Approved as of September 8, 2009

PRIVATEBANCORP, INC.
EXCESSIVE OR LUXURY EXPENDITURES POLICY

BACKGROUND AND PURPOSE

On January 30, 2009, as part of the Troubled Asset Relief Program Capital Purchase Program established by the United States Department of the Treasury (the "U.S. Treasury") under the Emergency Economic Stabilization Act of 2008, as amended by the American Recovery and Reinvestment Act of 2009 (as amended, "EESA"), PrivateBancorp, Inc. (the "Company") sold to the U.S. Treasury (a) 243,815 shares of the Company's Fixed Rate Cumulative Perpetual Preferred Stock, Series B, and (b) a ten-year warrant to purchase up to 1,290,026 shares of the Company's common stock.

Section 111 of EESA requires that the Company comply with executive compensation and corporate governance standards established by the U.S. Treasury. Effective as of June 15, 2009, the U.S. Treasury issued an interim final rule ("Interim Final Rule") implementing Section 111 of EESA. Under the Interim Final Rule, among other things, no later than September 13, 2009, the Board of Directors of the Company must:

- Adopt an Excessive or Luxury Expenditures Policy setting standards applicable to the Company and its employees addressing certain categories of expenses and which are designed to eliminate excessive and luxury expenditures;
- Provide such policy to the U.S. Treasury and the Company's primary regulatory agency; and
- Post the text of such policy on the Company's Internet website.

This Excessive or Luxury Expenditures Policy (this "Policy") is intended to comply with the EESA and the Interim Final Rule.

POLICY

1. General

It is the general policy of the Company, for itself and on behalf of its direct and indirect subsidiaries, to prohibit excessive expenditures on entertainment and events, office or facility renovations, aviation or other transportation services, and other activities or events that are not reasonable expenditures for conferences, staff development, reasonable performance incentives or other similar measures conducted in the normal course of business operations.

2. Categories of Expenses

(a) Entertainment and Other Events.

Client, prospective client and other business-related entertainment and other events are a necessary tool for strengthening existing and developing new relationships, each of which are important to the Company's success. Employee and departmental entertainment and other events, when used to train, develop and motivate employees, encourage teamwork and recognize performance, are also important to the Company's success. Expenses incurred by the Company in connection with such entertainment or other events should be commensurate with the business purpose involved and the benefit to be derived by the Company.

Any expense expected to be greater than $25,000 for a client or other business-related entertainment or other event proposed to be incurred by the Company at the request of any person other than the Chief Executive Officer of the Company shall require the approval of the Chief Executive Officer or the Chief Financial Officer. Any expense expected to be greater than $100,000 for a client or other business-related entertainment or other event proposed to be incurred by the Company at the request of the Chief Executive Officer of the Company shall require the approval of the Board of Directors of the Company.

Any expense expected to be greater than $25,000 for an event, conference or retreat for employees and/or departments of the Company, the primary purpose of which is to train, develop or motivate employees, encourage teamwork or recognize performance, proposed to be incurred by the Company at the request of any person other than the Chief Executive Officer of the Company shall require the approval of the Chief Executive Officer or the Chief Financial Officer. Any expense expected to be greater than $100,000 for an event, conference or retreat for employees and/or departments of the Company, the primary purpose of which is to train, develop or motivate employees, encourage teamwork or recognize performance, proposed to be incurred by the Company at the request of the Chief Executive Officer of the Company shall require the approval of the Board of Directors of the Company.

(b) Office and Facility Renovations.

Maintaining high quality offices and branches is important to establish and reinforce the public image of the Company and to attract and retain clients and employees. Expenses incurred by the Company in connection with office and facility renovations should be commensurate with the business purpose involved and the benefit to be derived by the Company.

Except for ordinary or emergency maintenance expenses or expenses incorporated into the Company's capital expenditure budget, any expense expected to be greater than $100,000 for office or facility renovations shall be subject to review and approval by the Chief Strategy and Marketing Officer of the Company or other senior officer designated by the Chief Executive Officer.

Except for ordinary or emergency maintenance expenses or expenses incorporated into the Company's capital expenditures budget, any expense greater than $100,000 for the renovation of the office of the Chief Executive Officer of the Company, the Chairman of the Board of the Company, the Chairman of The PrivateBank and Trust Company or any member of the CEO's Executive Committee shall require the approval of the Board of Directors of the Company.

(c) Aviation and Other Transportation Services.

When traveling on behalf of the Company, employees should seek to use the most appropriate form of transportation available, considering, among other factors, cost, speed, efficiency, safety, employee productivity and financial benefit and cost to the Company. Air travel should be used when cost effective or when less expensive transportation is impractical due to distance or travel time.

As a general rule, the Company discourages the use of private or chartered air travel. However, the Company recognizes that there will be circumstances where private or chartered air travel may best and most efficiently serve the business requirements of the Company. Any expenses for private or chartered air travel proposed to be incurred by the Company at the request of any person other than the Chief Executive Officer of the Company, the Chairman of the Board of the Company or the Chairman of The PrivateBank and Trust Company, shall require the approval of the Chief Executive Officer or the Chief Financial Officer. Any expenses for private or chartered air travel at the request of the Chief Executive Officer of the Company, the Chairman of the Board of the Company or the Chairman of The PrivateBank and Trust Company shall require the approval of the Board of Directors of the Company.

Except for air travel by the Chief Executive Officer of the Company, the Chairman of the Board of the Company or the Chairman of The PrivateBank and Trust Company, any expenses incurred by the Company for first class or business class air travel shall, in general, be prohibited except:

- In the event there is no incremental cost to the Company; or

- The flight duration is longer than four hours or the flight departure or arrival time is after midnight, including without limitation a "red-eye" flight; or

- The employee is a member of the Company's Executive Committee who is traveling with a current or prospective client or an advisor to a current or prospective client, and that person is traveling in first class or business class; or

- Such expenses have the approval of the Chief Executive Officer or Chief Financial Officer.

Any expenses incurred by the Company to furnish a committed car or driver shall be subject to approval by the Board of Directors of the Company. The foregoing requirement shall not apply to car rentals or taxi or other livery expenses incurred in the ordinary course.

(d) Other Similar Items, Activities or Events.

Any expenses expected to be greater than $100,000 for the sponsorship of a third-party or charitable event proposed to be incurred by the Company at the request of any person other than the Chief Executive Officer of the Company shall require the approval of the Chief Executive Officer or the Chief Financial Officer. Any expenses expected to be greater than $100,000 for the sponsorship of a third-party or charitable event proposed to be incurred by the Company at the request of the Chief Executive Officer of the Company shall require the approval of the Board of Directors of the Company.

3. Approval Process

In general, each approval required by this Policy shall be obtained in writing prior to the time the applicable expenses are incurred. Circumstances may arise that necessitate obtaining the required approval orally or after the expenses have been incurred. It is expected that such circumstances will be the exception and that the necessary approval will be promptly memorialized in writing. The Board of Directors may designate a committee, subcommittee or one or more independent members thereof to provide any approval required of the Board of Directors under this Policy.

4. Certification

To the extent required by the EESA and the Interim Final Rule, the Chief Executive Officer and Chief Financial Officer shall certify, on an annual basis in connection with the Company's annual report on Form 10-K, that any expenditure requiring the approval of any senior executive officer, any executive officer of a substantially similar level of responsibility or the Board of Directors of the Company (or a committee thereof) under this Policy was properly obtained with respect to such expenditure.

5. Compliance and Accountability

It is the responsibility of each employee to read, understand and comply with this Policy. Compliance with this Policy will be subject to periodic internal audit. Violations of this Policy shall be reported to the Company's director of internal audit and to the Board of Directors of the Company (or a committee or subcommittee thereof). Employees who violate this Policy may be subject to disciplinary action. Such action may include denial of expense reimbursement, requests for restitution to the Company for amounts improperly reimbursed and/or the termination of employment.

6. Effective Date, Publication and Amendments

This Policy will take effect as of the date of adoption by the Board of Directors of the Company.

To the extent required by the EESA and the Interim Final Rule, the Company is directed to provide a copy of this Policy to the U.S. Treasury and the Company's primary regulatory agency and to post the text of this Policy on the Company's Internet website no later than September 13, 2009.

In the event of any material amendments to this Policy, then, to the extent required by the EESA and the Interim Final Rule, within 90 days of the adoption of the amended Policy, the Company is directed to provide a copy of the amended Policy to the U.S. Treasury and the Company’s primary regulatory agency and to post the text of the amended Policy on the Company’s Internet website.