

COMMERCE BANCORP, INC.

COMPENSATION COMMITTEE CHARTER

Composition

There will be a committee of Commerce Bancorp, Inc.'s ("Commerce") Board of Directors ("Board") to be known as the Compensation Committee, which will be composed of at least three members, each of whom will satisfy the independence requirements of the New York Stock Exchange and other applicable regulatory requirements.

The Board on the recommendation of the Nominating and Governance Committee will determine the qualifications for directors serving on the Compensation Committee, and will elect the members of the Compensation Committee; members will serve in accordance with Commerce's Bylaws and until their successors are duly elected and qualified. Compensation Committee members may be removed and replaced by the Board at any time and the Board may fill any vacancies or additions.

Purpose

The Compensation Committee's purpose is to assist the Board in carrying out the Board's responsibilities relating to compensation of Commerce's "executive officers" (as defined by Section 16 and Rule 16-1(f) of the Securities and Exchange Act of 1934) and directors. The Committee has overall responsibility for oversight, evaluation, assessment and approval of (i) the executive officer compensation plans, and policies and programs of Commerce, as well as compensation programs for its directors and (ii) Commerce's senior management.

Authority, Duties and Responsibilities

The authority, duties and direct responsibilities of the Compensation Committee will be as follows:

1. Based upon overall corporate goals and objectives approved by the Board of Directors, review and approve annually corporate goals and objectives relevant to the compensation of Commerce's Chief Executive Officer ("CEO"), annually evaluate the CEO's performance in light of those established goals and objectives, and, either as a committee or together with the independent directors (as directed by the Board), determine and approve the CEO's annual compensation levels (including salary, bonus and equity incentives) based on this evaluation.
2. To make recommendations to the CEO and/or the Board with respect to director and non-CEO executive officer compensation, (including salary, bonus, incentive compensation plans and equity-based plans).

3. Produce a Compensation Committee Report on executive compensation as required by the SEC to be included in Commerce's annual proxy statement or annual report on Form 10-K filed with the SEC.
4. Confirm that Commerce complies with SEC compensation related disclosure requirements.
5. To make reports of its actions and recommendations to the Board.
6. To review annually and reassess the adequacy of this Charter and recommend to the Board for approval any proposed changes to this Charter.
7. To evaluate annually its own performance and report such evaluation to the Board.
8. Develop and recommend to the Board for its approval, an annual self-evaluation process and implement and oversee the evaluation of Commerce's senior management.
9. Review senior management succession issues.
10. To perform such other duties and responsibilities as may be assigned to the Committee from time to time by the Board of Directors.
11. To have the authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or executive officer compensation and have authority to approve the consultant's fees and other retention terms.

Nothing in this Charter should be construed as precluding discussion of CEO compensation with the Board.

Delegation

The Committee may form and delegate its authority and responsibilities to subcommittees of this Committee as the Committee may deem appropriate in its sole discretion.

Structure and Meetings

The Committee's chairperson will be designated by the Board or, if it does not do so, the Committee members will elect a chairperson by a vote of a majority of the Committee.

The chairperson of the Compensation Committee will preside at each meeting of the Committee, and in consultation with the other members of the Committee, will determine the dates, times and places for meeting of the Committee, and will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. One or more meetings may be conducted in whole or in part by telephone conference call or similar means if it is impracticable to obtain the personal presence of each Committee member.

Operating Policies

1. The Compensation Committee will take the minutes of all Compensation Committee meetings (designating in its discretion individuals to record the minutes) and approve them by subsequent action. The Compensation Committee will circulate the minutes of the Compensation Committee meetings to the Board for review.
2. The Compensation Committee will determine its rules of procedure in accordance with Commerce's Corporate Governance Guidelines and its Bylaws.
3. At each regular Board meeting held immediately following a Compensation Committee meeting, the Compensation Committee will report to the Board regarding the actions taken by and the activities and findings of the Compensation Committee since the last Board meeting, as well as any recommendations for action by the Board when appropriate.

Committee Resources

The Compensation Committee will have the authority without Board approval to obtain advice and seek assistance from internal and external legal, accounting, compensation, benefits, and other advisors. The Committee will determine the extent of funding necessary for the payment of (i) compensation to any such advisors so retained and (ii) the ordinary administrative and operating expenses of the Committee that are necessary or appropriate to carry out its duties, all of which will be provided by Commerce.

Disclosure of Charter

This Charter will be made available on Commerce's website.