Meeting Between Federal Reserve Board Staff and Representatives of Silicon Valley Bank March 10, 2011

Participants: Mary Dent, Jason Doren, and Sven Weber (Silicon Valley Bank); Satish Kini, David Luigs (Debevoise & Plimpton LLP)

Jeremy Newell and Christopher Paridon (Federal Reserve Board)

Summary: Staff of the Federal Reserve Board met telephonically with representatives of Silicon Valley Bank ("SVB") to discuss the restrictions on proprietary trading and hedge fund and private equity fund activities under section 619 of Dodd-Frank Wall Street Reform and Consumer Protection Act (also known as the "Volcker Rule").

Among matters discussed in the meeting were SVB's views regarding: the difference between "hedge funds" or "private equity funds" compared to venture capital funds, including with respect to the type of investments such funds make, the tenor of investment, and the use of leverage; possible implications for start-up companies and small businesses due to applicability of the Volcker Rule to venture capital funds that meet the statutory definition of "hedge fund" and "private equity fund"; possible application of the Volcker Rule to "fund of funds" structures; and how SVB would be effected by the statutory *de minimis* investment limits contained in the Volcker Rule, including the potential impact on client expectations regarding sponsors or advisers maintaining "skin in the game."