

**CHARTER OF THE AUDIT COMMITTEE
OF
THE BOARD OF DIRECTORS
OF
HIBERNIA CORPORATION**

Purpose

The Audit Committee (the “Committee”) is appointed by the Board to assist the Board in monitoring (1) the integrity of the financial statements of the Company, (2) the system of internal controls, (3) the independent auditor’s qualifications and independence, (4) the performance of the Company’s internal audit function and independent auditors, (5) the compliance by the Company with legal and regulatory requirements, and (6) compliance with the codes of conduct.

The Committee shall, in addition to the performance of the duties described in this charter, undertake such additional duties as from time to time may be:

- (a) delegated to it by the Board;
- (b) required by law or under New York Stock Exchange rules; or
- (c) deemed desirable, in the Committee’s discretion, in connection with its functions described in this charter.

The Audit Committee shall prepare the report required by the rules of the Securities and Exchange Commission (the “Commission”) to be included in the Company’s annual proxy statement.

The Committee shall ensure inclusion of its then-current charter in the proxy statement for the Company’s annual meetings of shareholders, at least once every three years in accordance with regulations of the Commission.

Committee Membership

The Audit Committee shall consist of no fewer than three members. Each member of the Audit Committee shall meet the independence and financial experience requirements of the New York Stock Exchange listing requirements, Section 10A(m)(3) of the Securities Exchange Act of 1934 (the “Exchange Act”) and the rules and regulations of the Commission and any other legal requirements as may from time to time be in effect. Audit committee members shall not simultaneously serve on the audit committees of more than two other public companies.

The members of the Audit Committee and the Chairman of the Committee shall be appointed by the full Board on the recommendation of the Board Governance Committee. Audit Committee members may be replaced and vacancies may be filled by the Board.

Meetings

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Audit Committee shall meet periodically, and at least annually, with management, the EVP of Risk Management, the General Auditor (at least quarterly), the Corporate Counsel, and the independent auditor in separate executive sessions. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

Committee Authority and Responsibilities

The Audit Committee shall have the sole authority to appoint or replace the independent auditor (subject, if applicable, to Board and/or shareholder ratification). The Audit Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.

The Audit Committee shall pre-approve (subject, if applicable, to Board ratification) all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor, subject to the de minimus exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act which are approved by the Audit Committee prior to the completion of the audit. The Audit Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services. However, the decisions of such subcommittee to grant pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting.

The Audit Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to (1) the independent auditor for the purpose of rendering or issuing an audit report, and (2) any advisors employed by the Audit Committee.

The Committee shall have the power to conduct or authorize investigations into any matters within the Committee's scope of responsibilities. The Company shall have unrestricted access to members of management and other employees of the Company, as well as all information relevant to the carrying out of its responsibilities.

The Audit Committee shall make regular reports to the Board. The Audit Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Audit Committee shall establish a process for annually reviewing the Audit Committee's own performance.

The Audit Committee shall, to the extent it deems necessary or appropriate, perform the following:

Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made in management's discussion and analysis (the MD&A section), and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
2. Review and discuss with management the Company's quarterly financial statements prior to the filing of its Form 10-Q and if necessary, the independent auditor, including the results of the independent auditor's review of the quarterly financial statements. The Audit Committee may form and delegate authority to subcommittees consisting of one or more members to fulfill this responsibility on a "pre-filing" basis (see item 4. for additional "post-filing" Form 10-Q review and discussion).
3. Discuss with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
4. Review and discuss quarterly reports from the independent auditors on:
 - (a) All critical accounting policies and practices to be used.
 - (b) All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
 - (c) Other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
5. Discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be held in a general manner (consisting of discussing the types of information to be disclosed and the types of presentations to be made).
6. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

7. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
8. Discuss with the independent auditor the matters required to be discussed by Statements on Auditing Standards Nos. 61 and 90 relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management. With respect to significant disagreements, the Audit Committee should evaluate management's response to any such disagreements.
9. Review disclosures made to the Audit Committee by the Company's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Oversight of the Company's Relationship with the Independent Auditor

10. Meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit. Review and evaluate the performance of the independent auditor team, particularly the engagement partner.
11. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five (5) years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company. Evaluate the qualifications, performance and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, and taking into account the opinions of management and internal auditors. The Audit Committee shall present its conclusions with respect to the independent auditor to the Board.
12. Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.
13. Recommend to the Board policies for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company.

Oversight of the Company's Internal Audit Function

14. Review the appointment and replacement of the General Auditor. Discuss with senior management, at least annually, the performance of the General Auditor.
15. Review all significant issues arising in audit reports to management prepared by the internal auditing department. Evaluate the quality of management's responses (and associated actions) to those significant issues.
16. Discuss with the General Auditor the conduct of the internal audit program, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, any significant unresolved disagreements with management, and compliance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.
17. Discuss with the independent auditor and management the internal audit department's responsibilities, charter, budget and staffing, and any recommended changes in the planned scope of the internal audit program.

Compliance Oversight Responsibilities

18. Obtain from the EVP-Risk Management or General Auditor assurance that no report to management has been made pursuant to Section 10A(b) of the Exchange Act.
19. Periodically, and at least annually, obtain reports from the Company's EVP-Risk Management, General Auditor, and independent auditor that the Company and its subsidiaries are in conformity with applicable legal requirements and the Company's Code of Business Conduct and Ethics. Review reports and disclosures of insider and affiliated party transactions. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct and Ethics.
20. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
21. Discuss with the EVP-Risk Management and the independent auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.
22. Discuss with the Chief Financial Officer and the Corporate Counsel legal matters that could be expected to have a material impact on the financial statements or the Company's compliance policies.

Limitation of Audit Committee's Role

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent auditor.

(As amended by the Board of Directors on January 25, 2005)