

WESTERN ALLIANCE BANCORPORATION

AUDIT COMMITTEE CHARTER

I. PURPOSE AND AUTHORITY

The Audit Committee (the “Audit Committee”) of the Board of Directors (the “Board”) of Western Alliance Bancorporation serves as the audit committee of Western Alliance Bancorporation and its subsidiaries and affiliates (collectively, the “Corporation”). The primary purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities by, among other things, reviewing the Corporation’s financial reports and other financial information provided by the Corporation to any governmental body or the public, the Corporation’s systems of internal controls regarding finance, accounting, legal compliance and ethics that management and the Board have established, the Corporation’s internal audit function and the Corporation’s auditing, accounting and financial reporting processes. Consistent with the Audit Committee’s primary purpose, the Audit Committee should encourage continuous improvement of, and should foster adherence to, the Corporation’s policies, procedures and practices at all levels.

The Audit Committee’s primary duties and responsibilities are to:

- serve as an independent and objective party and to otherwise assist Board oversight of (a) the integrity of the Corporation’s financial statements and (b) the performance of the Corporation’s internal audit function, which may include oversight of outside firms that are contracted to provide internal audit and risk management services;
- be directly responsible for the appointment, compensation and oversight of the work of any registered public accounting firm employed by the Corporation (the “independent auditor”) for the purpose of preparing or issuing an audit report or related work;
- be directly responsible for the appointment, compensation and oversight of the work of any internal audit personnel, including any outside firms or persons that are contracted to provide internal audit and risk management services;
- pre-approve all auditing services (which may entail providing comfort letters in connection with securities underwritings) and non-audit services provided to the Corporation by the independent auditor;

- prepare the report required by the proxy rules of the Securities and Exchange Commission (the “SEC”) to be included in the Corporation’s annual proxy statement;
- provide an open avenue of communication among the independent auditor, financial and senior management, outside firms that are contracted to provide internal audit and risk management services, any employees of the Corporation who are involved in the Corporation’s internal audit function, and the Board;
- assist Board oversight and review the independent auditor’s qualifications and independence;
- assist Board oversight and review of outside firms that are contracted to provide internal audit and risk management services;
- assist Board oversight of and review the Corporation’s compliance with legal and regulatory requirements; and
- make regular reports to the Board.

II. COMPOSITION

The Audit Committee shall be comprised of three or more directors who are “independent.” To be considered “independent,” the director must satisfy, as determined by the Board, the requirements of all applicable laws and regulations relative to the independence of directors and audit committee members, including without limitation the requirements of the SEC and the New York Stock Exchange. In addition, the Corporation, the Board and the Committee shall comply with all applicable laws, rules, regulations and guidelines, including without limitation those contained in 12 U.S.C. § 1831m and 12 C.F.R. Part 363 of the rules and regulations of the Federal Deposit Insurance Corporation, that establish criteria for an independent audit committee. Each member of the Audit Committee must be financially literate, as such qualification is interpreted by the Board in its business judgment. In addition, at least one member of the Audit Committee must have accounting or related financial management expertise, as the Board interprets such qualification in its business judgment.

The members of the Audit Committee shall be appointed annually by the Board and shall serve until their successors are duly elected and qualified. Unless a Chair is elected by the full Board, the members of the Audit Committee shall appoint one of their members as the Chair. Any responsibilities of the Audit Committee may be delegated by the Audit Committee to the Chairman or any other member; provided that any delegate shall report any actions taken by him or her to the whole Audit Committee at its next regularly scheduled meeting. If

an Audit Committee member simultaneously serves or, upon appointment, would serve on the audit committee of more than three public companies, continued service or appointment is contingent on a Board determination that such simultaneous service would not impair the ability of such member to effectively serve on the Audit Committee. The Chair shall have banking or related financial management expertise.

III. COMPENSATION OF MEMBERS

Compensation for service on the Audit Committee shall be limited to fees and compensation permitted under the Securities Exchange Act of 1934, as amended, the rules and regulations of the SEC promulgated thereunder, and the rules and regulations of the New York Stock Exchange.

IV. MEETINGS

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Chair shall be responsible for leadership of the Audit Committee, including preparing the agenda, presiding over the meetings, making committee assignments and reporting for the Audit Committee to the Board. As part of its job to foster open communications, the Committee should meet at least annually with management and the independent auditor in separate executive sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately. In addition, the Audit Committee may request any officer or employee of the Corporation or the Corporation's internal and outside legal counsel or independent auditor to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. The Audit Committee shall have direct access to management, internal staff, the independent auditor, outside firms that are contracted to provide internal audit and risk management services, the corporate compliance staff and the Corporation's legal counsel, both at meetings and otherwise.

V. RESPONSIBILITIES AND DUTIES

In furtherance of its responsibilities, the Audit Committee believes its policies and procedures should remain flexible in order to best react to changing conditions and to ensure to the Board and the stockholders that the corporate accounting and reporting practice of the Corporation are in accordance with all applicable legal and regulatory requirements.

In carrying out these responsibilities and duties, the Audit Committee shall:

DOCUMENTS/REPORTS REVIEW

1. Review this Charter periodically (at least annually) and update this Charter to the extent the Audit Committee determines it to be necessary or advisable. The Audit Committee shall annually review the Committee's own performance.
2. Review and discuss, as appropriate, with management and the independent auditors and the internal audit function (including outside firms that are contracted to provide internal audit and risk management services):
 - (a) the Corporation's annual audited financial statements and quarterly financial statements, including the Corporation's disclosures made under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and, in the case of quarterly financial statements, the results of the independent auditor's reviews of the quarterly financial statements;
 - (b) analyses prepared by management and/or the independent auditor setting forth the significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements;
 - (c) the effect of regulatory and accounting initiatives on the financial statements of the Corporation;
 - (d) any significant changes required in the independent auditor's audit plan;
 - (e) any material correcting adjustments that have been identified by the independent auditor in accordance with GAAP and applicable laws, rules and regulations;
 - (f) any material off-balance sheet transactions;
 - (g) their assessments of the adequacy of the Corporation's internal control structure and procedures of the Corporation for financial reporting and the resolution of any identified material weaknesses in such internal control structure and procedures; and
 - (h) other matters related to the conduct of the audit which are to be communicated to the Audit Committee under generally accepted auditing standards, including under Statement on Auditing Standards No. 61, Communications with Audit Committees.

3. Make a recommendation to the Board as to whether the financial statements should be included in the Corporation's Annual Report on Form 10-K.

INDEPENDENT AUDITOR

4. Be directly responsible for (a) the appointment, compensation and oversight of the work of the independent auditor, who shall report directly to the Audit Committee and (b) approve all audit engagement fees and terms of any audit, audit-related, tax or other services (to the extent permitted under applicable law) with the independent auditor. The Audit Committee shall approve in advance the provision by the independent auditor of all services to be performed by the independent auditor. Select the independent auditor, considering independence and effectiveness and approve the audit fees. In addition, all significant non-audit services should be approved by the Audit Committee. The independent auditor shall not be engaged to perform any services prohibited by banking regulations. The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for compensating the independent auditor retained by the Corporation to provide any approved services. The Audit Committee must receive appropriate levels of funding, as determined by the Audit Committee, from the Corporation.
5. Review the performance of the independent auditor.
6. Periodically consult with the independent auditor out of the presence of management about internal controls and the completeness and accuracy of the Corporation's financial statements.
7. Take appropriate action to oversee the independence of the independent auditor, including:
 - (a) periodically review management consulting services and non-audit services not prohibited by applicable law, and the respective related fees, provided by and to the independent auditor, which shall have been pre-approved by the Audit Committee, and any transactional or other relationships between the Corporation and the independent auditor; and considering whether, under criteria the Audit Committee determines to be appropriate, the independent auditor's provision of non-audit services to the Corporation is compatible with maintaining the independence of the independent auditor;
 - (b) ensuring its receipt from the independent auditor, and reviewing, a formal written report from the independent auditor at least annually delineating (i) the independent auditor's internal quality control procedures; (ii) any material issues raised by the most recent quality-control reviews, by peer reviews of the firm, or by any inquiry or investigation by governmental or professional authorities relating to

any audit carried out by the firm and any steps taken to deal with any such issues, and (iii) (to assess the independent auditor's independence) all relationships between the independent auditor and the Corporation;

- (c) reviewing and evaluating the experience and qualifications of the senior members of the independent auditor team; evaluating the qualifications, performance and independence of the independent auditor, including the review and evaluation of the lead partner of the independent auditor and whether the auditor's quality controls are adequate and the provision of non-audit services is compatible with applicable law and compatible with maintaining the auditor's independence, taking into account the opinions of management and the outside firms that are contracted to provide internal audit and risk management services; and presenting its conclusions to the full Board and, if so determined by the Audit Committee, recommend that the Board take additional action to satisfy itself of the qualifications, performance and independence of the independent auditor;
 - (d) actively engaging in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditor and taking appropriate action or recommending to the Board such appropriate action, as necessary, on any disclosed relationships to satisfy itself of the independent auditor's independence;
 - (e) complying with all relevant laws and regulations relative to the independence of the independent auditor, including but not limited to rotation of independent auditor or outside audit personnel and the lead audit partner as required by law;
 - (f) establishing clear hiring policies relating to the employment or retention by the Corporation of employees or former employees of the independent auditor.
8. Meet and review with the independent auditor prior to the audit to discuss the planning, scope of services and staffing of the audit, as well as the audit procedures to be utilized.

FINANCIAL REPORTING PROCESSES AND INTERNAL AUDIT

9. Discuss with management and the independent auditor and otherwise review (a) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Corporation's selection or application of accounting principles, and any major issues as to the adequacy of the Corporation's internal controls, and

- any special audit steps adopted in light of material control deficiencies, (b) analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effect of alternative assumptions, estimates or GAAP methods on the Corporation's financial statements, and (c) the type and presentation of information to be included in earnings press releases (paying particular attention to any use of "pro forma" or "adjusted" non-GAAP information).
10. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Corporation's financial statements.
 11. Inquire of management, internal staff, outside firms that are contracted to provide internal audit and risk management services and/or the independent auditor about the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies. Also, review and assess the Corporation's guidelines and policies that govern the processes for identifying and assessing significant risks or exposures and for formulating and implementing steps to minimize such risks and exposures to the Corporation.
 12. Discuss the Corporation's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies, although this may be done generally (i.e., discussion of the types of information to be disclosed and the type of presentation to be made), and the Audit Committee need not discuss in advance each earnings release or each instances in which the Corporation may provide earnings guidance.
 13. Meet with internal audit personnel and the outside firms that are contracted to provide internal audit and risk management services on a periodic basis to discuss the scope of services. Review all internal audit reports and related dispositions with management and outside firms that are contracted to provide internal audit and risk management services as deemed necessary.

PROCESS IMPROVEMENT

14. Following completion of the annual audit, review separately with each of management and the independent auditor any significant difficulties

- encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
15. Review any significant disagreements between management and the independent auditor. The Audit Committee shall have sole authority to resolve any disagreements between the independent auditor and management.
 16. Review with the independent auditor and management the extent to which changes or improvements in financial or accounting practices, as approved by the Audit Committee, have been implemented. (This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Audit Committee.)

ETHICAL AND LEGAL COMPLIANCE

17. Review and update periodically the Corporation's employee handbook and Code of Ethics for directors, the chief executive officer, senior financial officers, other officers, and employees and ensure that management has established a system to enforce these policies.
18. Review management's monitoring of the Corporation's compliance with the organization's conduct policies, and ensure that management has the proper review system in place to ensure that the Corporation's financial statements, reports and other financial information disseminated to governmental organizations, and the public, satisfy legal requirements.
19. Review, with the Corporation's counsel and regulatory compliance specialist any legal and regulatory matters that could reasonably have a significant impact on the Corporation's financial matters or business activities.
20. Perform any other activities and functions as may be required by the Corporation's articles of incorporation and by-laws and by applicable laws, rules and regulations, or by the Board. or as the Audit Committee or the Board deems necessary or appropriate.
21. Establish a confidential process for receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by the Corporation's employees of concerns regarding questionable accounting or auditing matters.
22. Prepare the report required by the SEC's proxy rules to be included in the Corporation's annual proxy statement.

23. Report regularly to the full Board and review any issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the performance and independence of the independent auditor or the performance of the internal audit function.
24. Obtain advice and assistance from outside legal, accounting or other advisors as the Audit Committee deems necessary to carry out its duties and receive appropriate funding, as determined by the Audit Committee, from the Corporation for payment of compensation to the outside legal, accounting or other advisors employed by the Audit Committee.
25. Review and reassess the adequacy of the Audit Committee Charter and the Committee's own performance annually and recommend any proposed changes to the Board annually.

VI. LIMITATION OF AUDIT COMMITTEE'S ROLE

The independent auditor, internal audit personnel and outside firms that are contracted to provide internal audit and risk management services are or shall be ultimately accountable to the Audit Committee, in its capacity as a committee of the Board, and to the full Board. While the Audit Committee has the oversight, supervisory and other powers and responsibilities set forth in this Charter, it is not the responsibility of the Audit Committee to plan or conduct audits, to implement internal controls, or to determine or certify that the Corporation's financial statements are complete and accurate or are in compliance with GAAP. These matters and tasks are the responsibility of the Corporation's management, the independent auditor, internal audit personnel and outside firms that are contracted to provide internal audit and risk management services. Likewise, it is the responsibility of the Corporation's management and/or the independent auditor to bring appropriate matters to the attention of the Audit Committee and to keep the Audit Committee informed of matters which the Corporation's management or the independent auditor believe require attention, guidance, resolution or other actions, the bases therefor and other relevant considerations. While it is not the duty of the Audit Committee to conduct investigations or to assure compliance with applicable laws, rules and regulations, the Audit Committee may take such actions with respect to such matters as it deems necessary or advisable in fulfilling its duties identified above.

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It is acknowledged that all of the above-listed tasks and focus areas may not be relevant to all the matters and tasks that the Audit Committee may consider and act upon from time to time, and the members of the Audit Committee in their judgment may determine the relevance thereof and the attention such items shall receive in any particular context.

Adopted by the Board of Directors on April 27, 2005.