

**CHARTER
OF
THE AUDIT COMMITTEE
OF
SILICON VALLEY BANCSHARES AND SILICON VALLEY BANK**

ARTICLE 1

DUTIES AND RESPONSIBILITIES

Section 1.1 General Purpose. The Audit Committee of Silicon Valley Bancshares (“Bancshares”) and Silicon Valley Bank (“Bank”) (collectively, the “Company”), is a committee of the Board of Directors of Bancshares and the Bank (collectively “Board”). The primary purpose of the Audit Committee is to act on behalf of the Board in fulfilling the Board’s oversight responsibilities with respect to:

- (a) The Company’s corporate accounting and reporting practices and the quality and integrity of the Company’s financial statements and reports;
- (b) The Company’s compliance with legal and regulatory requirements;
- (c) The qualifications, independence and performance of the certified public accountants engaged as the Company’s outside Independent Auditor; and
- (d) The performance of the Company’s internal audit and risk management function.

The policy of the Audit Committee, in discharging these obligations, shall be to maintain and foster an open avenue of communication between the Audit Committee and the Independent Auditor, the Company’s financial management and internal auditors.

Section 1.2 Reporting to Board; Board Responsibility. The Audit Committee shall report regularly to the Board. Bancshares shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the Independent Auditors and any advisors to the Audit Committee as well as the ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties. The Audit Committee shall have the authority, to the extent it deems necessary, to retain special legal, accounting or other consultants to advise the Audit Committee, to be paid at the expense of the Bank or Bancshares (as appropriate), without the prior permission or approval of the Board or of the management of the Bank or Bancshares. The Audit Committee’s functions and procedures should remain flexible to address changing circumstances most effectively. To implement the Audit Committee’s purpose

and policy, the Audit Committee shall be charged with the functions and processes as delineated in this Section 1, to the extent the Audit Committee deems necessary or appropriate, with the understanding, however, that the Audit Committee may supplement or (except as otherwise required by law or the applicable rules of Nasdaq) deviate from these activities as appropriate under the circumstances.

It shall be the responsibility of management to prepare Bancshares' financial statements and periodic reports and the responsibility of the Independent Auditors to audit those financial statements. These functions shall not be the responsibility of the Audit Committee, nor shall it be the Audit Committee's responsibility to ensure that the financial statements or periodic reports are complete and accurate, conform to generally accepted accounting principles or otherwise comply with applicable laws.

Section 1.3 Oversight of the Independent Auditor. An "Independent Auditor" is any certified public accountants performing or participating in providing financial attestation services to Bancshares and/or its affiliates, and any accounting firm, including a corporation, proprietorship, partnership or other business comprised of Independent Auditors providing financial attestation services to Bancshares and/or its affiliates. The Independent Auditor shall report directly to and be overseen by the Audit Committee.

- (a) The Audit Committee shall evaluate the performance of the Independent Auditor, to assess their qualifications and determine whether to retain or to terminate the existing Independent Auditor or to appoint and engage new Independent Auditors for the ensuing year, which retention shall be subject to applicable stockholder approval.
- (b) The Audit Committee shall explicitly approve the engagement of the Independent Auditor for all audit and permissible non-audit related services, including compensation to be paid therefore or the engagement for such services may be entered into pursuant to pre-approval policies and procedures established by the Audit Committee, provided such policies are detailed as to the particular service, the Audit Committee is informed of the particular service, and such policies and procedures do not include delegation of the Audit Committee's responsibilities under the Securities Exchange Act of 1934 to management, provided that with respect to services other than audit, review or attest services, no pre-approval is required if all of the following conditions are met: (i) the aggregate amount of all such services accounts for no more than 5% of the total revenues paid to the Independent Auditor during the fiscal year in which the services are provided; (ii) such services were not recognized by Bancshares to be non-audit services at the time of engagement; and (iii) such services are promptly brought to the attention of the Audit Committee and approved prior to the completion of the audit by the Audit Committee (or one or more members delegated pursuant to the following sentence). The Audit Committee may delegate its authority to grant pre-approvals to one or more members of the Audit Committee, provided that the decisions of any Audit Committee member to whom authority is delegated to

grant pre-approvals is presented to the full Audit Committee at each of its scheduled meetings.

- (c) The Audit Committee shall obtain and review, at least annually, a formal written statement from the Independent Auditor delineating: (1) the internal quality control procedures of the Independent Auditor; (2) material issues raised by the Independent Auditor's most recent quality-control review; (3) steps taken to deal with the material issues raised in the quality-control review; and (4) all relationships between the Independent Auditor, and Bancshares and/or its affiliates, consistent with Independence Standards Board Standard No. 1. The Audit Committee will consider and discuss with the Independent Auditor any disclosed relationships or services that could affect the Independent Auditor's objectivity and independence, and assess and otherwise take appropriate action to oversee the independence of the Independent Auditor.
- (d) The Audit Committee shall ensure the rotation of the lead audit partner and the "concurring or reviewing partner" every five years, and consider the adoption of a policy of rotating the Independent Auditor on a regular basis.
- (e) The Audit Committee shall meet with the Independent Auditor prior to the commencement of an audit to discuss the scope, planning and staffing of the audit.
- (f) The Audit Committee shall consider and, if deemed appropriate, adopt a policy regarding Audit Committee pre-approval of employment by the Company of individuals formerly employed by the Independent Auditor.
- (g) The Audit Committee shall evaluate the cooperation received by the Independent Auditor during their audit examination, including any significant difficulties with the audit or any restrictions on the scope of their activities or access to required records, data and information.
- (h) The Audit Committee shall review with the Independent Auditor and management any conflicts or disagreements between management and the Independent Auditor regarding financial reporting, accounting practices or policies and shall be responsible for resolving any conflicts regarding financial reporting.
- (i) The Audit Committee shall confer with the Independent Auditor and with senior management regarding the scope, adequacy and effectiveness of internal auditing and financial reporting controls in effect, and any special steps taken in the event of material control deficiencies.
- (j) The Audit Committee shall consider and review with management, the Independent Auditor, outside counsel, as appropriate, and, in the judgment of the

Audit Committee, such special counsel, separate accounting firm and other consultants and advisors as the Audit Committee deems appropriate, any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.

Section 1.4 Oversight of Risk Management and the Internal Audit Function.

- (a) The Audit Committee shall review the appointment, performance, and termination of the Director of Audit and Risk Management, who shall meet with the Audit Committee on a regular basis, attend meetings of the Audit Committee, and report regularly on the activities of the Audit and Risk Management function.
- (b) The Audit Committee shall approve the annual Audit and Risk Management Plan to assure the comprehensive coverage of significant risk areas.
- (c) The Audit Committee shall discuss with management, and, as appropriate, the Independent Auditor, the Company's major financial and other risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
- (d) The Audit Committee shall review significant Audit and Risk Review Reports ("Reports") and/or recommendations prepared by Audit and Risk Management and review management's responses to the Reports and/or recommendations.
- (e) The Audit Committee shall review and approve Bancshares' and the Bank's insurance policies, including the directors' and officers' liability policy.
- (f) The Audit Committee shall discuss material legal matters with the General Counsel, including matters reflected in the Quarterly Litigation Report.
- (g) The Audit Committee, in coordination with the Director's Loan Committee, shall review and approve the quarterly allowances for loan and lease losses.
- (h) The Audit Committee shall review with the Independent Auditor any management or internal control letter issued or, to the extent practicable, proposed to be issued by the Independent Auditor and management's response, if any, to such letter.
- (i) The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, including the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

- (j) The Audit Committee shall review the results of management's efforts to monitor compliance with the Company's programs and policies designed to ensure adherence to applicable laws and regulations, as well as to its Code of Ethical Conduct, including review and approval of insider and affiliated-party transactions.
- (k) The Audit Committee shall prepare the report required by the rules of the Securities and Exchange Commission to be included in Bancshares' annual proxy statement.
- (l) The Audit Committee shall review and assess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.

Section 1.5 Compliance Oversight Responsibilities.

- (a) The Audit Committee shall have oversight responsibility for Bancshares and its affiliates' compliance with banking, broker-dealer and investment advisory regulations. The Audit Committee may rely on internal and external specialists to conduct periodic reviews for compliance with regulations.
- (b) The Audit Committee shall have oversight responsibility for the Bank's compliance with the Community Reinvestment Act. The Audit Committee shall review and approve the Bank's performance under this act.
- (c) In the event that a Suspicious Activity Report ("SAR") must be filed, in accordance with the Bank Secrecy Act and Bank policy, the SAR must be reviewed at the next scheduled meeting of the Audit Committee. In the event that the SAR involves an insider, or is of a significant dollar amount or impact to the Bank, a recommendation by the Bank's legal department will be presented to the Audit Committee, who will determine whether presentation to the full Board is necessary.
- (d) The Audit Committee shall have the authority to appoint the Bank's Insider Trading Compliance Officer, the Bank Secrecy Officer, and the Bank Security Officer.

Section 1.6 Oversight of the Integrity of the Financial Statements.

- (a) Upon completion of the audit, the Audit Committee shall review and discuss with the Independent Auditor and management the annual audited financial statements and make related recommendations in connection with Bancshares' 10-K filings.
- (b) The Audit Committee shall review and discuss with the Independent Auditor and management the quarterly financial statements prior to Bancshares' 10-Q filings, and any other matters required to be communicated to the Audit Committee by

the Independent Auditor under Statement on Auditing Standards No. 61. The Chair of the Audit Committee may represent the entire Audit Committee for purposes of this discussion.

- (c) The Audit Committee shall review with management and the Independent Auditor significant issues that arise regarding accounting principles and financial statement presentation, including the adoption of new, or material changes to existing, critical accounting policies or to the application of those policies, the potential effect of alternative accounting polices available under GAAP, the potential impact of regulatory and accounting initiatives and any other significant reporting issues and judgments.
- (d) The Audit Committee shall discuss with the Independent Auditor and management significant financial reporting issues and judgments made in connection with the preparation of Bancshares' financial statements.
- (e) The Audit Committee, periodically, shall meet in separate sessions with the Independent Auditor, the internal auditor, and senior management to discuss any matters that the Audit Committee, the Independent Auditor, the internal auditors, or senior management believe should be discussed privately with the Audit Committee.
- (f) The Audit Committee shall generally discuss with management Bancshares' earnings press releases.
- (g) The Audit Committee shall discuss with the Independent Auditor and management the effect of off-balance sheet structures on Bancshares' financial statements.

ARTICLE 2

ORGANIZATION

Section 2.1 Membership. The Audit Committee will consist of no fewer than three (3) members of the Board. All members of the Audit Committee shall satisfy the independence and experience requirements of the Securities and Exchange Commission ("SEC") and the Nasdaq National Market ("Nasdaq") applicable to audit committee members as in effect from time to time when and as required by SEC and Nasdaq, shall be able to read and understand fundamental financial statements, including a balance sheet, income statement and statement of cash flows and shall not have participated in the preparation of the financial statements of Bancshares or any current subsidiary of Bancshares at any time during the prior three years. At least one member of the Audit Committee shall have experience or background that results in that member's "financial sophistication" within the meaning of such requirements. A member of the Audit Committee who is a "financial expert" under the regulations of the Securities and

Exchange Commission will be presumed to have financial sophistication for purposes of the preceding sentence. No members of the Audit Committee may participate in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past 3 years.

Section 2.2 Appointment and Term. The Governance Committee of Bancshares' Board will nominate the Chair and other members of the Audit Committee for a term of one year, subject to approval by Bancshares' Board.

Section 2.3 Meetings. Regular and special meetings of the Audit Committee will be held at the time and place as the Audit Committee deems necessary and appropriate.

Section 2.4 Voting. If the Audit Committee is comprised of an even number of directors, one-half of the number of directors will constitute a quorum for the transaction of business. If the Audit Committee is comprised of an odd number of directors, a majority of the Audit Committee members will constitute a quorum for the transaction of business. Every action consented to by a majority of the Audit Committee members present at a meeting (at which a quorum is present) will be regarded as an act of the Audit Committee, unless other consent is required pursuant to this Charter, the Articles of Incorporation or Bylaws of Bancshares or applicable law.

Section 2.5 Minutes. The Secretary of the Audit Committee will maintain minutes and other relevant records of the meetings and activities of the Audit Committee. The minutes will be available for review by the Board and any regulatory agency having jurisdiction over the affairs of Bancshares or the Bank. In the event of any meeting in Executive Session or otherwise where the Secretary is not present, the Chair will designate an Acting Secretary of the Audit Committee for the purpose of recording the minutes of actions taken at the meeting or Executive Session thereof.

Section 2.6 Telephone Conference Meetings. Members of the Audit Committee may participate in a meeting through use of conference telephone or similar communication equipment, so long as all members participating in the meetings can hear one another. Participation in a meeting pursuant to this Section constitutes presence in person at the meeting.

Section 2.7 Amendments. This Charter of the Audit Committee may be amended only by a resolution of Bancshares' Board.