

SUMMIT BANCSHARES, INC.

AMENDED AND RESTATED AUDIT COMMITTEE CHARTER

This Amended and Restated Audit Committee Charter (this “*Charter*”) sets forth the purpose of the Audit Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Summit Bancshares, Inc. (the “*Company*”) and establishes the authorities, duties and responsibilities delegated to the Committee by the Board.

I. Purpose

The Committee is responsible for (i) monitoring and evaluating the effectiveness of the Company’s accounting and financial reporting systems and the integrity of the Company’s financial statements, (ii) monitoring and evaluating the Company’s compliance with Board policies, operating policies and procedures and applicable laws and regulations, (iii) reviewing and assessing the qualifications and independence of the Company’s independent auditors (the “*Independent Auditor*”), (iv) evaluating the performance of the Company’s internal audit function and the Independent Auditor, (v) appointing, replacing, overseeing and determining the compensation of the Independent Auditor, (vi) reviewing the Company’s disclosure controls and procedures, internal controls and internal audit function and (vi) performing such other duties and responsibilities as are enumerated in or are consistent with those set forth in this Charter.

II. Composition

The Committee shall consist of three (3) or more members. The Chairman and the members of the Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee of the Board. Any member of the Committee may be removed by the Board at any time with or without cause. Any vacancy on the Committee shall be filled by the Board upon recommendation of the Nominating and Corporate Governance Committee. Each member of the Committee shall hold office until such member’s successor is appointed and qualified.

The Committee shall be comprised solely of independent directors. To be “independent,” a member of the Committee must meet the independence requirements of Marketplace Rules of The Nasdaq Stock Market, Inc. and any applicable law, including the rules and regulations of the Securities and Exchange Commission (the “*SEC*”), as well as any other independence requirements that may be established by the Board from time to time.

Each member of the Audit Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheets, income statements and statements of cash flows, and shall otherwise be financially literate, as such qualification is interpreted by the Board. In addition, at least one (1) member of the Audit Committee shall have past employment experience in finance or accounting, requisite professional certification in accounting or any other comparable experience or background that results in the individual’s financial sophistication or accounting or related financial management expertise, including, without limitation, being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

III. Compensation

The members of the Committee shall not receive any direct or indirect fees or other compensation from the Company, other than directors fees for Board and committee service. The receipt by a Committee member of a pension or other form of deferred compensation from the Company for prior service (provided such compensation is not contingent in any way on continued service) shall not

preclude such member from satisfying the requirement that directors fees for Board and committee service are the only form of compensation such member receives from the Company. Disallowed compensation for any member of the Committee includes fees paid directly or indirectly to such member for services as a consultant or a legal or financial advisor, regardless of the amount of such fees and regardless of whether or not such member is the actual service provider.

IV. Meetings

The Committee shall meet at least once per fiscal quarter or more frequently as it may determine is necessary to fulfill its duties and responsibilities set forth in this Charter. Meetings of the Committee may be called by the Chairman of the Committee or by a majority of the members of the Committee. The Chairman of the Committee shall preside at all Committee meetings. If the Chairman is absent at any Committee meeting, a majority of the Committee members present at such meeting shall appoint a presiding member for such meeting. A majority of the full Committee shall constitute a quorum for the transaction of business by the Committee, and the act of a majority of the Committee members present at a meeting at which a quorum is present shall be the act of the Committee. The Committee shall keep minutes of its proceedings and a copy thereof shall be furnished to the members of the Board.

V. Duties and Responsibilities

The Committee shall have the following duties and responsibilities:

1. Is solely and directly responsible for the appointment, compensation, retention and oversight of the work of the Independent Auditor, and the Independent Auditor shall report directly to the Committee and shall be ultimately accountable to the Committee.
2. Establish policies and procedures for the review and pre-approval by the Committee of all auditing services and permissible non-audit services (including the fees and terms thereof) to be performed by the Independent Auditor, with exceptions provided for de minimis amounts under certain circumstances as permitted under applicable law.
3. Review and assess the compatibility of the independence of the Independent Auditor with its performance of any permissible non-audit services for the Company.
4. Evaluate on an annual basis the qualifications, performance and independence of the Independent Auditor, and annually obtain from the Independent Auditor a written statement confirming that the lead (or coordinating) partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has not performed any audit services for the Company in each of the Company's five (5) previous fiscal years.
5. Obtain on an annual basis a formal written statement from the Independent Auditor regarding any relationships or arrangements between the Company and the Independent Auditor that may affect the objectivity and independence of the Independent Auditor, and otherwise meet and actively engage in a dialogue with the Independent Auditor with respect to any disclosed relationships or arrangements that may impact the objectivity and independence of the Independent Auditor.
6. Obtain, review and discuss reports from the Independent Auditor concerning (i) all critical accounting policies and practices used by the Company, (ii) any alternative accounting treatments of the Company's financial information within generally accepted accounting principles that have been discussed with the Company's management, including the ramifications of the use of the alternative treatments and the treatment preferred by the Independent Auditor, and (iii) other written communications

between the Company's management and the Independent Auditor, such as any management letter or schedule of unadjusted differences.

7. Review and discuss with the Independent Auditor and the Company's management, internal auditors and Compliance Department (i) the scope of the proposed audit for the current year, including, without limitation, the fees and timing of such audit, (ii) the results of the annual audit examination and quarterly reviews of the Company's financial statements, including any significant findings associated therewith, and (iii) any problems or difficulties the Independent Auditor encountered during the course of its work, including any restrictions on the scope of the activities of the Independent Auditor or its access to requested information, accounting adjustments that were noted or proposed by the Independent Auditor, any accounting issues presented by the engagement and any management or internal control letters issued or proposed to be issued by the Independent Auditor.

8. Review with the Independent Auditor its judgments regarding the quality, not just the acceptability, of the Company's accounting principles and such other matters as are required to be discussed with the Committee under generally accepted auditing standards.

9. Obtain and review a written report from the Independent Auditor describing (i) the Independent Auditor's internal quality-control procedures, (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the Independent Auditor, or by any inquiry or investigation by a governmental or professional authority within the five (5) preceding years with respect to one (1) or more audits carried out by the Independent Auditor, including any steps taken to deal with any issues raised in connection therewith.

10. Inquire of the Company's management and the Independent Auditor as to any disagreements that may have occurred between them regarding the Company's financial statements and disclosures. The Committee shall have the sole responsibility for the resolution of any such disagreements.

11. Oversee the Company's internal audit function and other internal control processes in place for reviewing and approving the Company's internal transactions and accounting, including, without limitation, evaluating the Company's internal control systems to assess whether such controls are reasonably designed to ensure that appropriate information comes to the attention of the Committee in a timely manner and to enable the preparation of accurate and informative financial reports. The Committee shall periodically meet with the Independent Auditor and the Company's management, internal auditors and Compliance Department to review (i) the plans for the internal audit function (including scope, responsibilities, budget and staffing) for the coming year, (ii) the coordination of such plans with the work of the Independent Auditor and (iii) the progress and results of the internal auditing process.

12. Annually review and evaluate the performance of the Company's internal auditors and Compliance Department. The Company's internal auditors and Compliance Department will report directly to the Committee, and the Committee shall have the sole authority to hire and replace the Company's internal auditors and members of the Compliance Department.

13. Receive, prior to each meeting of the Committee, a summary of findings from completed internal audits and compliance audits for the prior period, a progress report on the current internal audit plan and a report of outstanding weaknesses from prior audits.

14. Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable

accounting or auditing matters. The Committee shall periodically inquire of the Independent Auditor and the Company's management as to their knowledge of the Company's receipt of any complaints, concerns or criticism with regard to its financial statements or disclosures.

15. Review with the Independent Auditor and the Company's management, prior to implementation, any significant changes proposed to be made in the accounting principles and practices of the Company.

16. Prior to the filing by the Company with the SEC of any Annual Report on Form 10-K or Quarterly Report on Form 10-Q, review with the Independent Auditor and the Company's management the financial statements included therein, the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operation" contained therein, and any significant events, transactions, changes in accounting estimates or other financial information contained therein. The Committee shall make a recommendation to the Board as to whether the Company's financial statements should be included in the Company's reports filed with the SEC.

17. In reviewing the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, the Committee shall review, in consultation with the Independent Auditor and the Company's management, (i) the certifications required to be made therein relating to significant deficiencies or weaknesses in the design or operation of the Company's internal controls over financial reporting and the existence of any fraud, whether or not material, involving the Company's management or employees who have a significant role in the Company's system of internal controls and (ii) significant issues regarding the presentation of, and the clarity of the disclosure in, the Company's financial statements.

18. Review with the Independent Auditor and the Company's management the Company's policies and procedures with respect to press releases or other public disclosures that contain information regarding the Company's historical or projected financial performance or the provision of any such information or other financial information to any financial analysts, ratings agencies or any third parties. Such reviews should include consideration of (i) off-balance sheet transactions or intercompany relationships and transactions that may have a current or future effect on the Company's financial condition, results of operation, liquidity, capital expenditures or significant components of revenues or expenses, (ii) pro forma financial information, (iii) underlying estimates upon which the presented financial information is based, (iv) the reasonableness of the significant judgments made in the preparation of the presented financial information and (v) whether the presented financial information conforms to the accounting principles upon which the relevant accounting rules are based, notwithstanding proper technical application of the applicable accounting rules.

19. Review and discuss with the Independent Auditor and the Company's legal counsel any developments and changes in the various federal banking rules, regulations and other laws and the status of the Company's compliance record with such rules, regulations and other laws.

20. Prepare the report of the Committee required by the rules of the SEC for inclusion in the Company's proxy statement for its annual meeting of shareholders.

21. Review and approve any "related party transactions," as such term is defined under the rules and regulations of the SEC, involving the Company and any of its directors, officers or employees.

22. Review and assess the adequacy of the Company's Code of Ethics and Standards of Conduct and make recommendations to the Board regarding any proposed modifications or amendments thereto.

V. Consultants and Advisors

The Committee shall have the authority to retain, at the Company's expense, such consultants and other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter, without obtaining the approval of the Board or any officer of the Company in advance. The Committee shall have the sole authority to approve the fees payable to, and other terms of retention of, such consultants and/or advisors.

VI. Investigations and Access

To assist the Committee in fulfilling its duties and responsibilities, the Committee may request any director, officer or employee of the Company or the Company's outside legal counsel and the Independent Auditor to meet with the Committee or meet with any members of, or consultants or advisors to, the Committee. The Committee also shall have the authority to conduct any investigation relating to its purpose, duties or responsibilities that it deems appropriate and shall have full and unrestricted access to all books, records and facilities of the Company.

VII. Funding

The Committee shall have the sole authority to determine the appropriate funding, and the Company shall provide for such funding, as determined by the Committee, for the payment of compensation to the Independent Auditor and to any consultants or advisors retained by the Committee as well as the payment for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

VIII. Board Reports

The Chairman of the Committee will report from time to time to the Board on Committee actions and on the fulfillment of the duties and responsibilities of the Committee under this Charter.

IX. Evaluations

The Committee shall annually review and evaluate the performance of the Committee and report the results of such evaluation to the Board. In addition, the Committee shall annually review and reassess the adequacy of this Charter and advise the Board of any recommendations for modifications or amendments to this Charter.

X. Financial Statement Responsibility

The Company's management is responsible for the preparation, presentation and integrity of the Company's financial statements and disclosures, and the Independent Auditor is responsible for auditing the Company's annual financial statements and reviewing the Company's quarterly financial statements and conducting other procedures. It is not the responsibility of the Committee to certify the Company's financial statements, to guarantee a report of the Independent Auditor or to plan or conduct audits. Since the primary function of the Committee is oversight, the Committee shall be entitled to rely on the expertise, skills and knowledge of the Independent Auditor and the Company's management, internal auditors and Compliance Department and the accuracy of the information provided to the Committee by such persons in carrying out its oversight responsibilities. Nothing contained in this Charter is intended to change the responsibilities of the Independent Auditor and the Company's management, internal auditors and Compliance Department.

March 3, 2004