

SVB FINANCIAL GROUP
Form 11-K
June 25, 2010
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission file number 000-15637

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
SVB FINANCIAL GROUP 401(k) AND

EMPLOYEE STOCK OWNERSHIP PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

SVB FINANCIAL GROUP

3003 Tasman Drive

Santa Clara, California 95054-1191

Table of Contents

Financial Statements and Supplemental Schedule

SVB FINANCIAL GROUP 401(k) AND EMPLOYEE STOCK OWNERSHIP PLAN

As of December 31, 2009 and 2008 and for the

Years ended December 31, 2009 and 2008

with Report of Independent Registered Public Accounting Firm

Table of Contents

Financial Statements and Supplemental Schedule

SVB FINANCIAL GROUP 401(k) AND EMPLOYEE STOCK OWNERSHIP PLAN

As of December 31, 2009 and 2008 and for the

Years ended December 31, 2009 and 2008

TABLE OF CONTENTS

	Page
<u>Report of Independent Registered Public Accounting Firm</u>	3
Financial Statements as of December 31, 2009 and 2008 and for the Years Ended December 31, 2009 and 2008:	
<u>Statements of Net Assets Available for Benefits</u>	4
<u>Statements of Changes in Net Assets Available for Benefits</u>	5
<u>Notes to Financial Statements</u>	6
Supplemental Schedule as of December 31, 2009:	
<u>Schedule H, Line 4i – Schedule of Assets (Held At End of Year)</u>	14
<u>Signature</u>	15
<u>Index to Exhibits</u>	16
Exhibit 23.1 Consent of Independent Registered Public Accounting Firm	17

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and

Plan Administrator of the

SVB Financial Group 401(k) and

Employee Stock Ownership Plan

We have audited the financial statements of the SVB Financial Group 401(k) and Employee Stock Ownership Plan (the Plan) as of December 31, 2009 and 2008, and for the years ended December 31, 2009 and 2008, as listed in the accompanying table of contents. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Plan's management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2009 and 2008, and the changes in net assets available for benefits for the years ended December 31, 2009 and 2008, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule, as listed in the accompanying table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ MOHLER, NIXON & WILLIAMS
MOHLER, NIXON & WILLIAMS
Accountancy Corporation

Campbell, California
June 25, 2010

Table of Contents**SVB FINANCIAL GROUP 401(k) AND EMPLOYEE STOCK OWNERSHIP PLAN****STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

	December 31,	
	2009	2008
Assets:		
Investments, at fair value	\$ 159,320,104	\$ 114,694,299
Participant loans	3,439,255	2,836,975
	162,759,359	117,531,274
Receivables:		
Pending trades due from broker	115,612	11,610
Accrued income	97	747
Total receivables	115,709	12,357
Total assets	162,875,068	117,543,631
Liabilities:		
Administrative fees	15,994	10,379
Excess contributions payable		1,307
Total liabilities	15,994	11,686
Net assets available for benefits	\$ 162,859,074	\$ 117,531,945

See accompanying notes to financial statements.

Table of Contents**SVB FINANCIAL GROUP 401(k) AND EMPLOYEE STOCK OWNERSHIP PLAN****STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

	Year ended December 31,	
	2009	2008
Additions to net assets attributed to:		
Investment income (loss):		
Dividends and interest on investments	\$ 2,307,867	\$ 3,292,550
Participant loan interest	197,678	210,118
Net appreciation (depreciation) in the fair value of investments	34,306,823	(61,182,328)
Total investment income (loss)	36,812,368	(57,679,660)
Contributions:		
Participants	9,420,849	9,094,980
Employer	5,452,336	4,865,379
Rollover	418,673	1,254,608
Total contributions	15,291,858	15,214,967
Deductions from net assets attributed to:		
Benefits paid to participants	(6,716,132)	(9,457,103)
Administrative fees and other	(60,965)	(72,238)
Total deductions	(6,777,097)	(9,529,341)
Assets transferred in due to 2008 plan merger		294,282
Net increase (decrease)	45,327,129	(51,699,752)
Net assets available for benefits:		
Beginning of year	117,531,945	169,231,697
End of year	\$ 162,859,074	\$ 117,531,945

See accompanying notes to financial statements.

Table of Contents

**SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN**

Notes to Financial Statements

December 31, 2009 and 2008

(1) Description of the Plan

The following description refers to the SVB Financial Group 401(k) and Employee Stock Ownership Plan (the "Plan"), as amended from time to time. This description provides only general information. Participants should refer to the Plan document in its entirety for a more complete description of the Plan's provisions. The Plan document's terms govern if there are any conflicts with this description.

General

SVB Financial Group is a diversified financial services company, as well as a bank holding company and a financial holding company whose principal subsidiary is Silicon Valley Bank, a California-chartered bank. We are headquartered in Santa Clara, California, and operate through 26 offices in the United States, as well as offices internationally in China, India, Israel and the United Kingdom. In these notes to financial statements, when we refer to SVB Financial Group, the Company, we, our, us or use similar words, we mean SVB Financial Group and all of its subsidiaries collectively, unless the context requires otherwise.

The Plan is a defined contribution plan established by the Company effective as of January 1, 1985. The Plan is intended to constitute a qualified profit sharing plan, as described in Section 401(a) of the Internal Revenue Code ("IRC"), which includes a qualified cash or deferred arrangement as described in Section 401(k) of the IRC, and which also includes an employee stock ownership plan as described in Section 4975 (e) (7) of the IRC. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Administration of Plan

Under ERISA, we are the designated administrator of the Plan. Overall management and administration of the Plan is the responsibility of a committee appointed by us. We appointed Fidelity Management Trust Company ("Fidelity") to act as trustee and custodian of the Plan and Fidelity Institutional Retirement Services Company to act as day-to-day recordkeeper of the Plan.

Plan Year

The Plan year is the twelve-consecutive month period beginning each January 1 and ending December 31.

Eligibility

Employees of the Company and its participating affiliates are eligible to become Plan participants on the first day of hire, so long as they meet certain eligibility requirements, including the minimum age of 18 years.

Contributions

Participants may contribute up to 75% of their eligible pre-tax compensation, up to the maximum of the Internal Revenue Service ("IRS") annual 401(k) contribution limits of \$16,500 in 2009 and \$15,500 in 2008. Participants who have reached age 50 before the close of the Plan year may also make "catch up" contributions of their eligible pre-tax compensation as provided in IRC Section 414(v). The IRS allowed a maximum "catch up" contribution of \$5,500 and \$5,000 in 2009 and 2008, respectively. Participants may also make rollover contributions of eligible amounts representing distributions from other qualified retirement plans.

Table of Contents

**SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN**

Notes to Financial Statements (Continued)

December 31, 2009 and 2008

We make matching 401(k) contributions as provided in the Plan. We match up to the first 5% of eligible pre-tax compensation that each participant contributes, which vests immediately. Additionally, the Plan provides for a true up matching contribution to be made at the end of the Plan year to ensure that participants who elected to defer greater than 5% of compensation throughout the Plan year receive the maximum matching contribution. In order to receive a true up matching contribution for any Plan year, a participant must (i) be actively employed by us or our participating affiliate or on an authorized leave of absence on the last business day of the Plan year, (ii) have retired during the Plan year, or (iii) have terminated employment during the Plan year due to death or disability (as defined in the Plan).

Effective July 1, 2008, the Plan was amended to provide for the automatic enrollment of newly hired eligible employees at a rate of 5% of their eligible pre-tax compensation unless they affirmatively elect to decline participation in the Plan or elect to participate at a different rate.

Discretionary Employee Stock Ownership Plan (ESOP) contributions and discretionary profit sharing contributions made by us to the Plan in cash are allocated among the Plan participants based upon each participant's eligible cash compensation (collectively, Pay). Such discretionary contributions, which are based on our performance and the approval of the Compensation Committee of our Board of Directors, may range between 0% to 10% of Pay. The discretionary contributions vest based on participants' years of vesting service as described below under Vesting . We did not make any discretionary ESOP or profit sharing contributions to the Plan for the 2009 or 2008 Plan years.

Participant Accounts

Each participant's account is credited with the participant's contributions, our contributions and any investment earnings or losses. The allocation of our contributions are based on participant-directed investment allocations, as provided in the Plan. Certain fees may be charged to participant accounts, as provided in the Plan. The benefit to which a participant is entitled is the vested portion of the participant's Plan account.

Vesting

Contributions made by Plan participants and our 401(k) matching contributions plus actual earnings are immediately vested. Vesting in any discretionary ESOP contributions and discretionary profit sharing contributions is based on participants' years of vesting service, as defined in the Plan, in accordance with the following schedule:

Years of Service	Vested Percentage
Less than 1	0%
1 but less than 2	20
2 but less than 3	40
3 but less than 4	60
4 but less than 5	80
5 or more	100

In addition, a participant's Plan account becomes fully vested during any Plan year upon his or her attaining the normal retirement age of 62 while employed by us or our participating affiliate, or the termination of his or her employment with us or our participating affiliate due to death or disability or in connection with a certain termination following a change in control event.

Table of Contents

**SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN**

Notes to Financial Statements (Continued)

December 31, 2009 and 2008

Forfeited Accounts

Forfeited balances of terminated participants' nonvested Plan accounts are used first to restore any previously forfeited amounts of rehired participants' accounts and are then used to pay for the Plan's administrative expenses or to reduce our future contributions to the Plan. Forfeited nonvested accounts totaled \$311,057 and \$676,629 at December 31, 2009 and 2008, respectively. In 2009, our contributions to the Plan were reduced by \$564,991 from forfeited nonvested accounts, and administrative expenses totaling \$41,922 were paid from the forfeited nonvested accounts. In 2008, our contributions to the Plan were reduced by \$821,962 from forfeited nonvested accounts, and administrative expenses totaling \$72,238 were paid from the forfeited nonvested accounts.

Investment Options

Participants may direct the investment of their Plan accounts in any of the Plan's investment options.

Participants may elect to invest in any of the Plan's investment options in increments of 1% of their total contribution amounts, except that any new contributions allocated to the SVB Financial Group Common Stock Fund are limited to 25% of the amount available for each participant to direct. Earnings or losses on these investments are applied to participants' accounts as of the end of each trading day. Participants may change their investment elections under the Plan generally at any time, in accordance with the procedures established by the Plan administrator and Fidelity.

Participant Loans

Eligible participants may borrow from the vested portion of their total account balance under the Plan, an amount equal to a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of the participant's total vested account balance under this Plan. Loan transactions are treated as transfers between the investment funds and the Participant Loan Account Fund. Loan terms may be up to five years for personal loans or up to 15 years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear fixed interest at a reasonable rate of interest as determined by the Plan administrator, which provides a return commensurate with the prevailing interest rates charged by persons in the business of lending money for loans that would be made under similar circumstances. Interest rates for loans outstanding at December 31, 2009 range from 4.25% to 9.50% and mature from January 14, 2010 to February 4, 2025. Principal and interest are generally paid ratably through semi-monthly payroll deductions. If a participant terminates employment with us or our participating affiliate, he or she may continue to make loan repayments directly to Fidelity as long as he or she continues to have an account balance under the Plan.

Payment of Benefits

Upon a participant's termination of employment with us and all of our affiliates, the participant may elect to have his or her vested Plan account balance be paid, as provided under the Plan: (i) in a lump sum, (ii) in annual installments, or (iii) in the form of an annuity. If the terminated participant's vested account balance is more than \$5,000, the participant generally may leave the account balance in the Plan until he or she elects a form of distribution. If the terminated participant's vested account balance is between \$1,000 and \$5,000, we will automatically rollover such amount to an individual retirement account on his or her behalf unless directed otherwise by the participant, in compliance with regulations provided by the Department of Labor. If the vested account balance is \$1,000 or less, a distribution payment automatically will be made to the terminated participant in a lump sum termination, unless directed otherwise by the participant.

(2) Summary of Accounting Policies

Edgar Filing: SVB FINANCIAL GROUP - Form 11-K

The accounting and reporting policies of the Plan conform with accounting principles generally accepted in the United States of America (GAAP).

Basis of Financial Statement Presentation

The financial statements of the Plan are prepared using the accrual method of accounting.

Table of Contents

**SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN**

Notes to Financial Statements (Continued)

December 31, 2009 and 2008

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities, if any, at the date of the financial statements. Actual results could differ from those estimates.

Administrative Expenses

Plan administrative expenses may be paid by us and any such expenses not paid by us are paid by the Plan. For the years ended December 31, 2009 and 2008, all administrative expenses were paid by the Plan.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Shares of mutual funds are valued at the publicly quoted net asset value of shares held by the Plan at year-end. SVB Financial Group Common Stock is valued based on its quoted market price. Participant loans, money market funds and interest earning cash are valued at cost, which approximates fair value.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in the fair value of investments includes gains and losses on investments bought and sold, as well as held during the year and at year-end.

Payments of Benefits

Benefits are recorded when paid.

Risks and Uncertainties

The Plan may invest in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the participants' account balances and the amounts reported in the statements of net assets available for benefits.

The Plan also holds investments in SVB Financial Group Common Stock and accordingly, Plan participants' accounts that hold shares of SVB Financial Group Common Stock are exposed to market risk in the event of a significant decline in the value of such stock.

Recent Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update No. 2010-06, *Improving Disclosures about Fair Value Measurements*, which requires the addition of new disclosures and clarifies existing disclosure requirements already included in the guidance for fair value measurements. The new disclosures related to significant transfers in and out of Level 1, Level 2 and Level 3 fair value measurements and the reasons for the transfers, as well as the clarifications of existing disclosures are effective for interim or annual reporting periods beginning after December 15, 2009. The new disclosures about purchases, sales, issuances and settlements in the roll forward of activity in Level 3 fair value measurements are effective for interim or annual reporting periods beginning after December 15, 2010. This standard clarifies and increases the disclosure requirements for fair value measurements and will not have an impact on the Plan's financial statements.

Table of Contents

**SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN**

Notes to Financial Statements (Continued)

December 31, 2009 and 2008

(3) Investments

The following table represents the fair value of the Plan's investments. Individual investments which exceed 5% of the Plan's net assets are separately presented for the years ended December 31, 2009 and 2008, respectively.

	2009	2008
Mutual funds:		
Fidelity Spartan U.S. Equity Index Fund - Investor Class	\$ 18,599,150	\$ 13,956,830
Fidelity Diversified International Fund	16,236,409	10,980,790
Fidelity Blue Chip Growth Fund	12,077,712	7,490,904
Fidelity Government Income Fund	9,958,829	9,164,471
Fidelity Mid-Cap Stock Fund	9,482,288	5,670,870
Wells Fargo Advantage Small Cap Value Fund - Investor Class	9,243,789	5,318,939
Fidelity Equity-Income Fund	8,736,718	6,375,526
Other funds individually less than 5% of net assets	30,216,130	20,512,245
Total mutual funds	114,551,025	79,470,575
Common stock:		
SVB Financial Group Common Stock (1)	24,859,122	16,179,792
Money market funds:		
Fidelity Retirement Money Market Portfolio	19,482,106	18,715,907
Interest earning cash	427,851	328,025
Participant loans	3,439,255	2,836,975
Total investments	\$ 162,759,359	\$ 117,531,274

(1) As of December 31, 2009 and 2008, the Plan owned 596,285 shares and 616,843 shares, respectively, of SVB Financial Group Common Stock with a cost basis of \$10,979,700 and \$10,556,186, respectively.

For the years ended December 31, 2009 and 2008, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year and at year-end) appreciated in value by \$34,306,823 and depreciated in value by \$61,182,328, respectively, as summarized below:

	2009	2008
Net appreciation (depreciation) in the fair value of investments:		
Mutual funds	\$ 24,846,120	\$ (46,634,489)
SVB Financial Group Common Stock	9,460,703	(14,547,839)

Edgar Filing: SVB FINANCIAL GROUP - Form 11-K

Total \$ 34,306,823 \$ (61,182,328)

At December 31, 2009 and 2008, the Plan's investment in the SVB Financial Group Common Stock Fund included the following underlying assets:

	2009	2008
SVB Financial Group Common Stock	\$ 24,859,122	\$ 16,179,792
Interest earning cash	427,851	328,025
Pending trades due from brokers	115,612	11,610
Accrued income	97	747
SVB Financial Group Common Stock Fund	\$ 25,402,682	\$ 16,520,174

Table of Contents

**SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN**

Notes to Financial Statements (Continued)

December 31, 2009 and 2008

(4) Fair Value Measurements

We use fair value measurements to record fair value adjustments to certain financial instruments and to determine fair value disclosures. Accounting Standards Codification 820, *Fair Value Measurements and Disclosures*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (the exit price) in an orderly transaction between market participants at the measurement date. Fair value is a market-based measure considered from the perspective of a market participant who holds the assets or owes the liability rather than an entity-specific measure.

There is a three-level hierarchy for disclosure of assets and liabilities recorded at fair value. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources, while unobservable inputs reflect our estimates about market data. The three levels for measuring fair value are based on the reliability of inputs and are as follows:

- Level 1: Valuations based on quoted prices in active markets for identical assets or liabilities that we have the ability to access. Valuation adjustments and block discounts are not applied to instruments utilizing Level 1 inputs. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these instruments does not entail a significant degree of judgment.
- Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly.
- Level 3: Valuations based on unobservable inputs, which contain assumptions by the party valuing those assets. For Level 3 inputs, there is no market data or correlations with market assumptions.

It is the Plan's policy to maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements. When available, we use quoted market prices to measure fair value. If market prices are not available, fair value measurement is based upon models that use primarily market-based or independently-sourced market parameters. Substantially all of the Plan's financial instruments use Level 1 measurements to determine fair value adjustments recorded to the Plan's financial statements.

The Plan's investments are recorded at fair value on a recurring basis. The following fair value hierarchy table presents information about assets that are measured at fair value on a recurring basis as of December 31, 2009:

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Input (Level 2)	Significant Unobservable Input (Level 3)	Total
December 31, 2009				
Mutual funds:				
Small Cap	\$ 11,371,066	\$	\$	\$ 11,371,066
Mid Cap	13,930,859			13,930,859
Large Cap	41,230,594			41,230,594
International	16,236,409			16,236,409
Retirement Income	19,272,951			19,272,951
Bonds	12,509,146			12,509,146

Edgar Filing: SVB FINANCIAL GROUP - Form 11-K

Total mutual funds	114,551,025			114,551,025
Common stock	24,859,122			24,859,122
Money market funds	19,482,106			19,482,106
Interest earning cash	427,851			427,851
Participant loans			3,439,255	3,439,255
Total	\$ 159,320,104	\$	\$ 3,439,255	\$ 162,759,359

Table of Contents

**SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN**

Notes to Financial Statements (Continued)

December 31, 2009 and 2008

The following fair value hierarchy table presents information about assets that are measured at fair value on a recurring basis as of December 31, 2008:

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Input (Level 2)	Significant Unobservable Input (Level 3)	Total
December 31, 2008				
Mutual funds:				
Small Cap	\$ 7,069,622	\$	\$	\$ 7,069,622
Mid Cap	8,316,448			8,316,448
Large Cap	29,002,612			29,002,612
International	10,980,790			10,980,790
Retirement Income	13,687,147			13,687,147
Bonds	10,413,956			10,413,956
Total mutual funds	79,470,575			79,470,575
Common stock	16,179,792			16,179,792
Money market funds	18,715,907			18,715,907
Interest bearing cash	328,025			328,025
Participant loans			2,836,975	2,836,975
Total	\$ 114,694,299	\$	\$ 2,836,975	\$ 117,531,274

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31, 2009 and 2008:

	2009	2008
Beginning balance	\$ 2,836,975	\$ 2,732,092
Purchases, sales, issuances and settlements, net	602,280	104,883
Ending balance	\$ 3,439,255	\$ 2,836,975

(5) Related Party Transactions

We are the Plan administrator (as designated under the Plan), and we believe that all SVB Financial Group Common Stock transactions involving the Plan and investments managed by Fidelity, the Plan trustee, custodian and recordkeeper (as defined in the Plan), qualify as exempt party-in-interest transactions.

(6) Plan Merger

In 2006, we acquired a majority ownership in eProsper, Inc., an equity ownership data management services company. Effective September 2, 2008, the eProsper Inc. 401(k) Plan was merged into the Plan, resulting in the transfer of \$294,282 in net assets into the Plan. All eProsper, Inc. 401(k) Plan assets were liquidated at fair market value and the cash proceeds were transferred into the Plan as of the effective date of the merger.

(7) Plan Termination

Although we have not expressed any intent to do so, we have the right to terminate the Plan or discontinue contributions, in accordance with the Plan and consistent with the provisions of ERISA, at any time and for any reason. In the event of Plan termination, participants will become fully vested in their ESOP accounts.

Table of Contents

**SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN**

Notes to Financial Statements (Continued)

December 31, 2009 and 2008

(8) Tax Status

The Plan's latest favorable determination letter from the IRS was issued on November 20, 2002, in which the IRS stated that the Plan, as then designed, was in compliance with applicable requirements of the IRC. The Plan has been amended since the effective date of the latest determination letter from the IRS. In January 2009, we made a request for, and are awaiting the issuance of, a new favorable IRS determination letter on the Plan, as amended.

The Plan administrator believes that the Plan continues to be designed and is currently being operated in compliance with the applicable requirements of the IRC and that the trust, which is a part of the Plan, continues to be exempt from federal income and state franchise tax. Accordingly, no provision for income taxes is reflected in the accompanying financial statements.

(9) Concentration of Investments

The Plan's investment in shares of the SVB Financial Group Common Stock represents approximately 15% and 14% of total Plan assets as of December 31, 2009 and 2008, respectively.

Table of Contents**SVB FINANCIAL GROUP 401(k) AND EMPLOYEE STOCK OWNERSHIP PLAN****Schedule H, Line 4i-Schedule of Assets (Held at End of Year)****EIN: 91-1962278, Plan # 001****December 31, 2009**

Issuer	Description of Investment	Number of Shares	Current Value
Mutual funds:			
* Fidelity	Spartan U.S. Equity Index Fund - Investor Class	471,700	\$ 18,599,150
* Fidelity	Diversified International Fund	580,286	16,236,409
* Fidelity	Blue Chip Growth Fund	318,253	12,077,712
* Fidelity	Government Income Fund	958,501	9,958,829
* Fidelity	Mid-Cap Stock Fund	405,226	9,482,288
* Fidelity	Equity-Income Fund	223,274	8,736,718
* Fidelity	Freedom Income Fund	98,352	1,056,299
* Fidelity	Freedom 2000 Fund	26,428	299,961
* Fidelity	Freedom 2005 Fund	4,382	43,951
* Fidelity	Freedom 2010 Fund	183,211	2,291,970
* Fidelity	Freedom 2015 Fund	82,843	863,220
* Fidelity	Freedom 2020 Fund	283,316	3,555,611
* Fidelity	Freedom 2025 Fund	219,323	2,278,765
* Fidelity	Freedom 2030 Fund	332,890	4,124,511
* Fidelity	Freedom 2035 Fund	155,791	1,598,420
* Fidelity	Freedom 2040 Fund	343,325	2,458,205
* Fidelity	Freedom 2045 Fund	45,216	382,976
* Fidelity	Freedom 2050 Fund	38,211	319,062
Wells Fargo	Advantage Small Cap Value Fund - Investor Class	336,996	9,243,789
Franklin	Small-Mid Cap Growth Fund - Class A	93,047	2,703,003
PIMCO	Low Duration Fund - Administrative Class	247,844	2,550,317
American Century	Small Company Fund - Investor Class	345,337	2,127,277
Goldman Sachs	Mid Cap Value Fund - Class A	60,234	1,745,568
Hotchkis & Wiley	Large Cap Value Fund - Class I	76,945	1,052,612
Legg Mason Partners	Aggressive Growth Fund - Class A	8,544	764,402
	Total mutual funds		114,551,025
Common stock:			
* SVB Financial Group	SVB Financial Group	596,285	24,859,122
Money market funds:			
* Fidelity	Fidelity Retirement Money Market Portfolio	19,482,106	19,482,106
* Fidelity	Interest earning cash - average interest rate of 0.63%	427,851	427,851
Participant loans:			
* Participant	334 loans with interest ranging from 4.25% to 9.50% and maturity dates ranging from January 14, 2010 to February 4, 2025		3,439,255
	Total investments		\$ 162,759,359

Edgar Filing: SVB FINANCIAL GROUP - Form 11-K

* Denotes party-in-interest to the Plan

See accompanying Report of Independent Registered Public Accounting Firm.

Table of Contents

SIGNATURE

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan administrator has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

SVB FINANCIAL GROUP 401(k) AND
EMPLOYEE STOCK OWNERSHIP PLAN

By: SVB Financial Group,
as Plan administrator

Date: June 25, 2010

By: /s/ KAMRAN HUSAIN
Name: **Kamran Husain**
Title: **Chief Accounting Officer and Principal Accounting Officer**

By: /s/ CHRIS EDMONDS-WATERS
Name: **Chris Edmonds-Waters**
Title: **Head of Human Resources**

Table of Contents

Index to Exhibit

Exhibit No.	Description	Filed Herewith
23.1	Consent of Mohler, Nixon & Williams, independent registered public accounting firm	X