MARSHALL & ILSLEY CORP
Form 11-K
June 09, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 11-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2010

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________

Commission file number 1-33488

A. Full title of the plan and the address of the plan, if different from that of the Issuer named below:

M&I Retirement Program

B. Name of the issuer of the securities held pursuant to the plan and the address of its principal office:

MARSHALL & ILSLEY CORPORATION
770 North Water Street
Milwaukee, Wisconsin 53202

MARSHALL & ILSLEY CORPORATION
FORM 11-K – M&I RETIREMENT PROGRAM
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

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M&I Retirement Program Financial Statements as of and for the Years Ended December 31, 2010 and 2009, Supplemental Schedules as of and for the year ended December 31, 2010, and Report of Independent Registered Public Accounting Firm

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M&I RETIREMENT PROGRAM

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NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustee and Participants of
M&I Retirement Program:

We have audited the accompanying statements of net assets available for benefits of M&I Retirement Program (the "Plan") as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2010 and 2009, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules, as listed in the Table of Contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic 2010 financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic 2010 financial statements taken as a whole.

/s/ Baker Tilly Virchow Krause, LLP

Milwaukee, Wisconsin
June 8, 2011

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M&I RETIREMENT PROGRAM

STATEMENTS OF NET ASSETS AVAILABLE
FOR BENEFITS
AS OF DECEMBER 31, 2010 AND 2009

	2010	2009
ASSETS:		
Investments — at fair value:		
Interest in Master Trusts	$ 323,099,830	$ 308,341,242
Investments	567,709,073	490,641,606
Total investments	890,808,903	798,982,848
Receivables:		
Notes receivable from participants	12,836,278	87,386
Employee contributions	1,194,493	1,162,283
Employer contributions — net of forfeitures of $629,570 and $649,022, respectively	19,216,934	28,245,524
Accrued income	436,034	397,438
Total receivables	33,683,739	29,892,631
Total assets	924,492,642	828,875,479
LIABILITIES - Payable for pending trades	1,356,207	1,093,790
NET ASSETS REFLECTING ALL INVESTMENTS AT FAIR VALUE	923,136,435	827,781,689
ADJUSTMENTS FROM FAIR VALUE TO CONTRACT VALUE FOR FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACTS	(1,345,915)	765,748
NET ASSETS AVAILABLE FOR BENEFITS	$ 921,790,520	$ 828,547,437

See notes to financial statements.

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M&I RETIREMENT PROGRAM

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED
DECEMBER 31, 2010 AND 2009

	2010	2009
CONTRIBUTIONS:		
Participants	$ 30,762,716	$ 30,659,902
Employer	19,216,934	28,247,066
Participant rollovers	2,125,552	1,450,093
Total contributions	52,105,202	60,357,061
INCOME:		
Income from Interests in Master Trusts	58,314,536	21,552,830
Net appreciation in fair value of investments	54,317,593	87,653,288
Dividends	5,548,297	6,791,511
Interest	3,155,147	2,378,475
Interest on notes receivable from participants	135,874	9,246
Total income - net	121,471,447	118,385,350
Total additions	173,576,649	178,742,411
DEDUCTIONS:		
Benefits paid to participants	(80,286,197)	(51,847,293)
Administrative expenses	(47,369)	(39,000)
Total deductions	(80,333,566)	(51,886,293)
TRANSFERS IN TO PLAN (Note 1)	-	7,355,213
NET INCREASE IN ASSETS AVAILABLE FOR BENEFITS	93,243,083	134,211,331
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	828,547,437	694,336,106
End of year	$ 921,790,520	$ 828,547,437

See notes to financial statements.

M&I RETIREMENT PROGRAM

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

1. DESCRIPTION OF THE PLAN

The M&I Retirement Program (the "M&I Plan" or the "Plan") is a defined contribution plan which is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Marshall & Ilsley Corporation (the "Corporation") is the administrator of the Plan and the Marshall & Ilsley Trust Company (the "Trustee"), a subsidiary of the Corporation, is the trustee and recordkeeper of the Plan. The Trustee holds all investments of the Plan.

On December 17, 2010, the Corporation and Bank of Montreal ("BMO") announced that they had entered into a definitive merger agreement (the "Agreement") under which BMO will acquire all outstanding shares of common stock of the Corporation in a stock-for-stock transaction. The transaction, which has been approved by the Corporation's Board of Directors, the Board of Directors of BMO, and the Corporation's shareholders, is expected to close prior to July 31, 2011 subject to customary closing conditions, including regulatory approvals.

Per the terms of the Agreement, the Corporation's Board of Directors has adopted a resolution to terminate the Company Retirement Savings Plan or any 401(k) plan, which includes the Plan. Final dissolution of the assets in the Plan requires IRS approval of the termination. Following the merger with BMO, a request will be submitted to the IRS for the approval of the Plan termination. IRS approval of the Plan termination is expected to be received within 18 months following the request. Following the receipt of the IRS approval, all remaining Plan participants will receive a distribution of their account balance based on their distribution election, which will be collected at that time. Distributions can be requested in cash, or as a direct rollover to an IRA or other qualified retirement plan. Active employees will be able to roll over their account balance into the related BMO plan.

The following descriptions of the Plan are provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the plan document.

Plan Transfer and Mergers — On January 2, 2008, the Corporation completed the acquisition of First Indiana Corporation. Actively employed participants in the First Indiana Corporation 401(k) Plan (the "First Indiana Plan") became 100% vested, and benefits were frozen. Effective January 1, 2008, each First Indiana 401(k) Plan participant was eligible to elect to participate in the M&I Plan.

Effective March 2, 2009, the First Indiana Plan merged into the Plan. Under the merger, former First Indiana Plan participants are subject to the same rules that apply to the Plan, with certain provisions related to the their former First Indiana accounts to maintain the integrity of the provisions under that plan. Net assets merged into the Plan in 2009 were $7,355,213 including notes receivable from participants of $120,505.

Eligibility — All employees of the Corporation and subsidiaries who have completed one year of continuous service, as defined by the Plan, are eligible to receive employer profit sharing contributions, excluding interns, co-op and in-roads employees. Eligible employees may elect to make deferrals upon the date of hire.

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Contributions — Upon election to participate, the participant designates, under a salary reduction agreement, the amount of the annual contribution (0% to 50% of compensation, as defined), subject to Internal Revenue Service ("IRS") limitations. Participants may make these contributions on a pre-tax, a Roth after-tax basis, or any combination of both. Employees may change the rate of the annual contribution as often as they wish; however, prior contributions cannot be reclassified between pre-tax and after-tax. Participants who will reach at least age 50 by the end of the plan year have the ability to make pre-tax catch-up contributions, subject to IRS limitations.

The Corporation will make a guaranteed matching contribution of 50%, up to a maximum of 6% of the participant's compensation, following one year of service. The Corporation also makes profit sharing contributions, which consist of both guaranteed and discretionary contributions. Percentages that are discretionary are determined by the Corporation's Board of Directors on an annual basis. The Corporation made guaranteed profit sharing contributions of 2% of eligible compensation during the years ended December 31, 2010 and 2009. Should the Corporation's proposed merger with BMO close, a discretionary profit sharing contribution of 4% of eligible compensation during the year ended December 31, 2010 will be made. The Corporation made a discretionary profit sharing contribution of 2% of eligible compensation during the year ended December 31, 2009.

Vesting — All employee contributions and Corporation matching contributions and related income are fully vested at all times. Corporation profit sharing contributions for the years ended December 31, 2007 and later, vest at the earliest of the following dates:

a. The dates the participant completes years of vesting service, is defined by the Plan in the following table.

Years of Vested Service	Vested
Less than 2	- %
2	20
3	40
4	60
5	100

b. The date of the participant's death while employed by the Corporation or by a subsidiary.

c. The date of participant's attainment of age 65 or earlier disability.

d. The date of termination of the Plan (or partial termination as to participants affected thereby) or the date of complete discontinuance of contributions by the Corporation at a time when the participant is employed by the Corporation or by a subsidiary.

e. The date the participant's employment terminates due to reduction in force.

Corporation profit sharing contributions for years prior to 2007 vest on the earliest of the date the participant completes 5 years of vesting service, the participant's death, the participant's attainment of age 65 or earlier disability, the date of termination of the plan, or the date the participant's employment terminates due to a reduction in force.

Benefit Payments — Upon termination, death, retirement, in the event of disability, as defined, or financial hardship, a participant or beneficiary is entitled to withdraw his or her vested interest in a lump sum payment (excluding profit sharing for any hardship withdrawal). Participants who are 59 ½ or older may take in-service pre-tax withdrawals for any reason. In addition, after-tax contributions made before 1987 and former Valley Bancorporation employee balances from a former Valley Bancorporation plan are available for distribution.

Participant Accounts — Individual accounts are maintained for each of the Plan's participants. Each participant's account is credited with the participant's contributions, the participant's share of Corporation contributions, and allocations of the Plan's income (loss). Any related expenses based on participant earnings or account balances are deducted from the participant's account. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participants — Prior to July 1, 2010, the Plan did not offer loans to active participants and any participant loans were obtained through plan mergers due to acquisitions. Beginning July 1, 2010, the Plan offered participants the opportunity to take a loan from their retirement account balance in an amount ranging from $1,000 to $50,000 (limited to no more than one-half of their vested account balance). Participant loans are repayable through payroll deductions and may have original terms of 1 to 25 years. The interest rate is based on prevailing market conditions at the time the loans are made and are fixed over the life of the note. The Plan requires full repayment of any outstanding participant loan balance if employment with the Corporation ends for any reason.

Investment Options — Participants may direct their pre-tax contributions, Roth 401(k) after-tax contributions, rollover, Corporation matching contributions, Corporation profit sharing contributions and any related earnings thereon into various investment options designated by the Plan's investment committee in 1% increments. Participants are able to change their investment elections daily.

In 2007, the Corporation and its wholly-owned subsidiary, Metavante, completed a series of transactions culminating in the creation of two separately traded public companies. On October 1, 2009, Fidelity National Information Services, Inc. ("FIS") acquired Metavante. Shares of Metavante were converted to shares of FIS and the name of the investment option was changed from the Metavante Stock Fund to the FIS Stock Fund.

In 2010, the Plan Administrator elected to cease offering the FIS Stock Fund as an investment option given the Corporation's lack of pecuniary interest in FIS. During 2010 and 2009, participants invested in the FIS Stock Fund were able to diversify their investment out of the fund, but not able to direct new contributions into it. Beginning December 15, 2010, any remaining shares in the FIS Stock Fund were sold by the Plan Administrator. Proceeds from the sale of the FIS Stock Fund initiated by the Plan were reinvested as per the participants' specific instructions, if provided. Participants who did not provide specific instructions for the reinvestment of proceeds resulting from an FIS Stock Fund sale initiated by the Plan had their proceeds reinvested based on their investment election for future contributions in effect at the time.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Accounting Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

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Contributions - Contributions from employees are recorded in the period the employer makes corresponding payroll deductions. Contributions from the employer are accrued based upon amounts required to be contributed as determined by the Plan.

Investment Valuation - All investments are stated at fair value, except the M&I Stable Principal Fund (the "Stable Principal Fund") whose investments include synthetic and traditional guaranteed investment contracts ("GICs") which meet the definition of "fully benefit-responsive investment contracts." An investment contract is considered fully benefit-responsive if all of the following criteria are met for that contract, analyzed on an individual basis:

- The investment contract is affected directly between the fund and the issuer and prohibits the fund from assigning or selling the contract or its proceeds to another party without the consent of the issuer.
- Either (1) the repayment of principal and interest credited to participants in the fund is a financial obligation of the issuer of the investment contract or (2) prospective interest crediting rate adjustments are provided to participants in the fund on a designated pool of investments held by the fund or the contract issuer whereby a financially responsible third party, through a contract generally referred to as a wrapper, must provide assurance that the adjustments to the interest crediting rate will not result in a future interest crediting rate that is less than zero.
- The terms of the investment contract require all permitted participant-initiated transactions with the fund to occur at contract value with no conditions, limits, or restrictions.
- An event that limits the ability of the fund to transact at contract value with the issuer and that also limits the ability of the fund to transact at contract value with the participants in the fund must be probable of not occurring.
- The fund itself must allow participants reasonable access to their funds.

Contract value is considered the relevant measurement attribute for benefit-responsive contracts because that is the amount participants in the fund would pay or receive if they were to initiate contributions or withdrawals. Therefore, the fair value stated in investments is adjusted to contract value on the statement of net assets available for benefits for fully-benefit responsive investment contracts. The GIC crediting interest rates are determined at various intervals under the terms of the investment contracts. There are no limitations on guarantees of the contracts.

Notes Receivable from Participants - In September 2010, the Financial Accounting Standards Board ("FASB") clarified how loans to participants should be classified and measured by defined contribution benefit plans. Participant loans were previously classified as investments and carried at fair value. The clarification requires that participant loans, which are classified as notes receivable from participants, are to be segregated from plan investments, and measured at their unpaid principal balance plus any accrued and unpaid interest. As required, the Plan retrospectively adopted the new accounting as of December 31, 2009. The adoption of the new accounting impacted the classification of participant loans on the statements of assets available for benefits, but had no impact on assets available for benefits. Interest rates ranged from 3.25% to 9.25% at December 31, 2010, and from 4.75% to 9.25% at December 31, 2009. Notes receivable from participants amounted to $12,836,278 and $87,386 as of December 31, 2010 and 2009, respectively.

Income Recognition – Management fees and operating expenses charged to the Plan for investments in the mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

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Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The statements of changes in net assets available for benefits reflect income credited to participants and net appreciation or depreciation in fair value of only those investments that are not fully benefit responsive.

Administrative Expenses — Trustee fees were paid by the Corporation. Significantly all other administrative expenses for the Plan were paid by the Plan for the years ended December 31, 2010 and 2009.

Payment of Benefits — Benefit payments to participants are recorded upon distribution. Amounts allocated to participants who elected benefit payments but were not yet paid as of December 31, 2010 and 2009 were $681,639 and $515,202, respectively.

Risks and Uncertainties — The Plan investments include mutual funds, interests in master trusts, equity securities and a common collective fund that holds synthetic and traditional GICs. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could have a material effect on the values of the investment instruments reported in the financial statements. Synthetic and traditional GICs, which meet the definition of fully benefit-responsive, are carried at contact value. If an event were to occur such that the realization of the full contract value is no longer probable (for example, a significant decline in credit worthiness of the contract issuer or wrapper provider), these investment contracts would no longer be considered fully benefit responsive and would be carried at fair value.

Reclassifications – Certain amounts previously reported have been reclassified to conform to the current presentation.

Subsequent Events — Management has evaluated the impact of all subsequent events through June 8, 2011, the date the Plan’s financial statements were issued, and determined that all subsequent events have been appropriately recognized and disclosed in the accompanying financial statements.

3. FAIR VALUE MEASUREMENTS

Fair value is defined as the price at the measurement date that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in which the reporting entity is engaged.

A three-tier hierarchy is used to measure fair value based on the transparency of the inputs to the valuation of an asset or liability and expands the disclosures about instruments measured at fair value. These inputs are summarized into three broad levels described below:

Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets in active markets.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets in active markets and inputs that are observable for the asset, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

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Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Fair values are initially valued based upon transaction price and are adjusted to reflect exit values as evidenced by financing and sale transactions with third parties.

Determination of Fair Value – Following is a description of the valuation methodologies used for measuring the fair value of investments.

Interest in Master Trusts — These investment vehicles are unitized funds which are valued using the Net Asset Value (“NAV”) provided by the administrator of the fund. The NAV is based on the fair value of the underlying assets (mutual funds and common stock) owned by the trust, minus its liabilities, and then divided by the number of units outstanding. The fair values of the Interest in Master Trusts are classified within the level 2 of the valuation hierarchy as collective trust funds (see Note 5).

Investments —Mutual funds are valued using the NAV provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and classified within level 1 of the valuation hierarchy.

The Stable Principal Fund is primarily invested in traditional and synthetic GICs, a money market fund and prior to March 25, 2010, interests in a securities lending collateral fund.

Traditional GICs are typically issued by insurance companies or banks and are essentially nonmarketable deposits with the issuing entity. The issuer is contractually obligated to repay the principal and stated interest. The repayment of a traditional GIC is the sole responsibility of the issuing entity. In the case of a synthetic GIC, the Stable Principal Fund purchases high quality debt obligations and enters into contractual arrangements (wrapper contracts) with third parties related to these debt obligations to provide a guarantee of contract value and specified interest.

Fair values of the high quality debt obligations underlying the synthetic GICs and the interest in the securities lending collateral fund are measured using various matrix pricing methodologies or compiled modeled prices from various sources. These models are primarily industry-standard processes that apply various assumptions, including time value, yield curve, volatility factors, prepayment speeds, default rates and current and contractual prices for the underlying investments. Substantially all of inputs to the pricing matrix and model assumptions are observable in the marketplace, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace. The fair values of the traditional GICs are determined using a discounted cash flow model. The fair value of the wrapper contract is determined to be zero since the wrapper resets monthly at market rates.

During 2008, the Stable Principal Fund entered into two capital support agreements (“CSAs”), one as of September 30, 2008, with the Trustee and one as of November 30, 2008, with the Corporation. The CSAs were subject to renewals at each quarter end. As of March 31, 2009, the CSA with the Trustee was terminated and replaced with a single CSA with the Corporation. The CSAs were provided due to volatility in the fixed income securities markets, which the Trustee believed was primarily liquidity-driven. The CSAs required the contribution of capital to the Stable Principal Fund, up to established limits, if the retention or disposition of certain assets of the Stable Principal Fund caused a loss that would otherwise prevent the Stable Principal Fund from valuing certain assets on a cost rather than a market value basis and maintaining a stable net asset value of $1.00 per unit. The fair value of the CSAs to the Stable Principal Fund was generally the intrinsic value of the guarantee and represented approximately 40% of the CSA aggregate limit at December 31, 2009.

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On March 3, 2010, the trustee of the Stable Principal Fund requested from the Corporation payment of a capital contribution in exchange for terminating the CSA between the Stable Principal Fund and the Corporation. The Corporation agreed to satisfy its capital contribution obligations under the CSA and made payments equal to the difference between the cost and fair value of certain investments to maintain a stable net asset value of $1.00 per unit. The CSA was terminated in its entirety on March 25, 2010.

The fair value of the Stable Value Fund is classified as level 2 of the fair valuation hierarchy.

The Interest in Master Trusts and Investments are stated at fair value on a recurring basis and are categorized in their entirety in the tables below based upon the lowest level of significant input to the valuations as of December 31, 2010 and 2009.

	2010 Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Interest in Master Trusts		$ 323,099,830		$ 323,099,830
Investments:				
Mutual Funds	$ 463,946,589			463,946,589
Stable Value Fund		103,762,484		103,762,484
TOTAL	$ 463,946,589	$ 426,862,314	$ -	$ 890,808,903

	2009 Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Interest in Master Trusts		$ 308,341,242		308,341,242
Investments:				
Mutual Funds	$ 391,714,258			391,714,258
Stable Value Fund		98,927,348		98,927,348
TOTAL	$ 391,714,258	$ 407,268,590	$ -	$ 798,982,848

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4. INVESTMENTS

The Plan’s investments that represented 5% or more of the Plan’s net assets available for benefits as of December 31, 2010 and 2009 are as follows:

	2010	2009
Marshall Short Intermediate Fund*	$ 61,926,340	$ 59,154,839
Marshall Large Cap Growth & Income Fund*	55,105,363	50,325,401
M&I Master Trust — Growth Balanced Fund*	105,214,557	88,654,655
M&I Master Trust — Aggressive Stock Fund*	76,717,089	64,596,107
Vanguard Institutional Index Fund	86,125,128	80,220,404
M&I Stable Principal Fund*	103,762,484	98,927,348
M&I Master Trust — M&I Stock Fund*	66,023,464	48,544,465
M&I Master Trust — FIS Stock Fund	-	53,825,669

* Represents party-in-interest.

During the years ended December 31, 2010 and 2009, the Plan’s investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

	2010	2009
Mutual funds	$ 54,317,593	$ 87,653,288
Net appreciation in fair value of investments	$ 54,317,593	$ 87,653,288

5. INTEREST IN MASTER TRUSTS

Certain of the Plan’s investment assets are held in trust accounts at the Trustee and consist of undivided interests in investments. These master trust accounts (the “Master Trusts”) are established by the Corporation and administered by the Trustee. Use of the Master Trusts permits the commingling of the Plan’s assets with the assets of the North Star Financial Corporation 401k Plan and the Missouri State Bank & Trust Company Retirement Savings Plan for investment and administrative purposes. Although assets of the remaining plans are commingled in the Master Trusts, the Trustee maintains supporting records for the purpose of allocating the net gain or loss of the investment account to the participating plans. The net investment income of the investment assets is allocated by the Trustee to each participating plan based on the relationship of the interest of each plan to the total of the interests of the participating plans.

The Plan’s investments and income (loss) in the Master Trusts at December 31, 2010 and 2009, respectively, are summarized as follows:

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M&I Master Trust — Aggressive Stock Fund	2010	2009
Investments — whose fair value is determined based on quoted market prices — mutual funds	$ 76,861,255	$ 64,755,168
Net assets of the M&I Master Trust — Aggressive Stock Fund	$ 76,861,255	$ 64,755,168
Plan's interest in net assets of the M&I Master Trust — Aggressive Stock Fund	$ 76,717,089	$ 64,596,107
Plan's interest in M&I Master Trust — Aggressive Stock Fund as a percentage of the total	99.81 %	99.75 %
Dividend and interest income	$ 663,989	$ 580,360
Net appreciation in the fair value of investments — mutual funds	12,296,496	17,563,920
Total M&I Master Trust — Aggressive Stock Fund income	$ 12,960,485	$ 18,144,280

M&I Master Trust — Growth Balanced Fund	2010	2009
Investments — whose fair value is determined based on quoted market prices — mutual funds	$ 105,656,883	$ 89,068,674
Net assets of the M&I Master Trust — Growth Balanced Fund	$ 105,656,883	$ 89,068,674
Plan's interest in net assets of the M&I Master Trust — Growth Balanced Fund	$ 105,214,557	$ 88,654,655

Plan's interest in M&I Master Trust — Growth Balanced Fund as a percentage of the total		99.58 %		99.54 %
Dividend and interest income	$	1,977,809	$	2,045,633
Net appreciation in the fair value of investments — mutual funds		11,238,412		18,269,286
Total M&I Master Trust — Growth Balanced Fund income	$	13,216,221	$	20,314,919

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M&I Master Trust — Aggressive Balanced Fund	2010	2009
Investments — whose fair value is determined based on quoted market prices — mutual funds	$ 24,206,561	$ 16,450,677
Net assets of the M&I Master Trust — Aggressive Balanced Fund	$ 24,206,561	$ 16,450,677
Plan's interest in net assets of the M&I Master Trust — Aggressive Balanced Fund	$ 24,166,864	$ 16,409,120
Plan's interest in M&I Master Trust — Aggressive Balanced Fund as a percentage of the total	99.84 %	99.75 %
Dividend and interest income	$ 303,819	$ 268,057
Net appreciation in the fair value of investments — mutual funds	2,728,411	3,749,669
Total M&I Master Trust — Aggressive Balanced Fund income	$ 3,032,230	$ 4,017,726

M&I Master Trust — Moderate Balanced Fund	2010	2009
Investments — whose fair value is determined based on quoted market prices — mutual funds	$ 21,464,509	$ 14,772,801
Net assets of the M&I Master Trust — Moderate Balanced Fund	$ 21,464,509	$ 14,772,801
Plan's interest in net assets of the M&I Master Trust — Moderate	$ 21,358,411	$ 14,660,398

Balanced Fund						
Plan’s interest in M&I Master Trust — Moderate Balanced Fund as a percentage of the total		99.51	%		99.24	%
Dividend and interest income	$	462,539		$	370,318	
Net appreciation in the fair value of investments — mutual funds		1,799,235			2,197,935	
Total M&I Master Trust — Moderate Balanced Fund income	$	2,261,774		$	2,568,253	

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M&I Master Trust — Diversified Stock Fund

	2010	2009
Investments — whose fair value is determined based on quoted market prices — mutual funds	$ 29,688,576	$ 21,720,595
Net assets of the M&I Master Trust — Diversified Stock Fund	$ 29,688,576	$ 21,720,595
Plan's interest in net assets of the M&I Master Trust — Diversified Stock Fund	$ 29,619,446	$ 21,650,829
Plan's interest in M&I Master Trust — Diversified Stock Fund as a percentage of the total	99.77 %	99.68 %
Dividend and interest income	$ 291,530	$ 242,549
Net appreciation in the fair value of investments — mutual funds	3,967,531	5,427,294
Total M&I Master Trust — Diversified Stock Fund income	$ 4,259,061	$ 5,669,843

M&I Master Trust — FIS Stock Fund

	2010	2009
Investments — whose fair value is determined based on quoted market prices — common stock	$ -	$ 53,836,643
Net assets of the M&I Master Trust — FIS Stock Fund	$ -	$ 53,836,643
Plan's interest in net assets of the M&I Master Trust — FIS Stock Fund	$ -	$ 53,825,669

Plan's interest in M&I Master Trust — FIS Stock Fund as a percentage of the total		-		99.98	%
Dividend and interest income	$	316,148	$	116,826	
Net appreciation in the fair value of investments — common stock		5,670,702		28,670,479	
Total M&I Master Trust — FIS Stock Fund income	$	5,986,850	$	28,787,305	

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M&I Master Trust — M&I Stock Fund

	2010	2009
Investments — whose fair value is determined based on quoted market prices — common stock	$ 66,044,682	$ 48,558,904
Net assets of the M&I Master Trust — M&I Stock Fund	$ 66,044,682	$ 48,558,904
Plan's interest in net assets of the M&I Master Trust — M&I Stock Fund	$ 66,023,464	$ 48,544,465
Plan's interest in M&I Master Trust — M&I Stock Fund as a percentage of the total	99.97 %	99.97 %
Dividend and interest income	$ 362,191	$ 354,475
Net appreciation (depreciation) in the fair value of investments — common stock	15,609,714	(57,236,374)
Total M&I Master Trust — M&I Stock Fund income (loss)	$ 15,971,905	$ (56,881,899)

At December 31, 2010 and 2009, the M&I Master Trust — M&I Stock Fund held 9,257,438 and 8,796,441 shares, respectively, of common stock of the Corporation, the sponsoring employer, with a cost basis of $90,160,585 and $91,247,533, respectively. During the year ended December 31, 2010 and 2009, the M&I Master Trust — M&I Stock Fund recorded dividend income of $360,176 and $344,506, respectively.

6. FEDERAL INCOME TAX STATUS

The Plan has obtained a determination letter from the IRS dated December 20, 2005, approving the Plan as qualified for tax-exempt status. The Plan has been amended since receiving the determination letter. However, the Corporation believes that the Plan is currently designed and operated in compliance with the applicable requirements of the Internal Revenue Code and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010 and 2009, there were no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2007.

7. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

The Plan holds shares of mutual funds, a common collective fund, and Master Trusts managed by the Trustee. The Plan also invests in the common stock of the Corporation. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each fund (see also Note 3).

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8. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits as reported in the financial statements to the net assets as reported on line 1(l) of the 2009 and 2010 Form 5500:

	2010	2009
Net assets available for benefits per the financial statements	$ 921,790,520	$ 828,547,437
Amounts allocated to withdrawing participants	(681,639)	(515,202)
Adjustment from contract value to fair value for fully benefit-responsive investment contracts	1,345,915	(765,748)
Net assets as reported on Form 5500	$ 922,454,796	$ 827,266,487

The following is a reconciliation of the total additions to plan assets reported in the financial statements to the net income as reported on line 2(k) of the 2010 Form 5500 Schedule H, Part II for 2010:

	2010
Net increase in net assets available for benefits per the financial statements	$ 93,243,083
Add: Adjustment from contract value to fair value for fully benefit-responsive investment contracts - current year	1,345,915
Less: Adjustment from contract value to fair value for fully benefit-responsive investment contracts - prior year	765,748
Add: Amounts allocated to withdrawing participants - current year	(681,639)
	515,202

Less: Amounts allocated to withdrawing partipants - prior year	
Net income as reported on Form 5500	$ 95,188,309

9. FORFEITURES

Forfeited nonvested accounts are used to reduce Corporation contributions. All forfeitures of $629,570 and $649,022 were used to reduce Corporation contributions during 2010 and 2009, respectively. These forfeitures relate to the nonvested portions of the employer profit sharing contributions.

10. PLAN TERMINATION

The Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, all participants would be 100% vested in their accounts. (See Note 1)

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SUPPLEMENTAL SCHEDULES

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M&I RETIREMENT PROGRAM
PLAN NUMBER 007

FORM 5500, SCHEDULE H, PART IV, LINE 4i — SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2010

Issuer	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	Current Value
Cash		$ 166,904
Marshall Short Intermediate Fund*	Registered Investment Company	61,926,340
Marshall Mid-Cap Growth Fund*	Registered Investment Company	42,016,349
Marshall Mid-Cap Value Fund*	Registered Investment Company	17,445,671
Marshall Large Cap Growth & Income Fund*	Registered Investment Company	55,105,363
Marshall Large Cap Value Fund*	Registered Investment Company	16,684,306
M&I Master Trust — Growth Balanced Fund*	Master Trust	105,214,557
		21,358,411

M&I Master Trust — Moderate Balanced Fund*	Master Trust	
M&I Master Trust — Aggressive Balanced Fund*	Master Trust	24,166,864
M&I Master Trust — Aggressive Stock Fund*	Master Trust	76,717,089
M&I Master Trust — Diversified Stock Fund*	Master Trust	29,619,446
Vanguard Institutional Index Fund	Registered Investment Company	86,125,128
Vanguard Mid-Cap Index Fund	Registered Investment Company	7,751,157
TCW Small-Cap Growth Fund	Registered Investment Company	26,332,950
Harbor Funds International Fund	Registered Investment Company	26,794,233
Manning & Napier World Opportunities Series C	Registered Investment Company	18,372,778
PIMCO Total Return Fund	Registered Investment Company	32,518,505
Davis Venture	Registered Investment Company	27,955,072
T Rowe Price Growth	Registered Investment Company	22,161,811
M&I Stable Principal Fund*	Common Collective Fund	103,762,484
Goldman Sachs Small-Cap Value Fund	Registered Investment Company	22,576,748
M&I Master Trust — M&I Stock Fund*	Master Trust	66,023,464
Various Participants*	Notes receivable from participants (at interest rates of 3.25% -	12,836,278

	9.25% maturing at various dates through 2025)		
M&I Corporation Common Stock*	Common Stock		13,273
		$	903,645,181

* Represents a party-in-interest.

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M&I RETIREMENT
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NUMBER
007

FORM 5500, SCHEDULE H, PART IV,
QUESTION 4a — DELINQUENT
PARTICIPANT
CONTRIBUTIONS
FOR THE YEAR ENDED
DECEMBER 31, 2010

Question 4a "Did the employer fail to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102," was answered "yes."

Identity of Party Involved	Relationship to Plan, Employer, or Other Party-In-Interest	Description of Transactions	Amount
M&I Corporation	Employer/Plan Sponsor	Participant contributions for employees were not funded within the time period prescribed by D.O.L. Regulation 2510.3-102. Participant contributions of $13,124 for payroll ending September 29, 2010 were deposited on October 19, 2010	$ 13,124

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

M&I RETIREMENT PROGRAM

/s/ Paul J. Renard

Paul J. Renard
Senior Vice President, Director of Human
Resources of Marshall & Ilsley Corporation
and a Member of the Committee of the M&I
Retirement Program

Date: June 8, 2011