

LETTER OF TRANSMITTAL

To accompany certificate(s)
representing shares of common stock
of

Capitol Bankshares, Inc.

surrendered for transfer on stock records

Capitol Bankshares, Inc.
710 North High Point Road
Madison, Wisconsin 53717

The instructions accompanying this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed. If certificates are registered in different names, a separate Letter of Transmittal must be submitted for each different registered owner.

TRANSFEROR	TRANSFEEE
Name and Address of Registered Owner	Legal Name and Address
Area Code and Telephone No.	Area Code and Telephone No.

DESCRIPTION OF STOCK TRANSACTION				
Certificate(s) Enclosed				
Certificate Number(s)	No. of Shares Represented by Certificate(s)	No. of Shares Transferred to Transferee ("Transferred Shares")	No. of shares Retained by Transferor ("Retained shares")	Purchase Price Per share ("Purchase Price")

Ladies and Gentlemen:

The undersigned Transferor, the registered holder of the stock certificate(s) identified above (the "Certificates") representing shares of common stock, par value \$1.00 per share, of Capitol Bankshares, Inc., a Wisconsin corporation (the "Company"), hereby surrenders the Certificates for the purpose of effectuating a transfer of the Transferred Shares from Transferor to Transferee for the Purchase Price identified above.

The parties request the Company to transfer the Transferred Shares from Transferor to Transferee on the stock transfer records of the Company and to issue a stock certificate in the name of Transferee representing the Transferred Shares and a stock certificate in the name of Transferor representing the Retained Shares, if any.

The parties understand that surrender for transfer is not made in acceptable form until receipt by the Company of this Letter of Transmittal, duly completed and signed by Transferor and Transferee, together with the Certificate(s), and such other documents and evidences of authority as may be requested by the Company. All questions as to validity, form, and eligibility of the transfer or surrender of the Certificates hereunder will be determined by the Company, and such determination shall be final and binding. The parties acknowledge and agree that neither the Company nor any of its directors, officers, employees, or agents is acting as a broker or agent of Transferor or Transferee in connection with the transactions described in this Letter of Transmittal, and that the Company is merely being requested by the parties to facilitate the transfer of the Transferred Shares from Transferor to Transferee.

Transferor represents and warrants as follows: (a) the Company has made no representations or warranties regarding the value of the Transferred Shares, the adequacy of the Purchase Price, or the advisability of transferring the Transferred Shares to Transferee; and (b) Transferor, either alone or together with his or her legal advisors, has determined that the transfer of the Transferred Shares to Transferee may be effected without violation of the securities registration provisions under the Securities Act of 1933, as amended (the "Securities Act"), the Wisconsin Uniform Securities Law (Ch. 551, Wis. Stats.), and/or other applicable state securities laws.

Transferee represents and warrants as follows: (a) the Company has made no representations or warranties regarding the value of the Transferred Shares or the suitability of an investment in the Transferred Shares by Transferee; (b) Transferee is relying solely on his or her own investigation and judgment as to the suitability of an investment in the Transferred Shares; (c) Transferee, either alone or together with his or her professional advisors, has such knowledge and experience in financial and business matters that Transferee is capable of evaluating the merits and risks of an investment in the Transferred Shares; and (d) Transferee acknowledges that the Transferred Shares have not been registered under the Securities Act, and the transfer of the Transferred Shares may be restricted under the Securities Act, applicable state securities laws, and/or the Bylaws of the Company, and that such restrictions will be referred to in a legend placed on the stock certificate representing the Transferred Shares for the purpose of restricting their further transfer.

The parties request the Company please issue and deliver the stock certificates for the Transferred Shares and any Retained Shares to Transferee and Transferor, respectively, at the addresses specified in this Letter of Transmittal. The parties understand that the stock certificates will be issued and delivered as promptly as practicable after surrender of the Certificates is made in acceptable form and provided that the transfer of the Transferred Shares from Transferor to Transferee complies with the transfer restrictions contained in the Securities Act, applicable state securities laws, and the Company's Bylaws.

The parties agree to reimburse the Company for costs incurred in connection with evaluating the transfer of the Transferred Shares from Transferor to Transferee and preparing the necessary documentation to effectuate and record the transaction.

All authority conferred or agreed to be conferred in this Letter of Transmittal shall be binding upon the parties hereto and their respective heirs, personal representatives, executors, administrators, legal representatives, successors, and assigns.

[Signature(s) contained on next page]

TRANSFEROR SIGNATURE PAGE
(For signature at a location other than Capitol Bank)

THIS LETTER OF TRANSMITTAL HAS BEEN SIGNED AS OF _____, 20__.

TO BE COMPLETED BY TRANSFEROR:

Signature of Transferor

(Joint Owner, if any)*

(Type or Print Name of Transferor)

(Type or Print Name of Joint Owner, if any)

(Street Address)

(Street Address)

(City) (State) (Zip)

(City) (State) (Zip)

(Telephone No.)

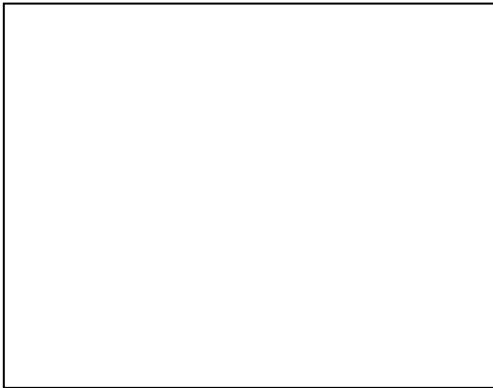
(Telephone No.)

(Social Security or Tax Identification Number)

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Please complete this section if you are signing in any location other than the presence of an employee of Capitol Bank or Capitol Bankshares, Inc.

MEDALLION GUARANTEE STAMP
(Notary Seal is NOT Acceptable)



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