



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

June 20, 2003

**Conditional Approval 598
July 2003**

Mr. David Wojcik
Senior Vice President/Risk Management
Commerce Bancorp, Inc.
1701 Route 70 East
Cherry Hill, New Jersey 08034-5400

Re: Application by Commerce Bank/Delaware, National Association, Wilmington, Delaware,
to establish a branch at 2035 Limestone Road, Wilmington, New Castle County,
Delaware 19808
Application Control Number: 2002-NE-05-0065 Charter Number: 23558

Dear Mr. Wojcik:

This is to inform you that on June 20, 2003, the Office of the Comptroller of the Currency (“OCC”) approved the application by Commerce Bank/Delaware, N.A. (“Commerce Bank”) to establish a branch at 2035 Limestone Road, Wilmington, Delaware. This approval was granted based on a thorough review of all information available, including the representations and commitments made in the application and by the bank’s representatives.

This approval is subject to the following requirement:

Prior to opening the branch, the bank shall adopt procedures for historic preservation reviews (i.e., the section 106 review process) that the OCC has reviewed and accepted by issuing its written determination of no objection.

In this regard, on June 17 we sent the bank suggestions on its draft procedures. The bank’s proposed final procedures should be submitted for review to R. Julie Olson, Director, Licensing Policy & Systems.

The OCC received comment letters from the Delaware State Historic Preservation Officer (“SHPO”) and four individuals, two of whom represent civic associations. The OCC also obtained information from the New Castle County Department of Land Use to aid the OCC in its review of the issues raised in the comment letters.

The SHPO provided a short history of the property, including the demolition of a historic house by the property owner, and concluded that no historic properties eligible for listing in the National Register of Historic Places remain on the property. However, because Commerce Bank previously was involved with the property, the SHPO reminded the OCC of section 110(k) of the National Historic Preservation Act (“NHPA”). That section would, in general, prohibit the OCC’s approval of the application if we determined that Commerce Bank could have prevented the demolition but allowed it to occur with the intention of avoiding the section 106 review process. Similarly, other commenters also requested that the OCC review the bank’s actions in this regard.

The OCC consulted with the Advisory Council on Historic Preservation, obtained additional information from the bank and a number of the commenters, and also obtained a comprehensive record of Commerce Bank’s submissions to the New Castle County Department of Land Use (“DLU”). After carefully considering all of the information available to it, the OCC concluded that an adverse decision under section 110(k) was not warranted.

One commenter, representing a civic association, raised concerns regarding the capacity and possible overburdening of the local sewer system as well as traffic concerns resulting from the bank’s proposal. The OCC understands that the DLU and the Delaware Department of Transportation, the appropriate authorities for reviewing such issues, have completed their reviews and issued their final approvals for the bank’s proposal.

Finally, one commenter representing a civic association for the community adjacent to the proposed branch site provided the association’s support for the bank’s proposal. Another commenter from that community, however, advised the OCC that the association did not represent the views of all the community’s members.

The bank must notify our Northeastern District Licensing unit in writing in advance of the effective date desired for the branch opening so that the OCC may issue the necessary authorization letter. Please be advised that if the branch is not opened within 18 months from the approval date, the approval will automatically terminate unless the OCC grants an extension.

If, at some time in the future, the bank intends to close this branch, the bank must submit an advance notice of the proposed closing to the OCC 90 days prior to the planned closing date pursuant to 12 U.S.C. § 1831r-1. Following the closing of the branch office, a final closing notice should be submitted to the OCC.

This approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable laws and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

A separate letter is enclosed requesting your opinion on how we handled your application. We would appreciate your response so we may improve our service.

If you have any questions regarding this letter, please contact Nina Lipscomb, Licensing Specialist, in our Northeastern District Office at (212) 790-4055 or me at (202) 874-5060. In any correspondence regarding this application, please reference the application control number.

Sincerely,

/s/ Alan Herlands

Alan Herlands
Director, Licensing Operations

Enclosure: Survey