. In addition, certain of the Marshall & Ilsley parties and certain of the Metavante parties have entered into, or will enter into prior to the closing of the transactions, certain continuing business agreements providing for certain services following the closing of the transactions.*

**Tax Allocation Agreement**

The tax allocation agreement allocates liability for taxes, including any taxes that may arise in connection with separating New Marshall & Ilsley from New Metavante. Under the tax allocation agreement, in general, New Metavante and New Marshall & Ilsley will each be liable for taxes attributable to its respective business.

The tax allocation agreement also provides the extent to which, and the circumstances under which, the parties would be liable for taxes relating to the transactions. In general, New Marshall & Ilsley is required to indemnify New Metavante for any taxes (unless such taxes would not have been imposed but for specified acts of New Metavante or its affiliates (including Investor) subject to specified exceptions) resulting from: (i) a failure of the New Marshall & Ilsley share distribution to qualify as a tax-free distribution under Sections 355 and 368(a)(1)(D) of the Internal Revenue Code; (ii) a failure of the holding company merger and Marshall & Ilsley LLC conversion to qualify as a tax-free reorganization under Section 368(a) of the Internal Revenue Code; (iii) the \$1.040 billion cash distribution by Metavante to New Metavante; and (iv) certain other transactions.

The tax allocation agreement is not binding on the Internal Revenue Service or any other governmental entity and does not affect the liability of each of New Marshall & Ilsley, New Metavante, and their respective subsidiaries and affiliates to the Internal Revenue Service or any other governmental authority for all federal, foreign, state or local taxes of the consolidated group relating to periods through the date of the New Marshall & Ilsley share distribution.

**Employee Matters Agreement**

The employee matters agreement was entered into among Marshall & Ilsley, New Marshall & Ilsley, Metavante and New Metavante at the time that they entered into the investment agreement and separation agreement and allocates among them assets, liabilities, and responsibilities with respect to employee compensation, benefit plans and programs and employment matters with respect to their respective employees. The employee matters agreement generally provides, subject to certain exceptions, that at the time of the New Marshall & Ilsley share distribution, New Metavante and Metavante will assume the liabilities and obligations of Marshall & Ilsley with respect to current and former employees of the Metavante Group and Marshall & Ilsley and New Marshall & Ilsley will retain the liabilities and obligations with respect to the employees of the Marshall & Ilsley Group.

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The employee matters agreement provides that each Metavante Group employee will remain an employee of the Metavante Group and each Marshall & Ilsley Group employee will remain an employee of the Marshall & Ilsley Group immediately following the time of the New Marshall & Ilsley share distribution. None of the transactions contemplated by the employee matters agreement, the separation agreement or the investment agreement is intended to entitle any current or former Metavante Group or Marshall & Ilsley Group employee to termination or severance benefits other than payments or benefits with respect to employees who separate from service in connection with the transactions and are entitled to termination or separation benefits on account of such termination. The provisions of the employee matters agreement are subject to the general indemnity provisions in the separation agreement.

***Welfare Plans***

Pursuant to the employee matters agreement, Metavante and its subsidiaries will no longer be participating employers in the welfare plans sponsored by Marshall & Ilsley effective as of the time of the distribution and the Metavante Group will establish the Metavante Group plans. With the exception of the retiree benefits described below, the Metavante Group will be responsible for providing benefits to the Metavante Group employees under the Metavante Group plans on and after the separation date and the Marshall & Ilsley Group will not retain any responsibility for such benefits, except to the extent incurred prior to the distribution. The Marshall & Ilsley Group will be responsible for providing benefits to the Marshall & Ilsley employees under the Marshall & Ilsley plans on and after the separation date and the Metavante Group will not retain any responsibility for such benefits. Following the separation, the Marshall & Ilsley Group will retain the obligation to pay all unpaid claims which were incurred prior to the separation under the Marshall & Ilsley plans.

As of the New Marshall & Ilsley share distribution, the Metavante Group has agreed to adopt a plan providing flexible spending accounts for Metavante Group employees. The Metavante Group will credit all Metavante Group employees with a balance (positive or negative) under such flexible spending account equal to the balance credited to each Metavante Group employee under the corresponding flexible spending account maintained by Marshall & Ilsley as of the distribution date, and will reimburse each Metavante Group employee for eligible expenses incurred during the plan year of the applicable flexible spending account maintained by Marshall & Ilsley which includes the distribution date that had not previously been reimbursed under the applicable flexible spending account maintained by Marshall & Ilsley. To the extent the balance of all employees of the Metavante Group under Marshall & Ilsley's flexible spending accounts is positive as of the distribution date, the Marshall & Ilsley Group is required to pay the excess to the Metavante Group's flexible spending account plan and to the extent the balance is negative, the Metavante Group is required to pay the deficit to the Marshall & Ilsley Group's flexible spending account plan.

Metavante and New Metavante have agreed that from and after the New Marshall & Ilsley share distribution, they will assume, and be solely responsible for, all liabilities under the Consolidated Omnibus Budget Reconciliation Act for current and former Metavante Group employees and their qualified beneficiaries. The Metavante Group has agreed that it will be solely responsible for all long-term disability benefits payable to Metavante Group employees, including Metavante employees who are receiving long-term disability benefits prior to the New Marshall & Ilsley share distribution and to former Metavante Group employees. Following the separation, the Metavante Group will also assume responsibility for all unpaid workers' compensation claims of Metavante employees and former employees, whether arising before, on or after the separation.

Except with respect to retiree benefits, participation in the welfare plans sponsored by Marshall & Ilsley will cease for current and former Metavante Group employees upon the separation. To the extent applicable under any Metavante Group plan after the separation, the Metavante Group will recognize the service of Metavante Group employees recognized under the corresponding Marshall & Ilsley plan prior to the separation. For a period of five years following the distribution, New Marshall & Ilsley or New Metavante is generally required to credit past service recognized as of the distribution for rehired employees of New Metavante or New Marshall & Ilsley.

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who have not yet incurred a separation of service greater than five years from either New Metavante or New Marshall & Ilsley. In designing the Metavante Group plans, the Metavante Group will use reasonable efforts to recognize and give credit to Metavante Group employees for amounts applied to deductibles, co-payments and other applicable benefit coverage limits under the Marshall & Ilsley health plans for the portion of the calendar year prior to the separation.

Following the separation, the Marshall & Ilsley Group will retain the obligation to provide retiree medical coverage under the terms of the Marshall & Ilsley Group retiree medical program to all Metavante Group retirees eligible for such coverage as of the separation date. Metavante employees who meet the eligibility requirements for coverage under the terms of the Marshall & Ilsley Group retiree medical program at the time of the separation, but who have not yet retired, will continue to be eligible for such retiree coverage at the time they retire from the Metavante Group. Metavante employees who satisfy the Marshall & Ilsley Group retiree medical program eligibility requirements within 24 months following the separation date will be provided retiree medical coverage by the Metavante Group from the time of their retirement through the date such Metavante Group employees become eligible for Medicare coverage, although the Metavante Group may modify the contribution rates.

In addition, the assets of the Marshall & Ilsley VEBAs will be retained by or transferred to the appropriate VEBA of the Marshall & Ilsley Group or the Metavante Group which retains or assumes the liabilities associated with such assets, except that all assets of the VEBA funding retiree medical will remain at Marshall & Ilsley.

### ***Compensation Matters***

*Non-ERISA Benefit Arrangements.* Pursuant to the employee matters agreement, as of the New Marshall & Ilsley share distribution, each of Metavante and its subsidiaries will cease to be a participating employer in the non-Employee Retirement Income Security Act of 1974 benefit arrangements, which we refer to as non-ERISA benefit arrangements, sponsored by Marshall & Ilsley. In addition, the employee matters agreement provides that as of the time of the New Marshall & Ilsley share distribution, no current or former Metavante employee will continue to participate in the benefit arrangements sponsored by Marshall & Ilsley for Metavante employees and former Metavante employees.

*Assumption of Employee-Related Obligations.* Under the employee matters agreement, New Metavante and Metavante will have responsibility from and after the New Marshall & Ilsley share distribution for:

determining the basic terms and conditions for employment of Metavante Group employees, including their pay and benefits;

all wages, salaries, ordinary compensation and commissions payable to current or former Metavante Group employees after the New Marshall & Ilsley share distribution, whether earned before or after the New Marshall & Ilsley share distribution, other than amounts earned for services as an employee of Marshall & Ilsley or any of its subsidiaries;

all bonus and incentive compensation payment obligations, if any, earned and payable after the New Marshall & Ilsley share distribution to Metavante Group employees;

obtaining directors and officers insurance to be effective as of the New Marshall & Ilsley share distribution;

all liabilities and obligations of Metavante with respect to claims made by or with respect to current or former Metavante Group employees relating to non-ERISA benefit arrangements and not specifically assumed or retained by Marshall & Ilsley; and

retiree health coverage to Metavante employees who satisfy the Marshall & Ilsley Group retiree medical program eligibility requirements within 24 months following the separation date.



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Under the employee matters agreement, Marshall & Ilsley and New Marshall & Ilsley will have responsibility from and after the New Marshall & Ilsley share distribution for:

all wages, salaries, ordinary compensation and commissions payable to current or former Marshall & Ilsley Group employees after the New Marshall & Ilsley share distribution, whether earned before or after the New Marshall & Ilsley share distribution, other than amounts earned for services as an employee of Metavante or any of its subsidiaries;

all bonus and incentive compensation payment obligations, if any, earned and payable after the New Marshall & Ilsley share distribution to Marshall & Ilsley Group employees;

retiree health coverage to Metavante Group employees who are eligible for such coverage as of the separation date and meet the eligibility requirements for coverage under the terms of the Marshall & Ilsley Group retiree medical program at the time of the separation (but who have not yet retired); and

all liabilities and obligations of Marshall & Ilsley with respect to claims made by or with respect to current or former Marshall & Ilsley Group employees relating to non-ERISA benefit arrangements and not specifically assumed or retained by the Metavante Group.

*Deferred Compensation Plans.* Effective as of the separation, Metavante Group will cease to be a participating employer in the Marshall & Ilsley Deferred Compensation Plans. No distribution of account balances will be made to any Metavante employee from the Marshall & Ilsley Deferred Compensation Plans on account of the transactions contemplated by the investment agreement and separation agreement. The Metavante Group will establish a deferred compensation plan under which Metavante employees will be eligible to participate and will assume and be solely responsible for all liabilities for or relating to Metavante employees under the Marshall & Ilsley Deferred Compensation Plans. Marshall & Ilsley will transfer assets from the rabbi trusts relating to the Marshall & Ilsley Deferred Compensation Plans to the rabbi trust established for the Metavante deferred compensation plan that are equal to the account balances of all Metavante employees and former Metavante employees with an account balance under the Marshall & Ilsley Deferred Compensation Plans (including unvested amounts). The Metavante deferred compensation plan will recognize all service, compensation, and other determinations that, at the time of the distribution, were recognized under the Marshall & Ilsley Deferred Compensation Plans. The Metavante deferred compensation plan will retain the same vesting schedules as applied under the Marshall & Ilsley Deferred Compensation Plans.

*Incentive Plan.* The incentive compensation earned by participants under the Metavante Long Term Incentive Plan with respect to performance periods that include the separation date that are based on performance of Marshall & Ilsley will be determined jointly by Marshall & Ilsley, New Marshall & Ilsley, Metavante, New Metavante and the Investor as of the separation date and will be paid by Metavante and New Metavante after the conclusion of the performance period. Payments based on the performance of Metavante generally will be made by Metavante and New Metavante in accordance with the terms of the Metavante Long Term Incentive Plan.

Each option held by a Metavante or New Metavante employee and certain former employees of Metavante to purchase Marshall & Ilsley stock outstanding prior to the completion of the distribution will be converted into an option to purchase New Metavante stock, effective immediately after the distribution. Each option held by a Marshall & Ilsley or New Marshall & Ilsley employee or director and certain former employees of Marshall & Ilsley to purchase Marshall & Ilsley stock outstanding prior to the completion of the New Marshall & Ilsley share distribution will be converted into an option to purchase New Marshall & Ilsley stock, effective immediately after the New Marshall & Ilsley share distribution. Prior to the completion of the New Marshall & Ilsley share distribution, 75% of the outstanding options to purchase Marshall & Ilsley stock held by an individual who, immediately following the consummation of the transactions, will be a director of New Metavante and either a Marshall & Ilsley or New Marshall & Ilsley employee or a director of New Marshall & Ilsley will be converted into a New Marshall & Ilsley option and 25% of the outstanding options to purchase Marshall & Ilsley stock held by these individuals will be converted into a New Metavante option, effective immediately after the New Marshall & Ilsley share distribution, and adjusted to reflect the New Marshall & Ilsley share distribution. Each

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New Metavante option and New Marshall & Ilsley option will have the same terms and conditions as the corresponding Marshall & Ilsley option from which it was converted, provided that all references to Marshall & Ilsley Corporation will be changed to Metavante Technologies, Inc. with respect to New Metavante options.

Each converted option will be adjusted to reflect the New Marshall & Ilsley share distribution. The employee matters agreement provides that the number of shares of New Metavante common stock or New Marshall & Ilsley common stock, as the case may be, subject to each converted option and the per share exercise price of such converted option will be fixed in a way that maintains the intrinsic value of the option to purchase Marshall & Ilsley common stock and does not increase the ratio of the per share exercise price of the converted option to the value of one share of Marshall & Ilsley common stock on the closing date.

All shares of Marshall & Ilsley restricted stock will be treated the same as all other outstanding shares of Marshall & Ilsley common stock in the transactions contemplated by the investment agreement and the separation agreement; provided, however, that each share of New Metavante common stock and New Marshall & Ilsley common stock received in such transactions with respect to the shares of Marshall & Ilsley restricted stock will be subject to the same restrictions as the corresponding share of Marshall & Ilsley restricted stock to which it relates and will continue to be subject to the terms of the applicable Marshall & Ilsley equity plan.

In addition, cash balances of all Metavante employees under the Marshall & Ilsley Amended and Restated 2000 Employee Stock Purchase Plan as of the distribution will be refunded to such individuals as soon as practicable following the New Marshall & Ilsley share distribution.

*New Equity Compensation Plans.* Marshall & Ilsley will use, or will cause its appropriate subsidiary to use, reasonable best efforts to cause New Metavante to adopt a New Metavante equity compensation plan prior to the New Marshall & Ilsley distribution that will reserve a percentage of the equity of New Metavante equal to 9% for new options and other equity grants to be issued in connection with the transaction and anticipated to be issued within the following four to five years, plus a number of shares sufficient for the substitution of existing Marshall & Ilsley options and other equity grants or rights held by Metavante or New Metavante employees or directors, which is expected to represent approximately an additional 9.5% of the equity of New Metavante. Marshall & Ilsley may also cause New Metavante to adopt an annual bonus plan if requested to do so by Investor.

*Qualified Retirement Plan.* Effective as of the separation, Metavante group will cease to be a participating employer in the Marshall & Ilsley tax-qualified defined contribution and 401(k) plan (the Retirement Program). No distribution of account balances will be made to any Metavante employee from the Marshall & Ilsley Retirement Program on account of the transactions contemplated by the investment agreement and separation agreement. The Metavante Group will establish a profit sharing retirement plan under which Metavante employees will be eligible to participate and will assume and be solely responsible for all liabilities for or relating to Metavante employees under the Marshall & Ilsley Retirement program. Initially, the investment options offered will be the same as those offered under the Marshall & Ilsley Retirement Program (except that a New Metavante stock fund will be available under the New Metavante profit sharing retirement plan). Marshall & Ilsley will transfer assets from the trust relating to the Marshall & Ilsley Retirement Program to the trust established for the Metavante profit sharing retirement plan that are equal to the account balances of all Metavante employees and former Metavante employees with an account balance under the Marshall & Ilsley Retirement Program (including unvested amounts). The Metavante profit sharing retirement plan will recognize all service, compensation, and other determinations that, at the time of the distribution, were recognized under the Marshall & Ilsley Retirement Program. The Metavante profit sharing retirement plan will retain the same vesting schedules as applied under the Marshall & Ilsley Retirement Program.

## **Continuing Business Agreements**

In addition to the employee matters agreement and the tax allocation agreement, the Marshall & Ilsley Group and the Metavante Group have entered into, or will enter into prior to the closing of the transactions,

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continuing business agreements providing for certain services following the closing of the transactions and establishing marketing and other relationships between them. While none of the agreements individually constitutes a material part of Metavante's revenues or expenditures, in the aggregate, they accounted for approximately \$121.8 million, or 8.1%, of Metavante's revenues and \$80.2 million (including interest payments), or 6.4%, of its expenditures in 2006. These agreements relate to, among other things, certain administrative, trust, technology outsourcing, leasing, marketing and other similar services. In the past, Marshall & Ilsley has been one of Metavante's largest customers in terms of total revenues. After the closing of the transactions, pursuant to these and other agreements, it is expected that Marshall & Ilsley will continue to be among Metavante's largest customers.

***FIG Marketing Agreement***

Marshall & Ilsley and Metavante are parties to a FIG marketing agreement that formalizes the parties' arrangements and understandings with respect to cross-selling Marshall & Ilsley products and Metavante services to certain financial institution customers. Referrals between the two parties are facilitated by the Financial Institutions Group established by Marshall & Ilsley among its sales executives ( FIG members ). The FIG marketing agreement encourages referrals to and from the FIG members and provides that the referring party will receive compensation, on a case-by-case basis, for successful referrals. Incentive compensation is also payable to the referring employee. The FIG marketing agreement became effective on July 1, 2007 and terminates on July 1, 2014, after which time it may renew from year to year, subject to earlier termination for uncured breaches of material obligations and under other limited circumstances.

***Administrative Services Agreement***

Under the administrative services agreement, Marshall & Ilsley will continue to provide Metavante with corporate, administrative, human resources and tax services, including administering Metavante's employee benefit programs, completing audit reports related to the plans, processing payroll information for the Metavante employees, determining short-term disability claims and administering worker compensation claims, maintaining employee policies and employee files, and similar services. The agreement is intended to provide for the same nature and scope of services that Metavante had received prior to the closing date of the transactions. Metavante will pay a monthly base fee for the human resources services provided under the agreement and will pay additional fees for certain other services. It will also reimburse Marshall & Ilsley for certain reimbursable costs. The agreement is effective on the closing date of the transactions and continues until December 31, 2007, unless extended by the parties. The agreement contains standard termination procedures in the event of breaches of material obligations and will terminate without any further action from either party if the investment services agreement is terminated.

***Technology Outsourcing Agreement***

Metavante will provide technology outsourcing and payments services to Marshall & Ilsley through July 1, 2014 under a technology outsourcing agreement. Metavante's services include core deposit, loan, and trust account processing, risk and compliance solutions, commercial treasury solutions, strategic network solutions, and related training and development services. Metavante will also provide payment services to effect and process payments between Marshall & Ilsley's clients and third parties. The agreement generally provides that Metavante will be the sole and exclusive provider for many of the services to be offered under the agreement. Marshall & Ilsley will pay a monthly base fee for certain services, with other services billed separately according to a pricing schedule. In addition, the agreement provides for revenue sharing with respect to certain customer relationships. The technology outsourcing agreement became effective on July 1, 2007 and terminates on July 1, 2014, subject to Marshall & Ilsley's option to extend the agreement for an additional year, unless earlier terminated or extended by the parties. Prior to December 31, 2009, Marshall & Ilsley cannot terminate the technology outsourcing agreement, or any service provided thereunder (with certain exceptions), for any reason other than for cause or under certain other limited circumstances. Following December 31, 2009, if Marshall &

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Ilsley terminates the agreement or any service (with certain exceptions) for any reason other than for cause, it may be required to pay a termination fee to Metavante and additional expenses.

***Trust Services Agreement***

The trust services agreement provides that Marshall & Ilsley and Metavante will cooperate to offer, sell and market to financial institutions the trust account support services, which are provided by Marshall & Ilsley and are referred to as trust services, and the trust account processing services, which are offered by Metavante and are referred to as processing services. The agreement generally provides that Marshall & Ilsley will be Metavante's preferred partner for providing trust services to new customers; however, Metavante is not obligated to select Marshall & Ilsley as its partner for a particular customer for work that will be performed outside the United States or where work will be performed by Metavante's own employees or resources within the United States. The fees and charges to be charged to customers for trust services and processing services will be negotiated by each of Metavante and Marshall & Ilsley on a per-customer basis. The agreement became effective on July 1, 2007 and terminates on January 1, 2014, unless extended by the parties. The agreement may be terminated at any time by either party upon an uncured breach of the other party's material obligations.

***Subcontractor Agreement***

Marshall & Ilsley and Metavante are parties to a subcontractor agreement that governs their relationship with respect to providing certain call center, loan origination, customer service, data entry and other business process outsourcing services ( BPO services ) and item, back office and check processing services ( IP services ) to financial institution customers. Under the agreement, Marshall & Ilsley will be Metavante's preferred partner for providing BPO services to new customers but generally is not entitled to receive a preference for IP services. Under the agreement, Metavante will pay Marshall & Ilsley for the services provided under each subcontract including a revenue share arrangement for BPO services provided to one of the existing customers. With respect to IP services provided to currently-existing customers, the fees to be charged by Marshall & Ilsley for such services will be based on 2006 pricing as adjusted by certain increases in some cases. With respect to new customers, Marshall & Ilsley will provide BPO and IP services at the prices set forth in each particular offer. The agreement became effective on July 1, 2007 and terminates on July 1, 2014, unless extended by the parties. Each subcontract can be terminated by Marshall & Ilsley or Metavante in various circumstances, except that, in some cases, Metavante may be required to pay a termination fee.

***Bankcard Network Sponsor Agreement***

Metavante and M&I Bank FSB, a subsidiary of Marshall & Ilsley, are parties to a bankcard network sponsor agreement, pursuant to which M&I Bank FSB will sponsor Metavante and certain Metavante affiliates and clients into the MasterCard, Visa and NYCE networks. Under the agreement, Metavante will develop, design, market, manage and operate cards that are accepted by merchants participating in the networks, as well as certain programs and will pay M&I Bank FSB to sponsor Metavante and certain Metavante affiliates and clients and assist Metavante in its application for use of the networks. The agreement provides that Metavante will pay fees to M&I Bank FSB on a per-transaction basis related to card usage, as well as for additional expenses. The agreement became effective on July 1, 2007 and terminates on July 1, 2010, unless extended by the parties. The agreement may be terminated by either party under limited circumstances, including but not limited to uncured breaches of material obligations.

***Merchant Processing Agreement***

M&I Marshall & Ilsley Bank ( M&I Bank ), a subsidiary of Marshall & Ilsley, and Metavante have entered into a merchant processing agreement for the purpose of jointly contracting with merchants to provide certain transaction processing services (and to share revenue resulting therefrom), and to otherwise cooperate in the provision of merchant processing services for banks. The agreement provides that M&I Bank will exclusively



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promote Metavante's merchant services to merchants and retailers to which Metavante is willing to provide merchant services and will refer its customers exclusively to Metavante for merchant services. Under the agreement, Metavante will pay the bank a percentage of the net income before taxes generated from fees paid by M&I Bank customers who are currently using Metavante for merchant services or who are referred by M&I Bank to Metavante for merchant services in the future. For all other merchants, Metavante will pay M&I Marshall & Ilsley Bank a per transaction fee. The agreement became effective on July 1, 2007 and terminates on July 1, 2014, unless earlier terminated upon one year's notice or extended by the parties. In addition, the agreement may be terminated under limited circumstances, including but not limited to breaches of material obligations. M&I Bank may be required to pay a termination fee in certain circumstances.

### ***Treasury Management Services Agreement***

M&I Bank and Metavante have entered into a treasury management services agreement pursuant to which M&I Bank will provide various collection, disbursement and reporting services to Metavante. The fees that Metavante pays for these services are based on a per-service pricing schedule and are subject to renegotiation in accordance with the terms of the agreement. The agreement makes M&I Bank the exclusive provider to Metavante of the services covered by the agreement. If Metavante fails to comply with the exclusivity provisions, it may be required to pay the bank a termination fee. The agreement became effective July 1, 2007 and terminates on July 31, 2014, subject to renewal by the parties. The agreement may be terminated by either party upon an uncured breach of the other party's material obligations and under other limited circumstances. Metavante may be required to pay a termination fee to M&I Bank under certain circumstances.

### ***Office Lease***

Metavante leases office, storage and raised floor space located at 4900 W. Brown Deer Road, Brown Deer, Wisconsin, to M&I Support Services, Inc., a subsidiary of Marshall & Ilsley. The term of the lease continues until December 31, 2013, provided that if, at any time during the term of the lease, Metavante is less than 100% owned by Marshall & Ilsley, M&I Support Services may terminate the lease upon one year advance written notice to Metavante and Metavante may terminate the lease upon two years advance written notice to M&I Support Services. M&I Support Services can terminate the lease at any time without penalty upon 180 days written notice to Metavante.

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**ADDITIONAL AGREEMENTS RELATING TO THE TRANSACTIONS**

*Warburg Pincus Private Equity IX, L.P. has executed a limited guarantee in favor of Marshall & Ilsley and New Metavante pursuant to which Warburg Pincus Private Equity IX, L.P. has guaranteed specified obligations of Investor. At the time of the completion of the transactions, New Metavante and Investor have agreed to enter into a shareholders agreement and a stock purchase right agreement in substantially the forms attached hereto as Annexes D and E that set forth certain matters regarding Investor's ongoing relationship with New Metavante. The material terms of these agreements are summarized below. The description of the limited guarantee is qualified in its entirety by reference to the complete text of the limited guarantee which is incorporated by reference into this document and filed as an exhibit to the Registration Statement of which this proxy statement/prospectus information statement is a part. The descriptions of the shareholders agreement and the stock purchase right agreement are qualified in their entirety by reference to the complete text of the forms of these agreements, which agreements will be in substantially the form attached to this proxy statement/prospectus information statement as Annexes D and E. Such forms are incorporated by reference into this document. All references to the limited guarantee, the shareholders agreement and the stock purchase right agreement are to such agreements, as amended or supplemented from time to time. We urge you to read the limited guarantee and the forms of the shareholders agreement and the stock purchase right agreement.*

**Limited Guarantee**

Pursuant to a limited guarantee, dated as of April 3, 2007, Warburg Pincus Private Equity IX, L.P. has guaranteed to Marshall & Ilsley and New Metavante subject to the terms and conditions set forth in the limited guarantee, the payment by Investor of a termination fee of \$75 million in connection with the termination of the investment agreement after the occurrence of, or failure of, certain specified events and all reasonable out-of-pocket fees and expenses up to \$2 million incurred by Marshall & Ilsley and New Metavante successfully in enforcing the limited guarantee. The limited guarantee will terminate at the earlier of (i) the closing of the transactions and (ii) the first anniversary of the termination of the investment agreement if, as of such date, Marshall & Ilsley or New Metavante has not presented a claim for payment under the limited guarantee.

**Shareholders Agreement**

Prior to the closing, New Metavante and Investor will enter into the shareholders agreement. The shareholders agreement contains, among other things, provisions with respect to:

the governance of New Metavante;

restrictions on the ability of Investor to dispose of its shares of New Metavante common stock prior to the second anniversary of the closing date (thereafter Investor will not be restricted by the shareholders agreement from disposing of its shares of New Metavante common stock);

standstill restrictions on the ability of Investor to purchase additional securities of New Metavante if such ownership would cause Investor's ownership percentage to exceed 40% or to take certain other actions with respect to acquiring control of New Metavante; and

registration rights for Investor.

**Governance Matters**

The shareholders agreement provides that:

initially the New Metavante board of directors will be comprised of 11 directors, consisting of (i) three directors designated by Investor, (ii) two directors who shall be officers of New Metavante, one of whom shall be the President and Chief Executive Officer

and one of whom shall be the Senior Executive Vice President and Chief Operating Officer, (iii) one director who shall be designated by

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Marshall & Ilsley and shall initially be Dennis J. Kuester and (iv) five additional directors selected by Marshall & Ilsley after consulting with the President and Chief Executive Officer of Metavante and with the consent of Investor (which shall not be unreasonably withheld or delayed), each of whom shall qualify as independent directors and one of whom shall be a director of Marshall & Ilsley and will be Ted D. Kellner;

the Chairman of the Board of New Metavante will be Dennis J. Kuester for a period of one year from the closing and if Dennis J. Kuester is unable to serve during such one-year period, or after such one-year period, Frank R. Martire will, subject to the approval of the board of directors of New Metavante, succeed Dennis J. Kuester as Chairman of the Board of New Metavante;

New Metavante will take all actions necessary to provide that the Investor designees are nominated for re-election to the New Metavante board of directors at the 2008 annual meeting of shareholders of New Metavante. The remaining directors will be nominated in accordance with the provisions of the shareholders agreement and the amended and restated by-laws of New Metavante;

following the 2008 annual meeting of shareholders of New Metavante, until the earlier of the tenth anniversary of the closing date and the termination of the shareholders agreement, so long as the ownership percentage of Investor, Warburg Pincus Private Equity IX, L.P. and any Investor affiliate (other than any portfolio company of Investor) (the Investor Group ) of New Metavante common stock in the aggregate equals or exceeds the percentages or dollar amounts set forth in the table below, Investor will have the right to designate for nomination to the New Metavante board of directors, the number of individuals set forth opposite the applicable percentage or amount:

<b>Ownership Percentage</b>	<b>Number of Investor Designees</b>
17.5% or greater	three individuals
less than 17.5% but equal to	
or greater than 7.5%	two individuals
less than 7.5% but the fair market value of New Metavante common stock beneficially owned by the Investor Group equals or exceeds \$150 million	one individual

until the earlier of (i) the tenth anniversary of the closing date, (ii) the termination of the shareholders agreement and (iii) the date on which the ownership percentage of the Investor Group is less than 7.5% and the fair market value of the New Metavante shares beneficially owned by Investor Group is less than \$150 million, the Investor designees will have the right to designate for nomination or appointment to the New Metavante board of directors an individual to replace any Investor designee upon his or her death, resignation, retirement, disqualification or removal (except that, in the case of removal for cause, the removed director cannot be nominated) so long as Investor has the right to designate such a member of the New Metavante board of directors under the ownership percentages described above;

until the 2008 annual meeting of shareholders of New Metavante, the Marshall & Ilsley designees will have the right to designate for appointment to the New Metavante board of directors an individual to replace any Marshall & Ilsley designee upon his or her death, resignation, retirement, disqualification or removal (except that, in the case of removal for cause, the removed director cannot be nominated);

the New Metavante board of directors will have an audit committee, a compensation committee, and a nominating and corporate governance committee, each of which will have three members, at least one of whom will be an Investor designee;

an Investor designee will chair the compensation committee; and

all of the members of each of the New Metavante audit committee, compensation committee and nominating committee will be independent under the rules of the New York Stock Exchange and the Exchange Act.

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The governance provisions of the shareholders agreement will terminate upon the earlier to occur of the tenth anniversary of the closing date and the date on which the ownership percentage of the Investor Group is less than 7.5% and the fair market value of the total shares of the Investor Group is less than \$150 million.

### ***Restrictions on Investor's Ability to Dispose of New Metavante Stock***

The shareholders agreement provides that prior to the first anniversary of the closing date, no member of the Investor Group will, directly or indirectly, transfer or otherwise dispose of any shares of New Metavante common stock, except:

to other members of Investor Group who agree in writing to be bound by the terms of the shareholders agreement;

in connection with specified change in control transactions with respect to New Metavante;

in connection with a bona fide pledge to, or similar arrangement in connection with a bona fide borrowing from, a financial institution;  
or

in any transaction approved by a majority of the directors that are independent directors under the rules of the New York Stock Exchange and who are not Investor designees.

The shareholders agreement provides that following the first anniversary of the closing date and prior to the second anniversary of the closing date, no member of the Investor Group will, directly or indirectly, dispose of any shares of New Metavante common stock, except:

if such disposition is permitted under any of the exceptions described above; or

if following such disposition, the Investor Group in the aggregate owns at least 17.5% of the combined voting power of New Metavante common stock entitled to vote in the election of directors.

### ***Restrictions on Investor's Ability to Purchase Additional New Metavante Securities or Otherwise Control New Metavante***

The shareholders agreement provides that, unless specifically requested in writing in advance by the New Metavante board of directors, Investor will not:

acquire or seek or propose to acquire, any (A) ownership of any of the material assets or businesses of New Metavante or any rights or options to acquire such ownership, or (B) ownership of any securities of New Metavante or any rights or options to acquire such ownership if such ownership would result in Investor's ownership percentage to exceed 40%;

solicit proxies with respect to any matter from holders of any shares of stock of New Metavante or any securities convertible into or exchangeable for or exercisable for the purchase of such stock;

initiate, or induce or attempt to induce any other person, entity or group to initiate, any shareholder proposal or tender offer for any securities of New Metavante, any change of control of New Metavante or the convening of a shareholders' meeting of New Metavante;

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enter into any discussions, negotiations, arrangements or understandings with any other person with respect to any matter described in the foregoing;

take any action with respect to any of the matters described above that requires public disclosure; or

request that New Metavante directly or indirectly amend or waive any of the provisions described above.

These provisions do not apply in respect of any action taken by the Investor designees in their capacity as members of the board of directors.

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These restrictions terminate on the earliest of (i) the two year anniversary of the closing date, (ii) the date on which any Investor designee is not elected to the board of directors of New Metavante and is not otherwise appointed to the board of directors, and (iii) the date of a change of control of New Metavante. In addition, these restrictions do not apply at any time after (A) the board of directors resolves to pursue a transaction that is contemplated to result in a change of control of New Metavante or (B) the board of directors approves, recommends or accepts a transaction that would result in a change of control proposed by any person other than Investor; provided, however, that these restrictions become operative again once the board of directors (1) resolves not to pursue any such transaction or (2) rejects or announces that it has withdrawn its recommendation of any such transaction.

### ***Registration Rights***

The shareholders agreement provides for demand registration rights for Investor that will require New Metavante to, upon the request of Investor, register its shares of New Metavante common stock with the SEC and permit Investor to sell such registered shares of New Metavante common stock to the public, subject to specified conditions and a maximum of four such demand registrations. Furthermore, pursuant to the shareholders agreement, if New Metavante proposes to register any of its securities on a form that may include registerable shares of Investor, Investor will have the right to request that all or any part of its registrable shares be included in the registration, subject to specified conditions.

### ***Supermajority Approval Provisions***

Until the second anniversary of the closing date while the transfer restrictions of the shareholders agreement described above are in effect, each of the following actions will require a vote of at least eight of the 11 directors:

entering into any merger or reorganization which would result in a transfer of at least 20% of the outstanding shares or assets of New Metavante to another person;

acquiring, in a single transaction or a series of related transactions, any business or assets for consideration having a value in excess of \$300 million;

making or committing to make any capital expenditure or series of related capital expenditures in excess of \$300 million;

disposing of, in a single transaction or a series of related transactions, any business or any assets for consideration having a value in excess of \$100 million; or

incurring any indebtedness for borrowed money or issuing any debt securities, or guaranteeing any indebtedness for borrowed money of any other person, if the amount of such incurred or guaranteed indebtedness exceeds \$300 million.

### ***Preemptive Rights***

Until the Investor Group holds less than 10% of New Metavante, if New Metavante makes an offering of common stock or securities convertible into common stock (other than offerings related to employee benefits plans or in connection with a merger or acquisition), Investor will have the right to acquire from New Metavante for the same price and on the same terms as such securities are proposed to be offered to others, in the aggregate up to the amount of securities required to enable it to maintain its current percentage of ownership.

### ***Termination***

The shareholders agreement will terminate upon the earlier of:



its termination by the consent of all the parties to the shareholders agreement (with the consent of a majority of the independent directors of New Metavante who are not Investor designees);

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the date on which Investor Group ceases to hold any shares of registerable securities of New Metavante common stock (except for those provisions that terminate as of a date specified in such provisions, which provisions shall terminate in accordance with the terms thereof); and

the dissolution, liquidation or winding up of New Metavante.

**Stock Purchase Right Agreement**

The investment agreement provides that, at the closing of the transactions, New Metavante and Investor will enter into a stock purchase right agreement, which gives Investor the right to purchase shares of common stock of New Metavante if employee stock options that are outstanding immediately following the New Marshall & Ilsley share distribution are exercised after the New Marshall & Ilsley share distribution. The stock purchase right agreement allows Investor following the closing of the transactions to maintain its 25% interest in the common stock of New Metavante notwithstanding the exercise of certain employee options outstanding at the time of closing.

Pursuant to the terms of the stock purchase right agreement, the total number of shares that may be purchased by Investor under the agreement will equal one third of the aggregate number of New Metavante common shares that may be issued under specified New Metavante employee options outstanding at the time of closing. Subject to the terms of the stock purchase right agreement, the stock purchase right may generally be exercised quarterly for one-third of the number of New Metavante common shares issued pursuant to such employee options during the preceding quarter, and the number of shares subject to the stock purchase right will be reduced by one-third of the number of shares subject to such employee options that expired unexercised in the preceding quarter. The stock purchase right agreement contains provisions allowing Investor to exercise a portion of the stock purchase right agreement in connection with certain transfers of Investor's shares.

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**ANTICIPATED TERMS OF FINANCING**

The principal terms of the equity and debt financing are anticipated to be as summarized below.

**Equity Financing**

New Metavante will receive \$625 million in equity financing from Investor pursuant to the investment agreement. Pursuant to an equity commitment letter from Warburg Pincus Private Equity IX, L.P., dated as of April 3, 2007, Warburg Pincus Private Equity IX, L.P. has committed to contribute \$625 million to Investor, solely for the purpose of funding Investor's acquisition of shares of New Metavante Class A common stock in the New Metavante share issuance, as further described under "The Transactions," beginning on page 59.

The equity financing is subject to the satisfaction or waiver of the conditions to Investor's obligations set forth in the investment agreement and the substantially contemporaneous funding of the debt financings described below.

**Debt Financing**

***Credit Facility***

Pursuant to a commitment letter dated as of May 10, 2007, JPMorgan, JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Lehman Brothers Commercial Bank, Lehman Commercial Paper Inc., Lehman Brothers Inc., and Baird Financial Corporation, and certain of their respective affiliates (the "committed financing parties") have committed to provide the credit facilities described below.

a senior secured term loan facility, which we refer to as the "term loan facility," in an aggregate principal amount of \$1.75 billion (all of which is expected to be borrowed on the closing date); and

a senior secured revolving credit facility, which we refer to as the "revolving credit facility," in an aggregate principal amount of up to \$250 million (none of which is expected to be borrowed as of the closing date);

For purposes of this summary description of the proposed financings, the term loan facility and the revolving credit facility are collectively referred to as the "credit facility." The full text of the commitment letter described above is filed as an exhibit to the registration statement of which this proxy statement/prospectus information statement is a part and is incorporated by reference into this proxy statement/prospectus information statement. You are urged to read the commitment letter carefully and in its entirety.

***Conditions Precedent***

The availability of the credit facility is subject to various conditions precedent, including, but not limited to:

New Metavante shall have received cash proceeds from the issuance to the Investor of its common equity in an amount equal to at least \$625 million;

the transactions shall be consummated substantially concurrently with or prior to any funding of the credit facility and all material conditions precedent to the consummation or the transactions shall have been satisfied, or waived in a manner not materially adverse to the lenders;

the negotiation, execution and delivery of definitive documentation with respect to the credit facility shall be consistent with the credit facility term sheet;

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since December 31, 2006, there shall not have been any material adverse effect on the business, operations, property or financial condition of Metavante and its subsidiaries taken as a whole; and

other specified conditions precedent customary for credit facilities.

The investment agreement provides that, if any portion of the debt financing becomes unavailable, Investor may arrange to obtain alternative financing from alternative sources on terms and subject to conditions reasonably acceptable to Metavante.

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### ***Term Loan Facility***

#### *Overview*

The term loan facility is expected to provide for senior secured term loans in an aggregate principal amount of \$1.75 billion. Borrowings under the term loan facility may only be incurred on the closing date. Because the definitive documentation has not yet been completed, however, the terms described below may change.

#### *Maturity; Prepayments*

The term loan facility is expected to mature seven years from the closing date. The term loan facility will amortize in nominal quarterly installments until the maturity date. The term loan facility is expected to be subject to mandatory prepayment and reduction out of excess cash flows and proceeds of certain debt issuances, asset sales and other capital events.

#### *Interest*

The interest rates applicable to the loans under the term loan facility are expected to be based on a fluctuating rate of interest measured by reference to either, at the borrower's option, (i) adjusted London inter-bank offered rate ( LIBOR ) (adjusted for maximum reserves), plus an initial borrowing margin of 1.50% or (ii) an alternate base rate plus an initial borrowing margin of 0.50%, in each case subject to adjustment pursuant to a market flex provision. The interest rate margins will be subject to a single step down based on the borrower's meeting a leverage based test to be agreed upon. Overdue amounts will bear interest at a rate that is 2% higher than the rate otherwise applicable.

### ***Revolving Credit Facility***

#### *Overview*

The revolving credit facility is expected to provide for senior secured revolving loans up to a maximum aggregate principal amount of \$250 million. Proceeds of loans under the revolving credit facility are expected to be used for working capital, capital expenditures and general corporate purposes. A portion of the revolving credit facility in an amount to be determined will be available for letters of credit and swingline loans. Because the definitive documentation has not yet been completed, however, the terms described below may change.

#### *Maturity*

The final maturity date of the revolving credit facility is expected to be six years from the closing date.

#### *Interest*

The interest rates applicable to the loans under the revolving credit facility are expected to be based on a fluctuating rate of interest measured by reference to either, at the borrower's option, (1) adjusted LIBOR (adjusted for maximum reserves), plus an initial borrowing margin of 1.375% or (2) an alternate base rate plus an initial borrowing margin of 0.375%, in each case subject to a market flex provision. The interest rate margins on the revolving credit facility will be subject to stepdowns based on the borrower's meeting leverage based tests to be agreed upon. Overdue amounts will bear interest at a rate that is 2% higher than the rate otherwise applicable.

### ***General Provisions***

#### *Guarantees; Security*

New Metavante and each domestic subsidiary of Metavante are expected to guarantee the borrower's obligations under the credit facility and certain cash management, interest rate protection or other hedging arrangements. The credit facility and the guarantees thereof are expected to be secured by all of the capital stock

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of Metavante and of the domestic subsidiaries owned by Metavante or any guarantor, 65% of the voting stock of each first tier foreign subsidiary of Metavante or any guarantor, and substantially all other tangible and intangible assets owned by the borrower and each guarantor, subject to certain exceptions.

### *Fees*

New Metavante is expected to pay (i) fees on the unutilized portion of commitments under the revolving credit facility at a rate of 0.375% per annum, (ii) a letter of credit fee on the stated amount of issued and undrawn letters of credit at a rate equal to the LIBOR margin under the revolving credit facility and a fronting fee of 0.125% per annum to the issuing lender, (iii) an underwriting and arrangement fee equal to 1.125% of the aggregate principal amount of the commitments under the credit facility, and (iv) an annual administration fee in an amount equal to \$150,000 per year.

### *Covenants*

The credit facility is expected to contain a number of covenants that, among other things, will limit or restrict the ability of the borrower and its subsidiaries to:

incur additional indebtedness (including guarantees of other indebtedness and hedging arrangements) if New Metavante and its subsidiaries are not in compliance with the agreed upon consolidated leverage ratio;

pay dividends or make other restricted payments, including redemptions and repurchases of stock;

make loans and investments;

enter into mergers or make acquisitions, if New Metavante is not in pro forma compliance with the agreed upon consolidated leverage ratio;

enter into certain types of transactions with affiliates;

sell certain assets, consolidate, merge, sell or otherwise dispose of all or substantially all of their assets;

create or permit liens or sale-leaseback transactions;

enter into agreements restricting dividends or other distributions by subsidiaries to the borrower;

change lines of business; and

change its fiscal year.

The credit facility is expected to contain a covenant prohibiting Metavante from exceeding a consolidated leverage ratio as of the last day of any period of four consecutive quarters ending during the periods set forth below:

<b>Period</b>	<b>Consolidated Leverage Ratio</b>
October 1, 2007 to June 30, 2008	5.25 to 1.00
July 1, 2008 to September 30, 2008	5.00 to 1.00
October 1, 2008 to March 31, 2009	4.75 to 1.00
April 1, 2009 to September 30, 2009	4.50 to 1.00
October 1, 2009 to March 31, 2010	4.25 to 1.00
April 1, 2010 to December 31, 2010	4.00 to 1.00
January 1, 2011 and thereafter	3.75 to 1.00

The covenant would apply at any time there are revolving credit commitments outstanding under the credit facility and revolving loans and letters of credit outstanding under the credit facility in excess of \$5,000,000. Consolidated leverage ratio is expected to be defined as the ratio of consolidated total net debt to credit

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agreement EBITDA. Consolidated total net debt is expected to be defined as the aggregate principal amount of all indebtedness of Metavante and its subsidiaries determined on a consolidated basis in accordance with GAAP net of unencumbered and unrestricted cash and cash equivalents. Credit agreement EBITDA is expected to be defined as consolidated net income plus income tax expense, net interest expense, amortization of debt issuance costs, depreciation and amortization expense and certain other non-cash charges included in computing consolidated net income, including, among others, any impairment charge or asset write-off related to intangible assets, long-lived assets and investments in debt and equity securities pursuant to GAAP, all losses from investments recorded using the equity method, non-cash stock-based awards compensation, fees, costs and expenses incurred as part of the transactions, extraordinary, unusual or non-recurring expenses, losses or charges; provided that the aggregate amount of extraordinary, unusual or non-recurring cash expenses, cash losses or cash charges included in credit agreement EBITDA for any period will not exceed 5% of consolidated EBITDA for such period. In addition, it is expected that the credit facility will permit a contribution to the capital of Metavante or the proceeds of stock issued by Metavante to its parent to constitute income in computing credit agreement EBITDA for purposes of determining compliance with this financial covenant. Such use of the proceeds of a capital contribution to or stock issuance by Metavante for purposes of compliance with the financial covenant would be limited to three times in any four consecutive fiscal quarters and four times in any eight consecutive fiscal quarters.

Credit agreement EBITDA is a non-GAAP financial measure and is not a substitute for, or more meaningful than, other measures of financial performance prepared in accordance with GAAP. Credit agreement EBITDA is presented in this proxy statement/prospectus information statement to demonstrate that Metavante would have been in compliance with the consolidated leverage ratio covenant expected to be included in the credit facility as of June 30, 2007 on a pro forma basis after giving effect to the transactions. Failure to comply with the consolidated leverage ratio covenant (if and when applicable) would result in a default under the credit facility.

The table below sets forth a calculation of credit agreement EBITDA on a pro forma basis giving effect to the transactions and a reconciliation of net income to credit agreement EBITDA for the six months ended June 30, 2007 and the year ended December 31, 2006:

	Six Months Ended	Year Ended
	June 30,	December 31,
	2007	2006
Net income	\$ 92,136	\$ 160,124
Interest expense, net of interest income	14,050	28,631
Provision for income taxes	50,870	80,359
Depreciation and amortization	74,694	144,441
Impairment charges	0	416
Stock option expense	3,019	8,104
Equity investment gains	(8,554)	(1,261)
Transaction costs	900	0
Pro forma operating earnings adjustments	29,629	58,802
Credit agreement EBITDA	\$ 256,744	\$ 479,616

On a pro forma basis, after giving effect to the transactions, estimated consolidated total net debt would have been \$1,676.5 million as of June 30, 2007. On a pro forma basis, after giving effect to the transactions, credit agreement EBITDA would have been \$501.5 million for the twelve months ended June 30, 2007. On a pro forma basis, after giving effect to the transactions, the consolidated leverage ratio would have been 3.34 to 1.00 as of June 30, 2007.

Based on these calculations, Metavante is expected to be in compliance with the consolidated leverage ratio covenant as of the closing date. In addition, Metavante management believes that the difference between the pro



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forma consolidated leverage ratio of 3.34 to 1.00 and the initial covenant level of 5.25 to 1.00 allows Metavante sufficient financial flexibility to pursue its overall growth strategy, including acquisitions.

The credit facility is expected to also contain certain affirmative covenants, including maintenance of corporate existence, maintenance of property and insurance, maintenance of credit ratings, compliance with laws, payment of taxes, inspection of books and records, notices of defaults and other material adverse changes, delivery of financial statements and other reporting requirements.

The foregoing description of the covenants that are expected to be contained in the credit facility reflects the current expectation of Metavante as to the form of the definitive credit facility. Because definitive documentation has not yet been completed, the actual covenants may differ from those described above.

### *Events of Default*

The credit facility is expected to provide for customary events of default, including non-payment of principal, interest or fees, violation of covenants, material inaccuracy of representations or warranties, specified cross defaults to other material indebtedness, certain bankruptcy events, certain ERISA events, material invalidity of guarantees or security interests, material judgments, change in passive holding company status of New Metavante and change of control (to be defined in the definitive documentation for the loan facility). The occurrence of an event of default would permit the holders of the defaulted debt to declare all of their commitments under the credit facility terminated and all amounts outstanding with respect to that debt immediately due and payable. In addition, upon an event of default, interest will accrue at a rate of 2% per year in excess of the rate otherwise applicable to the loan or other overdue amount.

### *Incremental Facility*

Metavante will be permitted to add one or more incremental term loan facilities or to increase the revolving credit facility (collectively, the incremental facilities ), up to an aggregate amount of \$500 million for all incremental facilities. No lender is committed to provide or participate in any such incremental facility, and the pricing and other terms of any such incremental facility would have to be negotiated with any lender or lenders, if any, willing to provide or participate in such incremental facility. No incremental facility could be entered into if a default or event of default exists or would be created thereby, and any term loan that is part of an incremental facility would have to have a maturity date no earlier than the maturity date for the term loan facility and a weighted average life no shorter than that of the term loan facility.

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**DESCRIPTION OF MARSHALL & ILSLEY AND NEW MARSHALL & ILSLEY**

The following is a description of Marshall & Ilsley's business (excluding Metavante's business) prior to the closing of the transactions. The following is also a description of what New Marshall & Ilsley's business (excluding Metavante's business) is expected to be after the closing of the transactions.

**General**

Marshall & Ilsley, incorporated in Wisconsin, is a registered bank holding company under the Bank Holding Company Act of 1956 (the "BHCA") and is certified as a financial holding company under the Gramm-Leach-Bliley Act. As of June 30, 2007, Marshall & Ilsley had consolidated total assets of approximately \$58.3 billion and consolidated total deposits of approximately \$35.0 billion, making Marshall & Ilsley the largest bank holding company headquartered in Wisconsin. Without Metavante and the effects of the dividend and repayment of debt, total assets and total deposits of Marshall & Ilsley at June 30, 2007 would have been approximately \$55.8 billion and \$35.2 billion, respectively.

Marshall & Ilsley's principal assets are the stock of its bank and nonbank subsidiaries, which, as of June 30, 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 (the "Federal Reserve Board") has determined to be closely-related or incidental to the business of banking. Marshall & Ilsley provides its 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.

Generally, Marshall & Ilsley organizes its business based on legal entities. Each entity offers a variety of products and services to meet the needs of its customers and the particular market served. Banking operations consists of accepting deposits, making loans and providing other services such as cash management, foreign exchange and correspondent banking to a variety of commercial and retail customers. Marshall & Ilsley's primary other businesses include Trust Services, Capital Markets Group, Brokerage and Insurance Services, and Commercial Leasing.

**Banking Operations**

Marshall & Ilsley's bank subsidiaries provide a full range of banking services to individuals, businesses and governments. These subsidiaries offer retail, institutional, business, international and correspondent banking and investment services through the operation of 192 banking offices in Wisconsin, 48 offices in Arizona, 16 offices in Kansas City and nearby communities, 30 offices along Florida's west coast and Central Florida, 22 offices in metropolitan Minneapolis/St. Paul and one in Duluth, Minnesota, three offices in Tulsa, Oklahoma, and one office in Las Vegas, Nevada, as well as on the Internet. Marshall & Ilsley's Southwest Bank subsidiary has 17 offices in the greater St. Louis area. Marshall & Ilsley's bank subsidiaries hold a significant portion of their mortgage loan and investment portfolios indirectly through their ownership interests in direct and indirect subsidiaries. M&I Bank is Marshall & Ilsley's largest bank subsidiary, with consolidated assets as of June 30, 2007 of approximately \$50.4 billion.

Through its bank and nonbank subsidiaries, Marshall & Ilsley offers a variety of loan products to retail customers, including credit cards, lines of credit, automobile loans and leases, student loans, home equity loans, personal loans, residential mortgage loans and mortgage refinancing. Marshall & Ilsley also offers a variety of loan and leasing products to business, commercial and institutional customers, including business loans, lines of credit, standby letters of credit, credit cards, government-sponsored loans, commercial real estate financing, construction financing, commercial mortgage loans and equipment and machinery leases. In addition, through its Home Lending Solutions division, M&I Bank FSB originates residential mortgage loans and lines of credit as part of its wholesale lending program. M&I Business Credit, LLC provides working capital loans to commercial

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borrowers secured by accounts receivable, inventory and other marketable assets. M&I Dealer Finance, Inc. provides retail vehicle lease and installment sale financing. M&I Support Services Corp. provides bank operation support for loan and deposit account processing and maintenance, item processing and other banking services.

Marshall & Ilsley's lending activities involve credit risk. Credit risk is controlled through active asset quality management and the use of lending standards and thorough review of potential borrowers. Marshall & Ilsley evaluates the credit risk of each borrower on an individual basis and, where deemed appropriate, collateral is obtained. Collateral varies by individual loan customer but may include accounts receivable, inventory, real estate, equipment, deposits, personal and government guarantees, and general security agreements. Access to collateral is dependent upon the type of collateral obtained. On an on-going basis, Marshall & Ilsley monitors its collateral and the collateral value related to the loan balance outstanding.

The Marshall & Ilsley bank subsidiaries may use wholesale deposits, which include foreign (Eurodollar) deposits. Wholesale deposits are funds in the form of deposits generated through distribution channels other than Marshall & Ilsley's own banking branches. These deposits allow Marshall & Ilsley's bank subsidiaries to gather funds across a geographic base and at pricing levels considered attractive, where the underlying depositor may be retail or institutional. Access to wholesale deposits also provides Marshall & Ilsley with the flexibility to not pursue single service time deposit relationships in markets that have experienced unprofitable pricing levels.

Marshall & Ilsley's securitization activities are generally limited to basic term or revolving securitization facilities associated with indirect automobile loans. A discussion of Marshall & Ilsley's securitization activities is contained in Management's Discussion and Analysis of Financial Condition and Results of Operations of Marshall & Ilsley (Accounting Predecessor to Marshall & Ilsley), and in Note 10 of the Notes to the Consolidated Financial Statements of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) included in this proxy statement/prospectus information statement.

## **Other Business Operations**

Marshall & Ilsley's other nonbank subsidiaries operate a variety of bank-related businesses, including those providing trust services, capital markets, brokerage and insurance, and commercial leasing.

*Trust Services.* Marshall & Ilsley Trust Company National Association ( M&I Trust ) provides trust and employee benefit plan services to customers throughout the United States with offices in Wisconsin, Arizona, Minnesota, Florida, Nevada, Missouri, Illinois and Indiana. M&I Investment Management Corp. offers a full range of asset management services to M&I Trust, the Marshall Funds and other individual, business and institutional customers.

*Capital Markets.* M&I Capital Markets Group L.L.C., M&I Capital Markets Group II, L.L.C. and M&I Ventures L.L.C. provide venture capital, financial advisory and strategic planning services to customers, including assistance in connection with the private placement of securities, raising funds for expansion, leveraged buy-outs, divestitures, mergers and acquisitions and small business investment company transactions.

*Brokerage and Insurance.* M&I Brokerage Services, Inc., a broker-dealer registered with the National Association of Securities Dealers, Inc. and the SEC, provides brokerage and other investment-related services to a variety of retail and commercial customers. M&I Insurance Services, Inc. provides life, long-term care and disability income insurance products and annuities to retail clients and business owners.

*Commercial Leasing.* M&I Equipment Finance Company, a subsidiary of M&I Bank, leases a variety of equipment and machinery to large and small businesses.

*Other.* M&I Community Development Corporation makes investments designed primarily to promote the public welfare in markets and communities served by affiliates and subsidiaries of Marshall & Ilsley.

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### **Risk Management**

Managing risk is an essential component of successfully operating a financial services company. Marshall & Ilsley has an enterprise-wide approach to risk governance, measurement, management and reporting risks inherent in its businesses. Risk management practices include key elements such as independent checks and balances, formal authority limits, policies and procedures and portfolio management. Marshall & Ilsley's internal audit department also evaluates risk management activities. These evaluations include performing internal audits and reporting the results to management and the Audit and Risk Management Committees of the Marshall & Ilsley board, as appropriate.

Marshall & Ilsley has established a number of management committees responsible for assessing and evaluating risks associated with the Company's businesses including the Credit Policy Committee, Asset Liability Committee (ALCO) and the Enterprise Risk Committee. Marshall & Ilsley has in place a Risk Management Committee of the board of directors for oversight and governance of its risk management function. The Risk Management Committee consists of three non-management directors and has the responsibility of overseeing management's actions with respect to credit, market, liquidity, fiduciary, operational, compliance, legal and reputation risks as well as Marshall & Ilsley's overall risk profile. The Chief Risk Officer of the Marshall & Ilsley board is responsible for reporting to this committee.

### **Operational Risk Management**

Operational risk is the risk of loss from human errors, failed or inadequate processes or systems and external events. This risk is inherent in all businesses. Resulting losses could take the form of explicit charges, increased operational costs, harm to Marshall & Ilsley's reputation or lost opportunities.

Marshall & Ilsley seeks to mitigate operational risk through a system of internal controls to manage this risk at appropriate levels. Primary responsibility for managing internal controls lies with the managers of Marshall & Ilsley's various business lines. Marshall & Ilsley monitors and assesses the overall effectiveness of its system of internal controls on an ongoing basis. The Enterprise Risk Committee oversees Marshall & Ilsley's monitoring, management and measurement of operational risk. In addition, Marshall & Ilsley has established several other executive management committees to monitor, measure and report on specific operational risks to the Company, including, business continuity planning, customer information security and compliance. These committees report to the Risk Management Committee of the Marshall & Ilsley board on a regular basis.

### **Recent Acquisition Activity**

On April 1, 2007, Marshall & Ilsley completed its acquisition of United Heritage Bankshares of Florida, Inc. ( United Heritage ). United Heritage Bank, a wholly-owned subsidiary of United Heritage, with \$791.3 million in assets as of March 31, 2007, has 13 branches in the metropolitan Orlando area. Total consideration in this transaction amounted to approximately \$219.6 million, consisting of 4,410,647 shares of Marshall & Ilsley common stock valued at \$204.3 million and the exchange of vested stock options valued at approximately \$15.3 million. The United Heritage Bank branches became M&I Bank branches on June 1, 2007.

On April 20, 2007, Marshall & Ilsley completed the acquisition of North Star Financial Corporation ( North Star ) of Chicago, Illinois. Total consideration in this transaction amounted to \$21.0 million, consisting of 441,252 shares of Marshall & Ilsley common stock valued at \$47.55 per common share. North Star and its subsidiaries provide a variety of wealth management services through personal and other trusts. In addition, North Star offers a variety of other products and services including land trusts, 1031 exchanges for both real and personal property and ESOP services, including consultative services relating to the transfer of small-business stock ownership. North Star's businesses will be integrated with Marshall & Ilsley's Wealth Management unit.

On July 1, 2007, Marshall & Ilsley completed its acquisition of Excel Bank Corporation ( Excel ). Pursuant to an amended and restated merger agreement, shareholders of Excel received \$13.97 per share in cash for

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each issued and outstanding share of Excel common stock, or approximately \$105.0 million in the aggregate. Outstanding options to acquire Excel common stock were converted into options to acquire Marshall & Ilsley's common stock. Excel, with \$616.0 million in consolidated assets as of June 30, 2007, has four branches in the greater Minneapolis/St. Paul, Minnesota metropolitan area. The current Excel branches became branches of M&I Bank on August 1, 2007.

On July 9, 2007, Marshall & Ilsley announced the signing of a definitive agreement to acquire First Indiana Corp. ( First Indiana ). First Indiana, based in Indianapolis, Indiana, had \$2.2 billion in assets as of June 30, 2007, and has 32 offices in central Indiana. Under the terms of the definitive agreement, stockholders of First Indiana will receive \$32.00 in cash for each issued and outstanding share of First Indiana common stock, or approximately \$529 million in the aggregate. The transaction is expected to close in the fourth quarter of 2007 or in the first quarter of 2008, subject to the affirmative vote of First Indiana's stockholders, regulatory approvals and customary closing conditions.

### **Acquisitions Completed in 2006**

On April 1, 2006, Marshall & Ilsley completed the acquisition of Gold Banc Corporation, Inc. ( Gold Banc ), a bank holding company headquartered in Leawood, Kansas. Gold Banc offered commercial banking, retail banking, and trust and asset management products and services through various subsidiaries. Gold Banc had consolidated assets of \$4.2 billion at the time of the merger. Gold Banc's largest subsidiary, Gold Bank, a Kansas state-chartered bank, was merged with and into M&I Marshall & Ilsley Bank on April 1, 2006, at which time the 32 Gold Bank branch offices in Florida, Kansas, Missouri and Oklahoma became interstate branch offices of M&I Marshall & Ilsley Bank.

On April 1, 2006, Marshall & Ilsley completed the acquisition of St. Louis-based Trustcorp Financial, Inc. ( Trustcorp ). With the acquisition of Trustcorp, which had consolidated assets of \$735.7 million at the time of the merger, Marshall & Ilsley acquired Missouri State Bank and Trust Company, which provided commercial banking services in Missouri through seven bank locations. In July 2006, Missouri State Bank and all of its branches were merged with and into Southwest Bank, Marshall & Ilsley's St. Louis-based banking affiliate.

On January 3, 2006, Marshall & Ilsley Trust Company National Association completed the acquisition of the trust and asset management assets of FirstTrust Indiana ( FirstTrust ), a division of First Indiana Bank, N.A. The acquired assets included those related to FirstTrust's provision of asset management, trust administration and estate planning services to high-net-worth individuals and institutional customers.

Marshall & Ilsley continues to evaluate opportunities to acquire banking institutions and other financial service providers and frequently conducts due diligence activities in connection with possible transactions. As a result, Marshall & Ilsley may engage in discussions, and in some cases, negotiations with prospective targets and may make future acquisitions for cash, equity or debt securities. The issuance of additional shares of Marshall & Ilsley common stock would dilute a shareholder's ownership interest in Marshall & Ilsley. In addition, Marshall & Ilsley's acquisitions may involve the payment of a premium over book value, and therefore, some dilution of book value may occur with any future acquisition. Generally, it is Marshall & Ilsley's policy not to comment on such discussions or possible acquisitions until a definitive agreement has been signed. Marshall & Ilsley's strategy for growth includes strengthening its presence in core markets, expanding into attractive markets and broadening its product offerings.

**Table of Contents****Principal Sources of Revenue**

The table below shows the amount and percentages of Marshall & Ilsley's total consolidated revenues, excluding Metavante, resulting from interest and fees on loans and leases, fees for wealth management services and interest on investment securities for each of the last three years (\$000 s):

Years Ended December 31,	Interest and Fees on		Fees for		Interest on		Total Revenues
	Loans and Leases		Wealth Management		Investment Securities		
	Amount	Percent of Total Revenues	Amount	Percent of Total Revenues	Amount	Percent of Total Revenues	
2006	\$ 2,899,207	75.6%	\$ 221,554	5.8%	\$ 339,707	8.9%	\$ 3,835,920
2005	2,002,715	70.0	191,720	6.7	278,664	9.7	2,862,650
2004	1,455,626	64.9	175,119	7.8	258,933	11.5	2,244,265

**Competition**

Marshall & Ilsley and its subsidiaries face substantial competition from hundreds of competitors in the markets they serve, some of which are larger and have greater resources than Marshall & Ilsley. Marshall & Ilsley's bank subsidiaries compete for deposits and other sources of funds and for credit relationships with other banks, savings associations, credit unions, finance companies, mutual funds, life insurance companies (and other long-term lenders) and other financial and non-financial companies located both within and outside Marshall & Ilsley's primary market area, many of which offer products functionally equivalent to bank products. Marshall & Ilsley's nonbank operations compete with numerous banks, finance companies, data servicing companies, leasing companies, mortgage bankers, brokerage firms, financial advisors, trust companies, mutual funds and investment bankers in Wisconsin and throughout the United States.

**Legal Proceedings**

Marshall & Ilsley is currently involved in litigation of a routine nature and various legal matters which are being defended and handled in the ordinary course of business, none of which is currently believed by Marshall & Ilsley to be material.

**Employees**

As of June 30, 2007, Marshall & Ilsley and its subsidiaries employed in the aggregate 15,199 employees of which 5,640 were employed by Metavante. Marshall & Ilsley considers employee relations to be excellent. None of the employees of Marshall & Ilsley or its subsidiaries are represented by a collective bargaining group.

**Supervision and Regulation**

As a registered bank holding company, Marshall & Ilsley is subject to regulation and examination by the Federal Reserve Board under the BHCA. As of June 30, 2007, Marshall & Ilsley owned a total of six bank and trust subsidiaries, including two Wisconsin state banks, a Missouri state bank, a federal savings bank, and a national banking association. Marshall & Ilsley's two Wisconsin state bank subsidiaries are subject to regulation and examination by the Wisconsin Department of Financial Institutions, as well as by the Federal Reserve Board. Marshall & Ilsley's Missouri state bank subsidiary is subject to regulation and examination by the Missouri Department of Economic Development, Division of Finance, and the Federal Reserve Board. Marshall & Ilsley's federal savings bank subsidiary is subject to regulation and examination by the Office of Thrift Supervision. Marshall & Ilsley's national bank, through which trust operations are conducted, is subject to regulation and examination by the Office of the Comptroller of the Currency. In addition, all of Marshall & Ilsley's bank subsidiaries are subject to examination by the Federal Deposit Insurance Corporation ( FDIC ).

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Under Federal Reserve Board policy, Marshall & Ilsley is expected to act as a source of financial strength to each of its bank subsidiaries and to commit resources to support each bank subsidiary in circumstances when it might not do so absent such requirements. In addition, there are numerous federal and state laws and regulations which regulate the activities of Marshall & Ilsley and its bank subsidiaries, including requirements and limitations relating to capital and reserve requirements, permissible investments and lines of business, transactions with officers, directors and affiliates, loan limits, consumer protection laws, privacy of financial information, predatory lending, fair lending, mergers and acquisitions, issuances of securities, dividend payments, inter-affiliate liabilities, extensions of credit and branch banking. Information regarding capital requirements for bank holding companies and tables reflecting Marshall & Ilsley's regulatory capital position at December 31, 2006 can be found in Note 16 of the Notes to the Consolidated Financial Statements of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) included in this proxy statement/information statement prospectus.

The federal regulatory agencies have broad power to take prompt corrective action if a depository institution fails to maintain certain capital levels. In addition, a bank holding company's controlled insured depository institutions are liable for any loss incurred by the FDIC in connection with the default of, or any FDIC-assisted transaction involving, an affiliated insured bank or savings association. Current federal law provides that adequately capitalized and managed bank holding companies from any state may acquire banks and bank holding companies located in any other state, subject to certain conditions. Banks are permitted to create interstate branching networks in states that have not opted out of interstate branching. M&I Bank currently maintains interstate branches in Arizona, Florida, Kansas, Minnesota, Missouri and Oklahoma and Southwest Bank of St. Louis, Marshall & Ilsley's Missouri state bank subsidiary, maintains an interstate branch in Illinois.

The laws and regulations to which Marshall & Ilsley is subject are constantly under review by Congress, regulatory agencies and state legislatures. In 1999, Congress enacted the Gramm-Leach-Bliley Act (the Act), which eliminated certain barriers to and restrictions on affiliations between banks and securities firms, insurance companies and other financial services organizations. Among other things, the Act repealed certain Glass-Steagall Act restrictions on affiliations between banks and securities firms, and amended the BHCA to permit bank holding companies that qualify as financial holding companies to engage in a broad list of financial activities, and any non-financial activity that the Federal Reserve Board, in consultation with the Secretary of the Treasury, determines is complementary to a financial activity and poses no substantial risk to the safety and soundness of depository institutions or the financial system. The Act treats various lending, insurance underwriting, insurance company, portfolio investment, financial advisory, securities underwriting, dealing and market-making, and merchant banking activities as financial in nature for this purpose.

Under the Act, a bank holding company may become certified as a financial holding company by filing a notice with the Federal Reserve Board, together with a certification that the bank holding company meets certain criteria, including capital, management, and Community Reinvestment Act requirements. Marshall & Ilsley elected to become certified as a financial holding company on June 18, 2003.

In 2001, Congress enacted the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the USA PATRIOT Act). The USA PATRIOT Act is designed to deny terrorists and criminals the ability to obtain access to the United States financial system, and has significant implications for depository institutions, brokers, dealers and other businesses involved in the transfer of money. The USA PATRIOT Act mandates financial services companies to implement additional policies and procedures with respect to, or additional measures designed to address, any or all of the following matters, among others: money laundering, terrorist financing, identifying and reporting suspicious activities and currency transactions, and currency crimes.

The earnings and business of Marshall & Ilsley and its bank subsidiaries also are affected by the general economic and political conditions in the United States and abroad and by the monetary and fiscal policies of various federal agencies. The Federal Reserve Board impacts the competitive conditions under which Marshall &

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Ilsley operates by determining the cost of funds obtained from money market sources for lending and investing and by exerting influence on interest rates and credit conditions. In addition, legislative and economic factors can be expected to have an ongoing impact on the competitive environment within the financial services industry. The impact of fluctuating economic conditions and federal regulatory policies on the future profitability of Marshall & Ilsley and its subsidiaries cannot be predicted with certainty.

## **Properties**

Marshall & Ilsley and M&I Bank occupy offices on all or portions of 15 floors of a 21-story building located at 770 North Water Street, Milwaukee, Wisconsin. M&I Bank owns the building and its adjacent 10-story parking lot and leases the remaining floors to a professional tenant. In addition, various subsidiaries of Marshall & Ilsley lease commercial office space in downtown Milwaukee office buildings near the 770 North Water Street facility. M&I Bank also owns or leases various branch offices throughout Wisconsin, as well as 120 branch offices among the Phoenix and Tucson, Arizona metropolitan areas, Kansas City and nearby communities, Florida's west coast and central Florida, Minneapolis/St. Paul and Duluth, Minnesota and Tulsa, Oklahoma. Southwest Bank of St. Louis owns or leases 17 offices in the St. Louis metropolitan area. M&I Bank of Mayville, a special limited purpose subsidiary of Marshall & Ilsley located in Mayville, Wisconsin, and M&I Bank FSB, a federal savings bank subsidiary of Marshall & Ilsley located in Las Vegas, Nevada with one office in Milwaukee, Wisconsin, occupy modern facilities which are leased.



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**SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION OF  
MARSHALL & ILSLEY (ACCOUNTING PREDECESSOR TO NEW MARSHALL & ILSLEY)**

The following table sets forth selected historical consolidated financial information for Marshall & Ilsley. Notwithstanding the legal form of the transactions, New Marshall & Ilsley will be considered the divesting entity and treated as the accounting successor to Marshall & Ilsley for financial reporting purposes in accordance with EITF Issue No. 02-11, Accounting for Reverse Spinoffs. As such, the historical consolidated financial information presented below for Marshall & Ilsley (accounting predecessor to New Marshall & Ilsley) reflects historical consolidated financial information that previously has been filed with the SEC by Marshall & Ilsley. After the transactions occur, New Marshall & Ilsley will report the historical consolidated results of operations (subject to certain adjustments) of New Metavante in discontinued operations in accordance with the provisions of Statement of Financial Accounting Standards No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets. Pursuant to SFAS No. 144, this presentation is not permitted until the closing date.

The selected historical consolidated financial information of Marshall & Ilsley is qualified by reference to, and should be read in conjunction with, Management's Discussion and Analysis of Financial Condition and Results of Operations of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) beginning on page 161, and the consolidated financial statements and notes of Marshall & Ilsley as of December 31, 2006 and 2005 and June 30, 2007 and 2006 and for each of the three years in the period ended December 31, 2006 and for the six-month periods ended June 30, 2007 and 2006. The results of operations information for the years ended December 31, 2006, 2005 and 2004 and the financial condition information as of December 31, 2006 and 2005 is derived from the audited consolidated financial statements of Marshall & Ilsley included elsewhere in this proxy statement/prospectus information statement. The results of operations information for the years ended December 31, 2003 and 2002 and the financial condition information as of December 31, 2004, 2003 and 2002 are derived from the audited consolidated financial statements of Marshall & Ilsley not included in this proxy statement/prospectus information statement. The results of operations information for the six-month periods ended June 30, 2007 and 2006 and the financial condition information as of June 30, 2007 and 2006 are derived from the unaudited consolidated financial statements of Marshall & Ilsley included elsewhere in this proxy statement/prospectus information statement. The unaudited consolidated financial statements of Marshall & Ilsley include, in Marshall & Ilsley's management's opinion, all adjustments, consisting only of normal recurring adjustments, necessary to fairly state the consolidated results of operations and the consolidated financial position of Marshall & Ilsley for the dates set forth in the table below. The historical consolidated financial information of Marshall & Ilsley would have been different had New Marshall & Ilsley been operated independently. The historical consolidated financial information of Marshall & Ilsley may not be a reliable indicator of future results of operations of New Marshall & Ilsley. You should read the following information in conjunction with the unaudited condensed pro forma consolidated financial statements of New Marshall & Ilsley beginning on page 225. The amounts in the table below are in thousands.

**Table of Contents****Consolidated Summary of Earnings**

(\$000 s except share data)

	Six Months Ended June 30,		Years Ended December 31,				
	(unaudited)		2006	2005	2004	2003	2002
	2007	2006	2006	2005	2004	2003	2002
<b>Interest and Fee Income:</b>							
Loans and leases	\$ 1,586,910	\$ 1,307,383	\$ 2,856,043	\$ 1,959,063	\$ 1,432,754	\$ 1,336,288	\$ 1,318,175
Investment securities:							
Taxable	155,734	128,776	277,938	214,537	200,107	165,075	198,037
Exempt from federal income taxes	29,820	31,748	61,769	64,127	58,826	57,968	60,637
Trading securities	469	268	614	229	271	258	328
Short-term investments	7,489	8,576	16,136	8,675	2,397	2,559	11,168
Total interest and fee income	1,780,422	1,476,751	3,212,500	2,246,631	1,694,355	1,562,148	1,588,345
<b>Interest Expense:</b>							
Deposits	589,211	470,292	1,058,713	544,920	276,102	228,216	283,385
Short-term borrowings	110,963	82,459	186,863	106,333	61,256	81,070	150,310
Long-term borrowings	294,041	222,082	476,625	330,144	196,440	163,348	127,343
Total interest expense	994,215	774,833	1,722,201	981,397	533,798	472,634	561,038
Net interest income	786,207	701,918	1,490,299	1,265,234	1,160,557	1,089,514	1,027,307
Provision for loan and lease losses	43,174	22,048	50,551	44,795	37,963	62,993	74,416
Net interest income after provision for loan and lease losses	743,033	679,870	1,439,748	1,220,439	1,122,594	1,026,521	952,891
<b>Other Income:</b>							
Data processing services	720,190	687,956	1,382,658	1,185,024	934,128	700,530	640,578
Wealth management	126,286	109,108	221,554	191,720	175,119	148,348	140,736
Net investment securities gains (losses)	21,039	2,090	9,701	45,514	35,336	21,572	(6,275)
Other	176,623	112,692	301,508	294,001	273,347	313,123	286,640
Total other income	1,044,138	911,846	1,915,421	1,716,259	1,417,930	1,183,573	1,061,679
<b>Other Expense:</b>							
Salaries and employee benefits	614,910	584,463	1,210,107	1,074,758	919,431	830,779	779,836
Other	514,593	464,926	949,430	804,286	709,253	654,808	551,370
Total other expense	1,129,503	1,049,389	2,159,537	1,879,044	1,628,684	1,485,587	1,331,206
Income before income taxes	657,668	542,327	1,195,632	1,057,654	911,840	724,507	683,364
Provision for income taxes	220,617	178,713	387,794	351,464	305,987	202,060	225,455
<b>Net Income</b>	<b>\$ 437,051</b>	<b>\$ 363,614</b>	<b>\$ 807,838</b>	<b>\$ 706,190</b>	<b>\$ 605,853</b>	<b>\$ 522,447</b>	<b>\$ 457,909</b>
<b>Net income per common share:</b>							
Basic	\$ 1.70	\$ 1.49	\$ 3.24	\$ 3.06	\$ 2.72	\$ 2.31	\$ 2.15
Diluted	1.66	1.46	3.17	2.99	2.66	2.28	2.06
<b>Other Significant Data:</b>							
	13.79%	13.99%	14.42%	16.21%	17.00%	15.87%	16.32%

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Return on Average Shareholders

Equity

Return on Average Assets	1.54	1.46	1.53	1.63	1.63	1.57	1.57
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Dividend Payout Ratio	34.94	34.93	33.12	31.10	30.45	30.70	30.34
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Average Equity to Average Assets

Ratio	11.19	10.44	10.64	10.07	9.59	9.89	9.61
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Ratio of Earnings to Fixed

Charges

Excluding Interest on Deposits	2.57x	2.71x	2.73x	3.28x	4.24x	3.71x	3.27x
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Including Interest on Deposits	1.65x	1.69x	1.68x	2.05x	2.64x	2.46x	2.17x
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**Table of Contents****Consolidated Average Balance Sheets**

(\$000 s except share data)

Six Months

Ended June 30,

(unaudited)

Years Ended December 31,

	2007	2006	2006	2005	2004	2003	2002
<b>Assets:</b>							
Cash and due from banks	\$ 1,047,286	\$ 1,005,507	\$ 1,023,782	\$ 966,078	\$ 835,391	\$ 752,215	\$ 708,256
Investment securities:							
Trading securities	49,871	42,267	45,559	26,922	22,297	23,017	15,247
Short-term investments	275,257	345,127	303,631	237,178	171,057	264,254	717,129
Other investment securities:							
Taxable	6,240,037	5,401,133	5,687,763	4,847,722	4,672,741	4,038,579	3,325,568
Tax Exempt	1,294,042	1,328,293	1,303,872	1,334,793	1,199,139	1,173,466	1,224,737
Total investment securities	7,859,207	7,116,820	7,340,825	6,446,615	6,065,234	5,499,316	5,282,681
Loans and Leases:							
Commercial	12,329,679	10,662,968	11,175,436	8,954,619	7,621,040	6,905,323	6,143,862
Real estate	28,134,802	24,371,690	25,808,422	20,728,918	17,215,467	14,938,082	12,633,208
Personal	1,363,482	1,534,586	1,483,094	1,525,502	1,632,440	1,874,315	1,388,447
Lease financing	682,060	632,909	661,466	567,344	552,551	674,871	862,927
Total loans and leases	42,510,023	37,202,153	39,128,418	31,776,383	27,021,498	24,392,591	21,028,444
Less: Allowance for loan and lease losses	428,087	392,442	406,390	362,886	360,408	347,838	302,664
Net loans and leases	42,081,936	36,809,711	38,722,028	31,413,497	26,661,090	24,044,753	20,725,780
Premises and equipment, net	581,600	530,820	550,514	458,179	448,134	440,492	418,042
Accrued interest and other assets	5,540,780	4,756,597	5,013,949	3,999,172	3,152,745	2,531,245	2,067,891
<b>Total Assets</b>	<b>\$ 57,110,809</b>	<b>\$ 50,219,455</b>	<b>\$ 52,651,098</b>	<b>\$ 43,283,541</b>	<b>\$ 37,162,594</b>	<b>\$ 33,268,021</b>	<b>\$ 29,202,650</b>
<b>Liabilities and Shareholders</b>							
Equity:							
Deposits:							
Noninterest bearing	\$ 5,375,550	\$ 5,174,349	\$ 5,335,539	\$ 4,942,803	\$ 4,585,628	\$ 4,189,724	\$ 3,509,133
Interest bearing:							
Bank issued deposits:							
Bank issued interest bearing activity deposits	12,773,058	11,055,218	11,668,328	10,027,250	9,960,645	10,084,996	8,996,778
Bank issued time deposits	8,376,260	6,601,427	7,329,307	4,410,456	3,384,120	3,399,734	3,540,124
Total bank issued deposits	21,149,318	17,656,645	18,997,635	14,437,706	13,344,765	13,484,730	12,536,902
Wholesale deposits	6,314,486	7,293,601	7,255,647	6,720,964	6,057,542	4,311,424	2,596,952
Total interest bearing deposits	27,463,804	24,950,246	26,253,282	21,158,670	19,402,307	17,796,154	15,133,854
Total deposits	32,839,354	30,124,595	31,588,821	26,101,473	23,987,935	21,985,878	18,642,987
Short-term borrowings	4,273,316	3,394,854	3,638,180	2,925,642	2,908,168	3,138,752	4,188,339
Long-term borrowings	11,783,701	9,728,869	10,071,717	8,193,001	5,329,571	3,798,851	2,693,447
Accrued expenses and other liabilities	1,822,715	1,729,861	1,751,474	1,706,111	1,372,677	1,052,713	871,222
<b>Total liabilities</b>	<b>50,719,086</b>	<b>44,978,179</b>	<b>47,050,192</b>	<b>38,926,227</b>	<b>33,598,351</b>	<b>29,976,194</b>	<b>26,395,995</b>

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<b>Shareholders Equity</b>	6,391,723	5,241,276	5,600,906	4,357,314	3,564,243	3,291,827	2,806,655
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<b>Total Liabilities and Shareholders Equity</b>	\$ 57,110,809	\$ 50,219,455	\$ 52,651,098	\$ 43,283,541	\$ 37,162,594	\$ 33,268,021	\$ 29,202,650
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Other Significant Data:

Book Value Per Share at Period End	\$ 25.20	\$ 22.68	\$ 24.24	\$ 20.27	\$ 17.51	\$ 15.24	\$ 13.71
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Average Common Shares Outstanding	257,750,712	244,632,102	249,723,333	231,300,867	223,123,866	226,342,764	212,799,996
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Credit Quality Ratios:

Net Loan and Lease Charge-offs to Average Loans and Leases	0.18%	0.09%	0.10%	0.12%	0.11%	0.21%	0.21%
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Total Nonperforming Loans and Leases* and OREO to End of Period Loans and Leases and OREO	0.94	0.52	0.70	0.44	0.48	0.74	0.85
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Allowance for Loan and Lease Losses to End of Period Loans and Leases	1.00	1.03	1.00	1.06	1.21	1.39	1.42
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Allowance for Loan and Lease Losses to Total Nonperforming Loans and Leases*	112	210	157	259	271	202	174
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\* Loans and leases nonaccrual, restructured, and past due 90 days or more.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND  
RESULTS OF OPERATIONS OF MARSHALL & ILSLEY (ACCOUNTING PREDECESSOR  
TO NEW MARSHALL & ILSLEY)**

*As noted under "The Transactions Accounting Treatment" on page 89, notwithstanding the legal form of the transactions, New Marshall & Ilsley will be considered the divesting entity and treated as the accounting successor to Marshall & Ilsley and Metavante will be considered the accounting spinnee for financial reporting purposes in accordance with EITF Issue No. 02-11, "Accounting for Reverse Spinoffs." After the transactions occur, New Marshall & Ilsley will report the historical consolidated results of operations (subject to certain adjustments) of New Metavante in discontinued operations in accordance with the provisions of Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." Pursuant to SFAS No. 144, this presentation is not permitted until the closing date. The following Management's Discussion and Analysis of Financial Condition and Results of Operations of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) appeared in Marshall & Ilsley's Annual Report on Form 10-K for the fiscal year ended December 31, 2006 and its Quarterly Report on Form 10-Q for the fiscal quarter and the six months ended June 30, 2007 and it therefore discusses Marshall & Ilsley's historical financial condition and results of operations, including Metavante's business, rather than just Marshall & Ilsley's banking business. It also contains certain statements regarding events that have already occurred but at the time the reports were filed had not yet occurred.*

*This section should be read in conjunction with the audited consolidated financial statements and the unaudited interim financial statements of Marshall & Ilsley and the related notes included elsewhere in this proxy statement/prospectus information statement. This Management's Discussion and Analysis of Financial Condition and Results of Operations of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) contains forward-looking statements. See "Risk Factors" beginning on page 32 and "Special Note Regarding Forward-Looking Statements" beginning on page 55 for a discussion of the uncertainties, risks and assumptions associated with these forward-looking statements that could cause results to differ materially from those reflected in such forward-looking statements.*

**Overview**

***Three and Six Months Ended June 30, 2007 and 2006***

Marshall & Ilsley's overall strategy is to drive earnings per share growth by: (1) expanding banking operations not only in Wisconsin but also into faster growing regions beyond Wisconsin; (2) increasing the number of financial institutions to which Marshall & Ilsley provides correspondent banking services and products; (3) expanding trust services and other wealth management product and service offerings; and (4) separating Marshall & Ilsley and Metavante into two separate publicly traded companies, as discussed below.

In early April 2007, Marshall & Ilsley announced its plan to separate Marshall & Ilsley and Metavante into two separate publicly traded companies. Marshall & Ilsley believes this transaction will create two well-positioned companies and will provide substantial benefits to the shareholders of both companies by creating additional opportunities to focus on core businesses. Metavante expects to be able to drive earnings per share growth by having access to financial resources to continue to build new products, invest in new technologies, attract and retain employees and acquire additional companies. Marshall & Ilsley's enhanced capital position is expected to drive earnings per share growth by enabling it to provide resources for continued organic growth, fund strategic initiatives within wealth management and its other business lines and pursue opportunities in new geographic markets. This transaction, which is contingent upon satisfaction of various closing conditions, is expected to close in the fourth quarter of 2007. The closing conditions include approval of and adoption by Marshall & Ilsley shareholders, who will be asked to vote on the proposed transactions at a special meeting that will be held on a date to be announced, receipt of a favorable ruling from the Internal Revenue Service, sufficiency of New Metavante's funds, other regulatory approvals and other specified closing conditions.

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Marshall & Ilsley continues to focus on its key metrics of growing revenues through balance sheet growth, fee-based income growth and strong credit quality. Management believes that Marshall & Ilsley's fundamental performance in each of these key areas of its core businesses will result in a strong growth profile over time.

Net income for the second quarter of 2007 amounted to \$220.3 million compared to \$190.5 million for the same period in the prior year, an increase of \$29.8 million, or 15.6%. Diluted earnings per share were \$0.83 for the three months ended June 30, 2007 compared to \$0.74 for the three months ended June 30, 2006. The return on average assets and average equity was 1.53% and 13.54%, respectively, for the quarter ended June 30, 2007, and 1.43% and 13.49%, respectively, for the quarter ended June 30, 2006.

Net income for the first half of 2007 amounted to \$437.1 million compared to \$363.6 million for the same period in the prior year, an increase of \$73.5 million, or 20.2%. Diluted earnings per share were \$1.66 for the six months ended June 30, 2007 compared to \$1.46 for the six months ended June 30, 2006. The return on average assets and average equity was 1.54% and 13.79%, respectively, for the six months ended June 30, 2007, and 1.46% and 13.99%, respectively, for the six months ended June 30, 2006.

For the three and six months ended June 30, 2007, costs associated with the transactions amounted to \$2.6 million and \$4.0 million, respectively, and are included in a separate line within other expense in the Consolidated Statements of Income. Net income and diluted earnings per share excluding the transactions costs would have been \$222.6 million and \$0.84 per share for the three months ended June 30, 2007, respectively and \$440.7 million and \$1.68 per share for the six months ended June 30, 2007, respectively and the return on average assets and return on average equity would have been 1.55% and 13.69% for the three months ended June 30, 2007, respectively and 1.56% and 13.90% for the six months ended June 30, 2007, respectively. Marshall & Ilsley expects that transaction related costs will significantly increase in future quarters until the transactions are completed.

For the three months ended June 30, 2006, the impact of the mark-to-market adjustments associated with certain interest rate swaps and reported as net derivative losses-discontinued hedges within other income in the Consolidated Statements of Income, resulted in a decrease to net income of \$13.2 million and a decrease to diluted earnings per share of \$0.05 per share. Management believes the non-cash changes in earnings based on market volatility are not reflective of the core performance trends of Marshall & Ilsley. Excluding the non-cash changes in earnings based on market volatility, for the three months ended June 30, 2006, net income and diluted earnings per share would have been \$203.7 million and \$0.79 per share respectively, and the return on average assets and return on average equity would have been 1.52% and 14.36%, respectively.

For the six months ended June 30, 2006, the impact of the mark-to-market adjustments reported as net derivative losses-discontinued hedges within other income in the Consolidated Statements of Income, resulted in a decrease to net income of \$26.9 million and a decrease to diluted earnings per share of \$0.11 per share. Management believes the non-cash changes in earnings based on market volatility are not reflective of the core performance trends of Marshall & Ilsley. Excluding the non-cash changes in earnings based on market volatility, for the six months ended June 30, 2006, net income and diluted earnings per share would have been \$390.5 million and \$1.57 per share respectively, and the return on average assets and return on average equity would have been 1.57% and 14.96%, respectively.

A reconciliation of these non-GAAP operating results to GAAP results is provided later in this section. Earnings growth for the three and six months ended June 30, 2007 compared to the three and six months ended June 30, 2006 was attributable to a number of factors. For the three months ended June 30, 2007, the increase in net interest income was due to the contribution from the banking acquisition that was completed on April 1, 2007 and the two banking acquisitions completed in April 2006 as well as continued organic loan and bank issued deposit growth.

Net interest income was negatively affected by the repurchase of 6.1 million shares of Marshall & Ilsley's common stock during the second quarter of 2007. The increase in net charge-offs contributed to an increase in

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the provision for loan and lease losses in the second quarter of 2007. Metavante continued to exhibit growth in both revenue and earnings which was attributable, in part, to the impact of its acquisition activities as well as success in retaining and cross-selling products and services to its core customer base. Metavante's acquisition activities included one acquisition completed in the first quarter of 2007 and one acquisition completed in the third quarter of 2006. Continued organic growth in assets under management and assets under administration, an acquisition completed in April 2007, and improved investment performance resulted in solid growth in fee income for wealth management.

During the second quarter of 2007, Marshall & Ilsley sold its investment in MasterCard Class B common stock and realized a pre-tax gain of \$19.0 million. These factors along with continued organic expense management resulted in the reported earnings growth in the three and six months ended June 30, 2007 compared to the three and six months ended June 30, 2006.

The transactions to separate Marshall & Ilsley and Metavante into two separate publicly traded companies will significantly affect the financial condition, results of operations and cash flows for both Marshall & Ilsley and Metavante.

### ***Years Ended December 31, 2006, 2005 and 2004***

Marshall & Ilsley's overall strategy is to drive earnings per share growth by: (1) expanding banking operations not only in Wisconsin but also into faster growing regions beyond Wisconsin; (2) increasing the number of financial institutions to which Marshall & Ilsley provides correspondent banking services and products; (3) growing Metavante's business through organic growth, cross-sales of technology products and acquisitions; and (4) expanding trust services and other wealth management product and service offerings.

Marshall & Ilsley continues to focus on its key metrics of growing revenues through balance sheet growth, fee-based income growth and strong credit quality. Management believes that Marshall & Ilsley has demonstrated solid fundamental performance in each of these key areas and as a result, the year ended December 31, 2006 produced strong financial results across all of its segments and reporting units.

Net income in 2006 amounted to \$807.8 million or \$3.17 per diluted share. The return on average assets and return on average equity were 1.53% and 14.42%, respectively. By comparison, net income in 2005 was \$706.2 million, diluted earnings per share was \$2.99, the return on average assets was 1.63% and the return on average equity was 16.21%. For the year ended December 31, 2004, net income was \$605.9 million or \$2.66 per diluted share and the returns on average assets and average equity were 1.63% and 17.00%, respectively.

Net income for the year ended December 31, 2006 included the impact of the mark-to-market adjustments associated with certain interest rate swaps. Based on expanded interpretations of the accounting standard for derivatives and hedge accounting, specifically hedge designation under the matched-terms method, it was determined that certain transactions did not qualify for hedge accounting. As a result, any fluctuation in the fair value of the interest rate swaps was recorded in earnings with no corresponding offset to the hedged items or accumulated other comprehensive income. The affected interest rate swaps were designed to hedge the change in fair values of Marshall & Ilsley or cash flows of the underlying assets or liabilities and had performed effectively as economic hedges. Applying fair value accounting (versus hedge accounting) resulted in greater earnings volatility, particularly on a linked-quarter basis. The affected interest rate swaps were terminated in 2006 in order to avoid future earnings volatility due to mark-to-market accounting. The impact, which is reported as net derivative losses-discontinued hedges in the consolidated statements of income of Marshall & Ilsley, resulted in a decrease to net income of \$12.0 million or \$0.05 per diluted share. Management believes these changes in earnings based on market volatility are not reflective of the core performance trends of Marshall & Ilsley.

Excluding the changes in earnings based on market volatility, for the year ended December 31, 2006 net income and diluted earnings per share would have been \$819.8 million and \$3.22 per share respectively, and the



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return on average assets and return on average equity would have been 1.56% and 14.58%, respectively. The resulting growth in income and diluted earnings per share in 2006 compared to 2005 would have been \$113.6 million or 16.1% and \$0.23 per share or 7.7%, respectively.

A reconciliation of these 2006 non-GAAP operating results to GAAP results is provided later in this section.

Earnings growth in 2006 compared to 2005 was attributable to a number of factors. The increase in net interest income was due to strong organic loan and bank issued deposit growth and the contribution from the two banking acquisitions that were completed on April 1, 2006. Net charge-offs continued to be below Marshall & Ilsley's five-year historical average in 2006. Metavante continued to exhibit growth in both revenue and earnings that was attributable, in part, to new sales, the impact of its acquisition activities and success in retaining and cross-selling products and services to its core customer base. Continued growth in assets under management and assets under administration resulted in solid growth in fee income for wealth management. Although an unpredictable source of earnings, Marshall & Ilsley's Capital Markets Group investment securities gains were relatively insignificant in 2006 compared to the past two years. These factors, along with continued expense management, all contributed to the consolidated earnings growth in 2006.

With regard to the outlook in 2007 for the Banking segment, management expects modest net interest margin compression of up to a few basis points per quarter to continue. Commercial and industrial loan growth is expected to moderate slightly, and is expected to show low double-digit growth rates. Commercial real estate growth is expected to be in the mid single digit percentage range. Nonperforming loans and leases as a percent of total loans and leases are expected to be in the range of 65 basis points to 75 basis points. Management expects Metavante's total revenue in 2007 to be in the range of \$1.60 billion to \$1.64 billion with margins similar to those achieved in 2006.

Management continues to expect that net charge-offs will trend to historical levels and range from 15 basis points to 20 basis points of average loans and leases over time.

Marshall & Ilsley's actual results for 2007 could differ materially from those expected by management. See Special Note Regarding Forward-Looking Statements beginning on page 55 for a discussion of the various risk factors that could cause actual results to differ materially from expected results.

The results of operations and financial condition for the periods presented include the effects of the acquisitions by Metavante as well as the banking-related and wealth management-related acquisitions from the dates of consummation of the acquisitions. All transactions were accounted for using the purchase method of accounting. See Note 5 in Notes to Consolidated Financial Statements of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) included in this proxy statement/prospectus information statement for a discussion of Marshall & Ilsley's acquisitions completed in 2006, 2005 and 2004.

### **Recently Completed Acquisitions**

#### ***Three and Six Months Ended June 30, 2007 and 2006***

The following acquisitions were recently announced or completed:

On July 9, 2007, Marshall & Ilsley announced the signing of a definitive agreement to acquire First Indiana. First Indiana, based in Indianapolis, Indiana had \$2.2 billion in consolidated assets as of June 30, 2007, and has 32 offices in central Indiana. Under the terms of the definitive agreement, stockholders of First Indiana will receive \$32.00 in cash for each share of First Indiana common stock outstanding, or approximately \$529.0 million in the aggregate. The transaction is expected to close in the fourth quarter of 2007 or in the first quarter of 2008, subject to the affirmative vote of First Indiana's stockholders, regulatory approvals and other customary closing conditions.

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On July 1, 2007, Marshall & Ilsley completed its acquisition of Excel. Pursuant to an amended and restated merger agreement, shareholders of Excel received \$13.97 per share in cash for each issued and outstanding share of Excel common stock, or approximately \$105.0 million in the aggregate. Outstanding options to acquire Excel common stock were converted into options to acquire Marshall & Ilsley's common stock. Excel, with \$616.0 million in consolidated assets as of June 30, 2007, has four branches in the greater Minneapolis/St. Paul, Minnesota metropolitan area. The current Excel branches became branches of M&I Bank on August 1, 2007.

On April 20, 2007, Marshall & Ilsley completed its acquisition of North Star of Chicago, Illinois. Total consideration in this transaction amounted to \$21.0 million, consisting of 441,252 shares of Marshall & Ilsley's common stock valued at \$47.55 per common share. North Star and its subsidiaries provide a variety of wealth management services through personal and other trusts. In addition, North Star offers a variety of other products and services including land trusts, 1031 exchanges for both real and personal property, and ESOP services, including consultative services relating to the transfer of small-business stock ownership. North Star's businesses were integrated with Marshall & Ilsley's wealth management unit.

On April 1, 2007, Marshall & Ilsley completed its acquisition of United Heritage. United Heritage Bank, a wholly-owned subsidiary of United Heritage, with \$791.3 million in assets as of March 31, 2007, has 13 branches in the metropolitan Orlando area. Total consideration in this transaction amounted to approximately \$219.6 million, consisting of 4,410,647 shares of Marshall & Ilsley's common stock valued at \$204.3 million and the exchange of vested stock options valued at approximately \$15.3 million. The current United Heritage Bank branches became M&I Bank branches on June 1, 2007.

On January 17, 2007, Metavante acquired all of the outstanding stock of Valutec Card Solutions, Inc. ( Valutec ) for \$41.0 million in cash. Valutec provides closed-loop, in-store gift and loyalty card solutions for small and medium sized businesses, including hosted account management, reporting capabilities, plastic card design and production and card program merchandising products.

See Note 7 Business Combinations in Notes to Consolidated Financial Statements of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) included in this proxy statement/prospectus information statement for further discussion of Marshall & Ilsley's acquisition activities.

***Years Ended December 31, 2006, 2005 and 2004***

The following acquisitions, which are not considered to be material business combinations, have been announced:

In February 2007, Marshall & Ilsley announced the signing of a definitive agreement to acquire Minneapolis, Minnesota-based Excel. Excel, with \$615 million in consolidated assets as of December 31, 2006, has four branches in the greater Minneapolis/St. Paul metropolitan area. Under the terms of the definitive agreement, Excel shareholders will receive \$9.08 in cash and a fraction of a share of Marshall & Ilsley's common stock having a value of \$4.89 for each share of Excel common stock or a total of \$13.97 for each share of Excel common stock. The transaction value is estimated to be approximately \$105 million. This transaction is expected to be completed in the third quarter of 2007, subject to the affirmative vote of the holders of a majority of Excel's outstanding shares, regulatory approvals and other customary closing conditions.

In January 2007, Metavante announced the acquisition of Valutec. Valutec is a provider of closed-loop, in-store gift and loyalty card solutions to small and medium-sized businesses. This acquisition expands Metavante's ability to offer a wider selection of prepaid gift card options to its merchant customer base and will enable Metavante's current financial institution customers to offer merchant-branded cards and services to their merchant customers. This acquisition was completed on January 17, 2007. Total cash consideration amounted to \$41.0 million.

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In January 2007, Marshall & Ilsley announced the signing of a definitive agreement to acquire North Star. North Star and its subsidiaries, with \$1.6 billion in assets under administration, provide a variety of wealth management services through personal and other trusts. In addition, North Star offers a variety of other products and services including land trusts, 1031 exchanges for both real and personal property and ESOP services, including consultative services relating to the transfer of small-business stock ownership. Under the terms of the definitive agreement, Marshall & Ilsley agreed to pay \$21.0 million in Marshall & Ilsley's common stock for the outstanding common shares of North Star. This transaction was completed on April 20, 2007.

In December 2006, Marshall & Ilsley announced the signing of a definitive agreement to acquire United Heritage headquartered in Orlando, Florida. United Heritage, with \$751 million in assets as of December 31, 2006, has 13 branches in the metropolitan Orlando area. The current United Heritage Bank branches became Marshall & Ilsley Bank branches on June 1, 2007. Total consideration in this transaction amounted to approximately \$219.6 million. This transaction was completed on April 1, 2007.

## **Significant Transactions**

### ***Three and Six Months Ended June 30, 2007 and 2006***

Some of the more noteworthy transactions and events that occurred in the three and six months ended June 30, 2007 and 2006 consisted of the following:

#### ***Second Quarter 2007***

As previously discussed, on April 1, 2007, Marshall & Ilsley completed its acquisition of United Heritage and on April 20, 2007, Marshall & Ilsley completed its acquisition of North Star.

During the second quarter of 2007, Marshall & Ilsley completed two accelerated share repurchase transactions under its authorized stock repurchase program. In the aggregate, Marshall & Ilsley acquired 6.1 million shares of its common stock in these transactions. Total consideration in these transactions amounted to \$297.3 million and consisted of cash of \$294.7 million and common treasury stock valued at \$2.6 million. In conjunction with the first accelerated share repurchase transaction executed during the second quarter of 2007, Marshall & Ilsley used 54,035 shares of its treasury common stock to share-settle the final settlement obligation.

During the second quarter of 2007, Marshall & Ilsley sold its investment in MasterCard Class B common shares and realized a pre-tax gain of \$19.0 million. That gain is reported in net investment securities gains in the Consolidated Statements of Income. Marshall & Ilsley sold its investment in order to monetize the significant appreciation in the market price of the common stock of MasterCard since its initial public offering.

During the second quarter and first half of 2007, Marshall & Ilsley realized a pre-tax loss of \$1.0 million and a pre-tax gain of \$7.0 million, respectively, related to Metavante's investment in Firstsource. See Note 3 Equity Investment in Firstsource Solutions Limited in Notes to Consolidated Financial Statements of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) included in this proxy statement/prospectus information statement for further information. Marshall & Ilsley expects that additional gains and/or losses from Firstsource equity activities could be recognized in future periods.

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As previously discussed, costs associated with the transactions to separate Marshall & Ilsley and Metavante into two separate publicly traded companies amounted to a pre-tax expense of \$2.6 million (\$2.3 million after-tax) for the three months ended June 30, 2007 and \$4.0 million (\$3.6 million after-tax) for the six months ended June 30, 2007.

### ***First Quarter 2007***

Costs associated with the transactions to separate Marshall & Ilsley and Metavante into two separate publicly traded companies amounted to a pre-tax expense of \$1.5 million (\$1.3 million after-tax) for the three months ended March 31, 2007.

During the first quarter of 2007, Marshall & Ilsley realized \$8.0 million in pre-tax gains related to Metavante's investment in Firstsource.

The impact of the previously discussed gains were in part offset by the loss associated with the call of Marshall & Ilsley's 7.65% junior subordinated deferrable interest debentures and the related M&I Capital Trust A 7.65% trust preferred securities. The loss amounted to \$9.5 million and is included in other expense in the Consolidated Statements of Income.

### ***Second Quarter 2006***

The results of operations and financial position as of and for the three months ended June 30, 2006 included the effect of the previously announced acquisitions of Gold Banc and Trustcorp which were both completed on April 1, 2006. As of April 1, 2006, the combined assets of Gold Banc and Trustcorp amounted to approximately \$4.9 billion. The combined purchase price for these companies, which included approximately \$146.0 million of cash, amounted to \$898.2 million. In the aggregate, 16.74 million shares of Marshall & Ilsley's common stock were issued and fully vested stock options to purchase 0.5 million of Marshall & Ilsley's common stock were exchanged in these transactions.

As previously discussed, Marshall & Ilsley determined during 2006 that certain transactions did not qualify for hedge accounting. The impact of the mark-to-market adjustments associated with certain interest rate swaps and reported as net derivative losses-discontinued hedges in the Consolidated Statements of Income, resulted in a decrease to net income of \$13.2 million and a decrease to diluted earnings per share of \$0.05 for the three months ended June 30, 2006. For the six months ended June 30, 2006, net derivative losses-discontinued hedges resulted in a decrease to net income of \$26.9 million and a decrease of \$0.11 to diluted earnings per share.

### ***First Quarter 2006***

The impact of the mark-to-market adjustments associated with certain interest rate swaps and reported as net derivative losses-discontinued hedges in the Consolidated Statements of Income, resulted in a decrease to net income of \$13.7 million and a decrease to diluted earnings per share of \$0.06 per share for the three months ended March 31, 2006.

### ***Years Ended December 31, 2006, 2005 and 2004***

Some of the more significant transactions in 2006, 2005 and 2004 consisted of the following:

During 2006, Metavante completed two acquisitions. Also during 2006, Marshall & Ilsley completed two banking acquisitions and one wealth management acquisition.

On January 1, 2006, Marshall & Ilsley adopted Statement of Financial Accounting Standards No. 123 (revised 2004), *Share-Based Payment* (SFAS 123(R)), which requires that all share-based compensation be

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expensed. For Marshall & Ilsley, additional expense was reported for its stock option awards and its employee stock purchase plan. In conjunction with the adoption of SFAS 123(R), Marshall & Ilsley elected the Modified Retrospective Application method to implement the new accounting standard. Under that method all prior period consolidated and segment financial information was adjusted based on pro forma amounts previously disclosed.

On January 1, 2006, the Banking segment transferred its external item processing business, including all check-processing client relationships to Metavante. During 2006, Marshall & Ilsley transferred the residential and commercial mortgage banking reporting units to the Banking segment. The segment information contained in Note 24 in Notes to Consolidated Financial Statements of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) included in this proxy statement/prospectus information statement was adjusted for these transfers.

During 2005, Metavante completed six acquisitions.

During the second and third quarters of 2005, Marshall & Ilsley realized a gain primarily due to the sale of an entity associated with its investment in an independent private equity and venture capital partnership. The gross pre-tax gain amounted to \$29.4 million and is reported in net investment securities gains in the Consolidated Statements of Income of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) included in this proxy statement/prospectus information statement. On an after-tax basis, and net of related compensation expense, the gain amounted to \$16.5 million or \$0.07 per diluted share for the twelve months ended December 31, 2005.

During the third quarter of 2005, Marshall & Ilsley realized a gain due to an equity investment that Marshall & Ilsley liquidated in a cash tender offer. The pre-tax gain amounted to \$6.6 million and is reported in net investment securities gains in the Consolidated Statements of Income of Marshall & Ilsley (Accounting Predecessor to New Marshall & Ilsley) included in this proxy statement/prospectus information statement. On an after-tax basis, the gain amounted to \$3.9 million or \$0.02 per diluted share for the twelve months ended December 31, 2005.

During 2004, Metavante completed six acquisitions and the Banking segment completed one acquisition.

During 2004, net pre-tax gains associated with Marshall & Ilsley's Capital Markets Group investments amounted to \$34.6 million. Approximately \$34.1 million of the net gain in 2004 was from a net unrealized gain recognized in the fourth quarter of 2004 due to the net increase in market value of an investment in an independent private equity and venture capital partnership.

The net unrealized gain recognized in the fourth quarter of 2004 was offset by charitable foundation expense which was higher than historical levels and other accrual adjustments that amounted to approximately \$6.8 million.

During 2004, Metavante sold its small business 401k Retirement Plan Services operations. In conjunction with an expanded processing relationship, Metavante also sold the direct customer base of Paytrust.com in 2004. These transactions resulted in an aggregate pre-tax loss of approximately \$7.1 million.

During 2004, Marshall & Ilsley issued 3.6 million shares of its common stock in a public offering that resulted in net proceeds to Marshall & Ilsley of approximately \$149.9 million. Also during 2004, Marshall & Ilsley issued \$400 million of equity units (referred to as Common SPACES<sup>SM</sup>) that resulted in net proceeds to Marshall & Ilsley of approximately \$389.2 million. Each Common SPACES consists of (i) a stock purchase contract under which the investor agrees to purchase for \$25.00, a fraction of a share of Marshall & Ilsley's common stock on the stock purchase date and (ii) a 1/40, or 2.5%, undivided beneficial interest in a preferred

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security of M&I Capital Trust B (also referred to as the STACKS<sup>SM</sup>) with each share having an initial liquidation value of \$1,000. The stock purchase date was August 15, 2007. On the stock purchase date, approximately 9.2 million common shares were issued to settle shares issuable pursuant to the stock purchase contracts. The proceeds from these issuances together with proceeds from the issuance of \$600.0 million of senior notes were used for general corporate purposes, including maintaining capital at desired levels and providing long-term financing for the acquisitions completed by Metavante in 2004.

During 2004, Marshall & Ilsley's Banking segment prepaid and retired certain higher cost long-term debt and terminated some related receive floating/pay fixed interest rate swaps designated as cash flow hedges. The total debt retired amounted to \$355.0 million and the charge to earnings amounted to a loss of \$6.9 million.

**Net Interest Income***Three and Six Months Ended June 30, 2007 and 2006*

Net interest income is the difference between interest earned on earning assets and interest owed on interest bearing liabilities. Net interest income represented 42.4% of Marshall & Ilsley's source of revenues for the three months ended June 30, 2007 compared to 45.0% for the three months ended June 30, 2006. For the six months ended June 30, 2007 net interest income represented 43.0% of Marshall & Ilsley's source of revenues compared to 43.5% for the six months ended June 30, 2006.

Net interest income for the second quarter of 2007 amounted to \$395.9 million compared to \$376.8 million reported for the second quarter of 2006, an increase of \$19.1 million or 5.1%. For the six months ended June 30, 2007, net interest income amounted to \$786.2 million compared to \$701.9 million reported for the six months ended June 30, 2006, an increase of \$84.3 million or 12.0%. Acquisition-related and organic loan growth and the growth in bank issued deposits were the primary contributors to the increase in net interest income. Factors negatively affecting net interest income compared to the prior year included the impact of the financing costs associated with the 2006 banking acquisitions and Metavante's acquisitions, the cost of common stock repurchases, tightening loan spreads and a general shift in the bank issued deposit mix from lower cost to higher cost deposit products.

Average earning assets increased \$3.6 billion or 7.6% in the second quarter of 2007 compared to the second quarter of 2006. Average loans and leases accounted for \$3.2 billion of the growth in average earning assets in the second quarter of 2007 compared to the second quarter of 2006. Average investment securities increased \$0.4 billion in the second quarter of 2007 over the prior year second quarter.

Average interest bearing liabilities amounted to \$43.9 billion in the second quarter of 2007 compared to \$40.8 billion in the second quarter of 2006, an increase of \$3.1 billion or 7.6%. Average interest bearing deposits increased \$0.3 billion or 1.3% in the second quarter of 2007 compared to the second quarter of 2006. Average total borrowings increased \$2.8 billion or 20.6% in the second quarter of 2007 compared to the same period in 2006.

Average noninterest bearing deposits were relatively unchanged in the three months ended June 30, 2007 compared to the three months ended June 30, 2006.

For the six months ended June 30, 2007, average earning assets amounted to \$50.4 billion compared to \$44.3 billion in the six months ended June 30, 2006, an increase of \$6.1 billion or 13.7%. Average loans and leases accounted for \$5.3 billion of the growth in average earning assets in the six months ended June 30, 2007 compared to the six months ended June 30, 2006. Average investment securities increased approximately \$0.8 billion over the comparative six month periods.

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Average interest bearing liabilities increased \$5.4 billion or 14.3% in the six months ended June 30, 2007 compared to the six months ended June 30, 2006. Average interest bearing deposits increased \$2.5 billion or 10.1% in the six months ended June 30, 2007 compared to the six months ended June 30, 2006. Average total borrowings increased \$2.9 billion or 22.4% over the comparative six month periods.

For the six months ended June 30, 2007 compared to the six months ended June 30, 2006, average noninterest bearing deposits increased \$0.2 billion or 3.9%.

The growth and composition of Marshall & Ilsley's quarterly average loan and lease portfolio for the current quarter and previous four quarters are reflected in the following table (\$ in millions):

**Consolidated Average Loans and Leases**

	2007		Fourth Quarter	2006		Growth Pct.	
	Second Quarter	First Quarter		Third Quarter	Second Quarter	Annual	Prior Quarter
<b>Commercial loans and leases</b>							
Commercial	\$ 12,494	\$ 12,164	\$ 11,800	\$ 11,559	\$ 11,441	9.2%	2.7%
Commercial real estate							
Commercial mortgages	11,175	10,936	10,932	10,838	10,746	4.0	2.2
Construction	3,607	3,480	3,346	3,227	2,834	27.3	3.6
Total commercial real estate	14,782	14,416	14,278	14,065	13,580	8.8	2.5
Commercial lease financing	507	513	538	529	504	0.7	(1.1)
<b>Total commercial loans and leases</b>	<b>27,783</b>	<b>27,093</b>	<b>26,616</b>	<b>26,153</b>	<b>25,525</b>	<b>8.8</b>	<b>2.5</b>
<b>Personal loans and leases</b>							
Residential real estate							
Residential mortgages	6,562	6,382	6,195	5,924	5,621	16.7	2.8
Construction	2,827	2,780	2,649	2,471	2,365	19.6	1.7
Total residential real estate	9,389	9,162	8,844	8,395	7,986	17.6	2.5
Personal loans							
Student	70	113	78	47	51	36.9	(37.7)
Credit card	249	245	250	246	237	4.8	1.4
Home equity loans and lines	4,223	4,295	4,387	4,474	4,596	(8.1)	(1.7)
Other	1,019	1,031	1,101	1,143	1,167	(12.6)	(1.1)
Total personal loans	5,561	5,684	5,816	5,910	6,051	(8.1)	(2.2)
Personal lease financing	176	168	162	150	136	29.3	4.9
<b>Total personal loans and leases</b>	<b>15,126</b>	<b>15,014</b>	<b>14,822</b>	<b>14,455</b>	<b>14,173</b>	<b>6.7</b>	<b>0.8</b>
<b>Total consolidated average loans and leases</b>	<b>\$ 42,909</b>	<b>\$ 42,107</b>	<b>\$ 41,438</b>	<b>\$ 40,608</b>	<b>\$ 39,698</b>	<b>8.1%</b>	<b>1.9%</b>

Total consolidated average loans and leases increased \$3.2 billion or 8.1% in the second quarter of 2007 compared to the second quarter of 2006. Excluding the effect of the banking acquisitions, total consolidated average loan and lease organic growth was 6.9% in the second quarter of 2007 compared to the second quarter of 2006. Approximately \$0.4 billion of the growth in total consolidated average loans and leases was attributable to the banking acquisitions and \$2.8 billion of the growth was organic. Of the average growth attributable to the banking acquisitions, \$0.4 billion was attributable to average commercial real estate loans. Of the \$2.8 billion of average loan and lease organic growth, \$1.0 billion was attributable to average commercial loans and leases, \$0.8 billion was attributable to average commercial real estate loans, and \$1.4 billion was attributable to





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residential real estate loans. From a production standpoint, residential real estate loan closings in the second quarter of 2007 were \$1.3 billion compared to \$1.4 billion in the second quarter of 2006. Average home equity loans and lines declined \$0.4 billion in the second quarter of 2007 compared to the second quarter of 2006.

For the six months ended June 30, 2007, total consolidated average loans and leases increased \$5.3 billion or 14.3% compared to the six months ended June 30, 2006. Excluding the effect of the 2007 and 2006 banking acquisitions, total consolidated average loan and lease organic growth was 8.0% for the six months ended June 30, 2007 compared to the six months ended June 30, 2006. Approximately \$2.2 billion of the growth in total consolidated average loans and leases was attributable to the banking acquisitions and \$3.1 billion of the growth was organic. Of the \$2.2 billion of average growth attributable to the banking acquisitions, \$1.6 billion was attributable to average commercial real estate loans, approximately \$0.5 billion was attributable to average commercial loans and leases and \$0.1 billion was attributable to average residential real estate loans. Of the \$3.1 billion of average loan and lease organic growth, \$1.2 billion was attributable to average commercial loans and leases, \$0.9 billion was attributable to average commercial real estate loans, and \$1.5 billion was attributable to residential real estate loans. From a production standpoint, residential real estate loan closings in the first half of 2007 and the first half of 2006 were \$2.3 billion and \$2.6 billion, respectively. Average home equity loans and lines declined \$0.4 billion in the six months ended June 30, 2007 compared to the six months ended June 30, 2006. Average personal loans and leases decreased \$0.1 billion in the first half of 2007 compared to the same period in 2006.

Total average commercial loan and lease organic growth was 8.2% in the second quarter of 2007 compared to the second quarter of 2006. For the six months ended June 30, 2007 compared to the six months ended June 30, 2006 total average commercial loan and lease organic growth was 10.7%. Commercial loan and lease organic growth continued to be positive in the first half of 2007 although Marshall & Ilsley has seen some slowing in certain businesses. Management believes that year over year organic commercial loan growth (as a percentage) will continue its slight moderation and expects organic commercial loan growth will be in the mid-to-high single digit percentage range in 2007. Total average commercial real estate loan organic growth was 6.0% in the second quarter of 2007 compared to the second quarter of 2006. For the six months ended June 30, 2007 compared to the six months ended June 30, 2006 total average commercial real estate loan organic growth was 6.9%. Marshall & Ilsley continues to experience some slowing in the construction market for both commercial and residential developers, and to some extent throughout the commercial real estate business. Marshall & Ilsley expects organic commercial real estate loan growth in 2007 will be in the mid single digit percentage range.

Home equity loans and lines, which includes Marshall & Ilsley's wholesale activity, continue to be one of Marshall & Ilsley's primary consumer loan products. Average home equity loans and lines declined in the second quarter and first half of 2007 compared to the second quarter and first half of 2006. This is consistent with what is occurring in many parts of the country. It is expected that the softer home equity market, combined with Marshall & Ilsley's continued sales of certain loans at origination will continue to impact balance sheet organic loan growth. Management does not expect this trend to change in the near term.

Marshall & Ilsley sells some of its residential real estate production (residential real estate and home equity loans) in the secondary market. Selected residential real estate loans with rate and term characteristics that are considered desirable are periodically retained in the portfolio. For each of the three months ended June 30, 2007 and 2006, real estate loans sold to investors amounted to \$0.6 billion. For each of the six months ended June 30, 2007 and 2006, real estate loans sold to investors amounted to \$1.2 billion. At June 30, 2007 and 2006, Marshall & Ilsley had approximately \$50.3 million and \$123.4 million of mortgage loans held for sale, respectively. Gains from the sale of mortgage loans amounted to \$10.4 million in the second quarter of 2007 compared to \$11.8 million in the second quarter of 2006. For the six months ended June 30, 2007, gains from the sale of mortgage loans amounted to \$19.2 million compared to \$23.7 million in the six months ended June 30, 2006.

Marshall & Ilsley maintains a conservative credit profile in its home equity and mortgage portfolios. At June 30, 2007, Marshall & Ilsley's average loan-to-value ratios and credit scores were 78% and 725 for its

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residential real estate loan portfolio and 80% and 729 for its home equity portfolios, respectively. Marshall & Ilsley does not originate for portfolio, sub-prime mortgages or sub-prime home equity loans or lines. Marshall & Ilsley's exposure to residential real estate and home equity borrowers with credit scores that were less than 620 was approximately \$285 million at June 30, 2007.

During the second quarter of 2007, Marshall & Ilsley opted to discontinue the sale and securitization of automobile loans into the secondary market. The loans previously classified as held for sale, were reclassified as portfolio loans at the lower of cost or market. Auto loans securitized and sold in the second quarters of 2007 and 2006 amounted to \$0.05 billion and \$0.2 billion, respectively. For the six months ended June 30, 2007, auto loans securitized and sold amounted to \$0.2 billion compared to \$0.3 billion in the six months ended June 30, 2006. Net gains from the sale and securitization of auto loans for the three and six months ended June 30, 2007 amounted to \$1.3 million and \$1.1 million, respectively. Net gains and losses from the sale and securitization of auto loans were not significant in either the three or six months ended June 30, 2006.

The growth and composition of Marshall & Ilsley's quarterly average deposits for the current and previous four quarters are as follows (\$ in millions):

**Consolidated Average Deposits**

	2007		2006		Growth Pct.		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	Annual	Prior Quarter
<b>Bank issued deposits</b>							
<b>Noninterest bearing deposits</b>							
Commercial	\$ 3,849	\$ 3,769	\$ 4,000	\$ 3,948	\$ 3,873	(0.06)%	2.1%
Personal	996	964	951	953	998	(0.2)	3.3
Other	586	586	575	561	533	10.1	0.0
<b>Total noninterest bearing deposits</b>	<b>5,431</b>	<b>5,319</b>	<b>5,526</b>	<b>5,462</b>	<b>5,404</b>	<b>0.5</b>	<b>2.1</b>
<b>Interest bearing activity deposits</b>							
Savings and NOW	2,929	2,951	2,961	3,081	3,251	(9.9)	(0.7)
Money Market	8,587	8,260	8,128	7,795	7,389	16.2	3.9
Foreign activity	1,394	1,424	1,427	1,151	1,000	39.3	(2.1)
<b>Total interest bearing activity deposits</b>	<b>12,910</b>	<b>12,635</b>	<b>12,516</b>	<b>12,027</b>	<b>11,640</b>	<b>10.9</b>	<b>2.2</b>
<b>Time deposits</b>							
Other CDs and time deposits	4,882	4,832	4,847	4,843	4,769	2.4	1.0
CDs greater than \$100,000	3,636	3,401	3,264	3,137	2,878	26.4	6.9
<b>Total time deposits</b>	<b>8,518</b>	<b>8,233</b>	<b>8,111</b>	<b>7,980</b>	<b>7,647</b>	<b>11.4</b>	<b>3.5</b>
<b>Total bank issued deposits</b>	<b>26,859</b>	<b>26,187</b>	<b>26,153</b>	<b>25,469</b>	<b>24,691</b>	<b>8.8</b>	<b>2.6</b>
<b>Wholesale deposits</b>							
Money market	1,795	938	835	795	737	143.5	91.4
Brokered CDs	3,635	4,332	5,257	5,510	5,382	(32.5)	(16.1)
Foreign time	829	1,101	892	1,147	1,931	(57.1)	(24.7)
<b>Total wholesale deposits</b>	<b>6,259</b>	<b>6,371</b>	<b>6,984</b>	<b>7,452</b>	<b>8,050</b>	<b>(22.3)</b>	<b>(1.8)</b>
<b>Total consolidated average deposits</b>	<b>\$ 33,118</b>	<b>\$ 32,558</b>	<b>\$ 33,137</b>	<b>\$ 32,921</b>	<b>\$ 32,741</b>	<b>1.2%</b>	<b>1.7%</b>

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Average total bank issued deposits increased \$2.2 billion or 8.8% in the second quarter of 2007 compared to the second quarter of 2006. Excluding the effect of the banking acquisitions, average total bank issued deposit organic growth was 5.8% in the second quarter of 2007 compared to the second quarter of 2006. Approximately \$0.7 billion of the growth in average total bank issued deposits was attributable to the banking acquisitions and \$1.5 billion of the growth was organic. Of the \$0.7 billion of average growth attributable to the banking acquisitions, \$0.1 billion was attributable to average noninterest bearing deposits, \$0.3 billion was attributable to average interest bearing deposits and \$0.3 billion was attributable to average time deposits. Of the \$1.5 billion of average bank issued deposit organic growth, \$1.0 billion was attributable to average interest bearing deposits and \$0.5 billion was attributable to average time deposits. Excluding the effect of the banking acquisitions, average noninterest bearing deposits were relatively unchanged in the second quarter of 2007 compared to the second quarter of 2006.

For the six months ended June 30, 2007, average total bank issued deposits increased \$3.7 billion or 16.2% compared to the six months ended June 30, 2006. Excluding the effect of the 2007 and 2006 banking acquisitions, average total bank issued deposit organic growth was 7.4% in the six months ended June 30, 2007 compared to the six months ended June 30, 2006. Approximately \$1.9 billion of the growth in average total bank issued deposits was attributable to the banking acquisitions and \$1.8 billion of the growth was organic. Of the \$1.9 billion of average growth attributable to the banking acquisitions, \$0.3 billion was attributable to average noninterest bearing deposits, \$0.6 billion was attributable to average interest bearing deposits and \$1.0 billion was attributable to average time deposits. Of the \$1.8 billion of average bank issued deposit organic growth, \$1.1 billion was attributable to average interest bearing deposits and \$0.7 billion was attributable to average time deposits. Excluding the effect of the banking acquisitions, average noninterest bearing deposits were relatively unchanged in the first half of 2007 compared to the first half of 2006.

Noninterest bearing deposit balances tend to exhibit some seasonality with a trend of balances declining somewhat in the early part of the year followed by growth in balances throughout the remainder of the year. A portion of the noninterest balances, especially commercial balances, is sensitive to the interest rate environment. Larger balances tend to be maintained when overall interest rates are low and smaller balances tend to be maintained as overall interest rates increase.

For the three and six months ended June 30, 2007 compared to the three and six months ended June 30, 2006, Marshall & Ilsley has been able to competitively price deposit products which has contributed to the growth in average bank issued interest bearing activity deposits and average bank issued time deposits. In addition, Marshall & Ilsley continues to experience shifts in the bank issued deposit mix. In their search for higher yields, both new and existing customers have been migrating their deposit balances to higher cost money market and time deposit products. Management expects this behavior to continue.

Wholesale deposits are funds in the form of deposits generated through distribution channels other than Marshall & Ilsley's own banking branches. Marshall & Ilsley continues to make use of wholesale funding alternatives, especially brokered and institutional certificates of deposit. These deposits allow Marshall & Ilsley's bank subsidiaries to gather funds across a wider geographic base and at pricing levels considered attractive, where the underlying depositor may be retail or institutional. Recently, Marshall & Ilsley has placed less reliance on wholesale deposits. For the three months ended June 30, 2007, average wholesale deposits decreased \$1.8 billion, or 22.3% compared to the three months ended June 30, 2006. For the six months ended June 30, 2007 average wholesale deposits decreased \$1.0 billion, or 13.4% compared to the six months ended June 30, 2006. Average wholesale deposits for the six months ended June 30, 2007 include approximately \$0.2 billion of wholesale deposits that were assumed in the 2006 banking acquisitions.

Total borrowings increased \$0.9 billion to \$15.4 billion at June 30, 2007, compared to \$14.5 billion at December 31, 2006. During the second quarter of 2007, Marshall & Ilsley's lead bank, M&I Bank issued \$600 million of floating rate subordinated bank notes indexed to the three month LIBOR with a final maturity date of 2012 subject to Marshall & Ilsley's option to call the notes at par on December 4, 2007, March 4, 2008

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and June 4, 2008. During the first quarter of 2007, Marshall & Ilsley issued floating rate long term borrowings in the amount of \$1.2 billion which are indexed to the one month LIBOR and mature at various times from 2008 through 2013. In addition, a \$0.3 billion fixed rate borrowing with an interest rate of 5.15% and a maturity date of 2012 was issued in the first quarter of 2007. During the first quarter of 2007, Marshall & Ilsley called its \$200 million in principal amount of 7.65% junior subordinated deferrable interest debentures and the related M&I Capital Trust A 7.65% trust preferred securities.

Marshall & Ilsley's consolidated average interest earning assets and interest bearing liabilities, interest earned and interest paid for the three and six months ended June 30, 2007 and 2006, are presented in the following tables (\$ in millions):

**Consolidated Yield and Cost Analysis**

	Three Months Ended			Three Months Ended		
	June 30, 2007			June 30, 2006		
	Average Balance	Interest	Average Yield or Cost (b)	Average Balance	Interest	Average Yield or Cost (b)
<b>Loans and leases: (a)</b>						
Commercial loans and leases	\$ 13,000.8	\$ 245.8	7.58%	\$ 11,944.7	\$ 218.1	7.32%
Commercial real estate loans	14,781.7	279.3	7.58	13,580.4	248.6	7.34
Residential real estate loans	9,388.7	170.5	7.28	7,985.7	139.7	7.01
Home equity loans and lines	4,223.2	79.1	7.52	4,595.7	82.6	7.21
Personal loans and leases	1,514.3	29.4	7.80	1,591.5	28.5	7.20
<b>Total loans and leases</b>	<b>42,908.7</b>	<b>804.1</b>	<b>7.52</b>	<b>39,698.0</b>	<b>717.5</b>	<b>7.25</b>
<b>Investment securities (b):</b>						
Taxable	6,325.7	78.7	4.94	5,818.3	70.9	4.79
Tax Exempt (a)	1,300.1	21.6	6.72	1,316.1	22.9	7.04
<b>Total investment securities</b>	<b>7,625.8</b>	<b>100.3</b>	<b>5.24</b>	<b>7,134.4</b>	<b>93.8</b>	<b>5.19</b>
Trading securities (a)	58.4	0.3	2.47	50.3	0.2	1.70
Other short-term investments	273.3	3.7	5.40	374.2	5.0	5.37
<b>Total interest earning assets</b>	<b>\$ 50,866.2</b>	<b>\$ 908.4</b>	<b>7.16%</b>	<b>\$ 47,256.9</b>	<b>\$ 816.5</b>	<b>6.91%</b>
<b>Interest bearing deposits:</b>						
<b>Bank issued deposits:</b>						
Bank issued interest bearing activity deposits	\$ 12,910.2	\$ 114.9	3.57%	\$ 11,639.6	\$ 94.5	3.26%
Bank issued time deposits	8,518.1	104.9	4.94	7,646.9	81.0	4.25
<b>Total bank issued deposits</b>	<b>21,428.3</b>	<b>219.8</b>	<b>4.11</b>	<b>19,286.5</b>	<b>175.5</b>	<b>3.65</b>
Wholesale deposits	6,258.5	79.4	5.09	8,050.6	96.0	4.78
<b>Total interest bearing deposits</b>	<b>27,686.8</b>	<b>299.2</b>	<b>4.33</b>	<b>27,337.1</b>	<b>271.5</b>	<b>3.98</b>
Short-term borrowings	4,297.7	56.0	5.23	3,418.6	43.1	5.06
Long-term borrowings	11,941.9	150.3	5.05	10,050.2	117.4	4.69
<b>Total interest bearing liabilities</b>	<b>\$ 43,926.4</b>	<b>\$ 505.5</b>	<b>4.62%</b>	<b>\$ 40,805.9</b>	<b>\$ 432.0</b>	<b>4.25%</b>
<b>Net interest margin (FTE)</b>		<b>\$ 402.9</b>	<b>3.17%</b>		<b>\$ 384.5</b>	<b>3.26%</b>
<b>Net interest spread (FTE)</b>			<b>2.54%</b>			<b>2.66%</b>

- 
- (a) Fully taxable equivalent ( FTE ) basis, assuming a Federal income tax rate of 35%, and excluding disallowed interest expense.
  - (b) Based on average balances excluding fair value adjustments for available for sale securities.

**Table of Contents****Consolidated Yield and Cost Analysis**

	Six Months Ended June 30, 2007			Six Months Ended June 30, 2006		
	Average Balance	Interest	Average Yield or Cost (b)	Average Balance	Interest	Average Yield or Cost (b)
<b>Loans and leases: (a)</b>						
Commercial loans and leases	\$ 12,839.8	\$ 483.9	7.60%	\$ 11,161.7	\$ 394.9	7.14%
Commercial real estate loans	14,600.0	549.4	7.59	12,088.7	429.7	7.17
Residential real estate loans	9,275.8	335.8	7.30	7,632.5	262.5	6.94
Home equity loans and lines	4,259.0	159.1	7.53	4,650.5	163.6	7.09
Personal loans and leases	1,535.4	59.5	7.82	1,668.8	57.7	6.97
<b>Total loans and leases</b>	<b>42,510.0</b>	<b>1,587.7</b>	<b>7.53</b>	<b>37,202.2</b>	<b>1,308.4</b>	<b>7.09</b>
<b>Investment securities (b):</b>						
Taxable	6,240.0	155.7	4.98	5,401.1	128.8	4.72
Tax Exempt (a)	1,294.1	43.1	6.79	1,328.3	46.3	7.12
<b>Total investment securities</b>	<b>7,534.1</b>	<b>198.8</b>	<b>5.29</b>	<b>6,729.4</b>	<b>175.1</b>	<b>5.18</b>
Trading securities (a)	49.9	0.5	2.03	42.3	0.3	1.37
Other short-term investments	275.2	7.5	5.49	345.1	8.6	5.01
<b>Total interest earning assets</b>	<b>\$ 50,369.2</b>	<b>\$ 1,794.5</b>	<b>7.18%</b>	<b>\$ 44,319.0</b>	<b>\$ 1,492.4</b>	<b>6.78%</b>
<b>Interest bearing deposits:</b>						
<b>Bank issued deposits:</b>						
Bank issued interest bearing activity deposits	\$ 12,773.0	\$ 226.5	3.58%	\$ 11,055.2	\$ 169.2	3.09%
Bank issued time deposits	8,376.3	203.2	4.89	6,601.4	134.3	4.10
<b>Total bank issued deposits</b>	<b>21,149.3</b>	<b>429.7</b>	<b>4.10</b>	<b>17,656.6</b>	<b>303.5</b>	<b>3.47</b>
Wholesale deposits	6,314.5	159.5	5.09	7,293.6	166.8	4.61
<b>Total interest bearing deposits</b>	<b>27,463.8</b>	<b>589.2</b>	<b>4.33</b>	<b>24,950.2</b>	<b>470.3</b>	<b>3.80</b>
Short-term borrowings	4,273.3	111.0	5.24	3,394.9	82.5	4.90
Long-term borrowings	11,783.7	294.0	5.03	9,728.9	222.1	4.60
<b>Total interest bearing liabilities</b>	<b>\$ 43,520.8</b>	<b>\$ 994.2</b>	<b>4.61%</b>	<b>\$ 38,074.0</b>	<b>\$ 774.9</b>	<b>4.10%</b>
<b>Net interest margin (FTE)</b>		<b>\$ 800.3</b>	<b>3.20%</b>		<b>\$ 717.5</b>	<b>3.26%</b>
<b>Net interest spread (FTE)</b>			<b>2.57%</b>			<b>2.68%</b>

(a) Fully taxable equivalent ( FTE ) basis, assuming a Federal income tax rate of 35%, and excluding disallowed interest expense.

(b) Based on average balances excluding fair value adjustments for available for sale securities.

The net interest margin FTE decreased 9 basis points from 3.26% in the second quarter of 2006 to 3.17% in the second quarter of 2007. For the six months ended June 30, 2007, the net interest margin FTE was 3.20% compared to 3.26% for the six months ended June 30, 2006, a decrease of 6 basis points. Compared to the first quarter of 2007, the net interest margin FTE decreased 6 basis points from 3.23% in the first quarter of 2007 to 3.17% in the second quarter of 2007. The net interest margin in the second quarter of 2007 was negatively impacted by the effect of the common stock repurchases that required \$294.7 million in cash and positively impacted by the lower interest rate on funds used for the early retirement of Marshall & Ilsley's \$200 million in principal amount of 7.65% junior subordinated deferrable interest debentures.

Net interest income and the net interest margin percentage can vary and continue to be influenced by loan and deposit growth, product spreads, pricing competition in Marshall & Ilsley's markets, prepayment activity,

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future interest rate changes and various other factors. Similar to the general trends being experienced throughout the industry, Marshall & Ilsley continues to be challenged by narrowing loan spreads, slowing loan growth and the shift in the bank issued deposit mix by new and existing depositors into higher yielding products. Management expects these trends to continue and expects that there will be downward pressure, particularly during periods of elevated levels of nonperforming loans and leases, on the net interest margin FTE for the remainder of 2007.

### ***Years Ended December 31, 2006, 2005 and 2004***

Net interest income, which is the difference between interest earned on earning assets and interest owed on interest bearing liabilities, represented approximately 43.8% of Marshall & Ilsley's source of revenues in 2006.

Net interest income in 2006 amounted to \$1,490.3 million compared with net interest income of \$1,265.2 million in 2005, an increase of \$225.1 million or 17.8%. Both acquisition-related and organic loan growth, as well as the growth in noninterest bearing and other bank issued deposits, were the primary contributors to the increase in net interest income. Factors negatively affecting net interest income compared to the prior year included the impact of the financing costs associated with acquisitions by the Banking segment and Metavante in 2006, common stock buybacks and a general shift in the bank issued deposit mix from lower cost to higher cost deposit products in response to increasing interest rates.

Average earning assets in 2006 amounted to \$46.5 billion compared to \$38.2 billion in 2005, an increase of \$8.3 billion or 21.6%. Increases in average loans and leases accounted for 89.2% of the growth in average earning assets.

Average interest bearing liabilities increased \$7.7 billion or 23.8% in 2006 compared to 2005. Approximately \$5.1 billion or 66.3% of the growth in average interest bearing liabilities was attributable to interest bearing deposits and \$1.9 billion or 24.4% of the growth in average interest bearing liabilities was attributable to long term borrowings.

Average noninterest bearing deposits increased \$0.4 billion or 7.9% in 2006 compared to the prior year.

Net interest income in 2005 amounted to \$1,265.2 million compared with net interest income of \$1,160.6 million in 2004, an increase of \$104.6 million or 9.0%. Loan growth and the growth in noninterest bearing and other bank-issued deposits were the primary contributors to the increase in net interest income. Net interest income in 2005 was negatively affected by lower loan spreads and the interest expense associated with debt issued in the third quarter of 2004 to fund Metavante's acquisitions.

Average earning assets in 2005 amounted to \$38.2 billion compared to \$33.1 billion in 2004, an increase of \$5.1 billion or 15.5%. Increases in average loans and leases accounted for 92.6% of the growth in average earning assets.

Average interest bearing liabilities increased \$4.6 billion or 16.8% in 2005 compared to 2004. Approximately \$1.8 billion or 37.9% of the growth in average interest bearing liabilities was attributable to interest bearing deposits and the remainder of the growth in average interest bearing liabilities was attributable to long term borrowings.

Average noninterest bearing deposits increased \$0.4 billion or 7.8% in 2005 compared to 2004.



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The growth and composition of Marshall & Ilsley's average loan and lease portfolio for the current year and prior two years are reflected in the following table (\$ in millions):

	2006	2005	2004	Percent Growth 2006 vs 2005	Percent Growth 2005 vs 2004
<b>Commercial:</b>					
Commercial	\$ 11,175.4	\$ 8,954.6	\$ 7,621.0	24.8%	17.5%
Commercial real estate:					
Commercial mortgages	10,345.6	8,575.8	7,658.2	20.6	12.0
Construction	2,793.0	1,412.8	1,097.4	97.7	28.7
Total commercial real estate	13,138.6	9,988.6	8,755.6	31.5	14.1
Commercial lease financing	516.2	439.4	397.0	17.5	10.7
<b>Total commercial</b>	<b>24,830.2</b>	<b>19,382.6</b>	<b>16,773.6</b>	<b>28.1</b>	<b>15.6</b>
<b>Personal:</b>					
Residential real estate:					
Residential mortgages	5,735.9	4,239.5	2,855.3	35.3	48.5
Construction	2,394.3	1,513.0	839.8	58.2	80.2
Total residential real estate	8,130.2	5,752.5	3,695.1	41.3	55.7
Consumer loans:					
Student	68.6	79.4	87.2	(13.6)	(8.9)
Credit card	239.9	223.6	224.0	7.3	(0.2)
Home equity loans and lines	4,539.6	4,987.9	4,764.8	(9.0)	4.7
Other	1,174.6	1,222.5	1,321.		