

Center Bancorp, INC.

2455 Morris Avenue
Union, New Jersey 07083
(908) 688-9500

CONFIDENTIAL TREATMENT REQUESTED

March 10, 2009

Neil M. Barofsky
Special Inspector General
Office of the Special Inspector General
Troubles Asset Relief Program
1500 Pennsylvania Avenue, N.W, Suite 1064
Washington DC. 20220

Re: Response to your letter of February 6, 2009

Dear Mr. Barofsky:

The application by Center Bancorp, Inc. (the "Corporation") and subsequent receipt of funds under the U.S. Treasury's Trouble Asset Relief Program ("TARP") was initiated in November of 2008. Our closing was completed on January 13, 2009. The application was made as an affirmation of the Corporation's financial strength and desire to continue to lend in its marketplace, without being constricted by regulatory capital ratios. While the Corporation is and was "well capitalized" under the regulatory definitions, the Corporation considered a number of forecasted scenarios under which the Corporation could be impacted by the financial crisis either through the deterioration of the market value of its securities portfolio, collateral damage from downgrades, loan and security defaults and other events that would diminish its capital resources and ability to continue to lend. After consideration of these potential scenarios, the magnitude of the current financial crisis and the continuing collateral damage that was occurring in the markets daily, our board felt it prudent to apply for funds adequate to support our strategic lending initiatives. As noted, we did not apply for the full amount that the Corporation was eligible for (approximately \$20,000,000), but rather the amount that we considered to be necessary to fulfill the aforementioned objectives (\$10,000,000).

I have provided a narrative discussion of the lending activity in the accompanying documentation, in addition to the details regarding our lending activities during 2008, and thus far into 2009. Our lending growth rate in 2008 was 22.6% and was 1.4%, or 17.2% on an annualized basis, for the 30-day period ended January 31, 2009.

At present, the Corporation has used \$8.0 million of the funds received at closing to make an additional capital investment in its national bank subsidiary, (Union Center National Bank, "UCNB"). The balance of the funds are being held in the Corporation's general account for further investment into UCNB during the first and second quarters of 2009, commensurate with loan growth. The capital investment made to UCNB allows it to maintain the pace of its lending over the course of its current 5- year strategic plan.

We have enclosed a copy of the analyses that were completed under multiple scenarios to support the growth projections and need for ample capital during a reasonable time horizon. *These analyses are provided to the United States Government on a confidential basis. These analyses contain sensitive and highly confidential information about the Corporation and its subsidiaries. Disclosure of these analyses to any third-party would cause substantial harm to the competitive position of the Corporation and its subsidiaries. The Corporation objects to any disclosure of these analyses to any third-party under the Freedom of Information Act or otherwise and requests notification of any request by any third-party to receive copies of these analyses under the Freedom of Information Act or otherwise.*

As provided in the disclosures and representations made in our SEC filings, in January 2009, five executive officers of the Corporation (myself, Messrs. Abrahamian, Shapiro and Boylan and Ms. Wunder) agreed in writing to accept the compensation standards in existence at that time under TARP and thereby cap or eliminate some of their contractual or legal rights. The provisions agreed to were as follows:

- *No golden parachute payments.* The term "golden parachute payment" under the TARP Capital Purchase Program (as distinguished from the definition under the Stimulus Bill referred to below) refers to a severance payment resulting from involuntary termination of employment, or from bankruptcy of the employer, that exceeds three times the terminated employee's average annual base salary over the five years prior to termination. The Corporation's senior executive officers agreed to forego all golden parachute payments for as long as they remain "senior executive officers" (the CEO, the CFO and the three highest-paid executive officers other than the CEO and CFO) of the Corporation and the Treasury continues to hold the equity or debt securities that the Corporation issued to it under the TARP Capital Purchase Program (the period during which the Treasury holds those securities is referred to

herein as the "CPP Covered Period.").

- *Clawback of Bonus and Incentive Compensation if Based on Certain Material Inaccuracies.* Our senior executive officers agreed to a "clawback provision". Any bonus or incentive compensation paid to them during the CPP Covered Period is subject to recovery or "clawback" by the Corporation if the payments were based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria. The senior executive officers acknowledged that each of the Corporation's compensation, bonus, incentive and other benefit plans, arrangements and agreements (including golden parachute, severance and employment agreements) (collectively, "Benefit Plans") with respect to them was deemed amended to the extent necessary to give effect to such clawback and the restriction on golden parachute payments.
- *No Compensation Arrangements That Encourage Excessive Risks.* The Corporation is required to review its Benefit Plans to ensure that they do not encourage senior executive officers to take unnecessary and excessive risks that threaten the value of the Corporation. To the extent any such review requires revisions to any Benefit Plan with respect to the senior executive officers, they agreed to negotiate such changes promptly and in good faith.

During the CPP Covered Period, the Corporation agreed in January 2009 that it would not take federal income tax deductions for compensation paid to the senior executive officers in excess of \$500,000 per year, subject to certain exceptions.

Subsequent to the date of your letter, the American Recovery and Reinvestment Act of 2009 (the "Stimulus Bill") was enacted. The Stimulus Bill contains several provisions designed to establish executive compensation and governance standards for financial institutions (such as the Corporation) that received or will receive financial assistance under TARP. At a meeting held on February 26, 2009, the Corporation's Board of Directors reviewed the steps that the Corporation will be taking in order to comply with the Stimulus Bill. The Board directed that controls be established to assure that during the period that the Corporation's preferred stock issued under TARP is outstanding, in accordance with standards that we expect to be issued by the Treasury, (i) severance payments (other than payments for services performed or benefits accrued) will not be paid to our "senior executive officers" (defined in the Stimulus Bill as the five highest paid senior executive officers) and our next five most highly compensated employees, (ii) bonus awards and other incentive compensation paid to our senior executive officers and the next 20 most highly compensated employees will be subject to "clawback" if such compensation is later found to have been based on materially inaccurate financial statements or

other materially inaccurate measurements of performance, (iii) our compensation arrangements do not encourage manipulation of reported earnings and (iv) except as permitted under the Stimulus Bill, there will be no payment or accrual of any bonus, retention award or incentive compensation to the Corporation's highest paid employee (currently the undersigned).

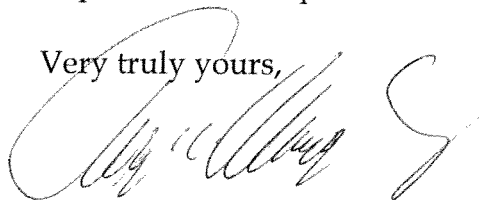
Our Compensation Committee (consisting solely of independent directors) will be reviewing our compensation arrangements to assure compliance with the standards to be articulated by the United States Treasury. Pending that review, we are not presently aware of any compensation arrangements maintained by the Corporation, UCNB or their subsidiaries that runs afoul of the directives in the Stimulus Bill. With the exception of examining the extent to which restricted stock may be utilized in a manner that is consistent with the Stimulus Bill, the Corporation does not anticipate that changes will be required to be made to longer-term or deferred forms of executive compensation.

We are attaching a copy of our 2008 proxy statement, which outlines that there is no unusual or extraordinary amounts of compensation paid to the top executives of the Corporation that would be in conflict with the Treasury's guidelines. We are also attaching a copy of our initial SEC FORM S-3 filing, which details executive compensation limitations agreed upon at the time that the Corporation received its TARP financing. We are also attaching a copy of our January 12, 2009 press release, in which the undersigned was quoted as follows: "Capital raised, which amounted to approximately 50 percent of what CNBC had qualified for under the Treasury program, will significantly strengthen our financial position during these challenging economic times. **We will invest these funds to support future loan growth in the markets we serve.**"

Should you have any further questions regarding this matter, please do not hesitate to contact me.

The undersigned certifies to the accuracy of all statements, representations and supporting information provided herein and herewith, subject to the requirements and penalties set forth in Title 18, United States Code, Section 1001.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Anthony C. Weagley', written in a cursive style.

Anthony C. Weagley
President & CEO

In December 2008, Center Bancorp, Inc., parent company of Union Center National Bank (“UCNB”), a \$1 Billion commercial bank headquartered in Union, NJ, decided to accept \$10 Billion in TARP funding in order to capture market share vacated by undercapitalized and poorly performing financial institutions. The decision to accept these funds was predicated on the bank’s continued ability to lend to businesses and other community customers within our market area. The willingness to redeploy these moneys was based on our excellent financial position. As of December 31, 2008, Center Bancorp had a total risk-based capital ratio of 11.02%, Tier I risk-based capital ratio of 10.20% and a leverage capital ratio of 7.71%.

For the twelve months ending December 2008 and the 1 month ending January 2009, UCNB originated new loans and lines in the amount of \$246 million and \$10 million respectively. This loan volume was concentrated primarily in the commercial sector of our business. Listed below is the breakdown of our lending activity:

	12 months ending Dec 08	1 month ending Jan. 08
Commercial R/E Loans	\$140,994,000	\$3,525,000
Commercial Loans	85,696,000	6,791,000
Residential /Installment Loans	19,370,000	29,000
	<hr/>	<hr/>
Total	\$246,060,000	\$10,345,000

Attached are our Loan Trial Balance Activity Reports which provide more detail with respect to our lending activity. The report includes data on line advances, pay offs, loan amortization and principal payments.

It is important to note that our lending activity comprises the full spectrum of lending that a much larger commercial bank offers. Our commercial real estate lending provides owners of commercial buildings (office, retail, industrial, mixed use, manufacturing, medical, etc) with the ability to lower their interest rates resulting in an increase in their cash flow while providing additional capital for other investment opportunities. The commercial loan growth was attributable to the many small and medium sized companies in our market area who required capital to expand their business operations. Our residential and installment lending provides first and second residential mortgages, home equity lines of credit as well as personal and auto loans.

Despite the current economic slowdown, UCNB continues to grow its lending platform by expanding its market share into new markets. Our focus is on providing superior customer service while expanding customer relationships and attracting new prospects.

The strength of our balance sheet shows we are succeeding.

Union Center National Bank
Loan Trial Balance Activity between Dec 31, 2007 and Dec 31, 2008

COMMERCIAL LOANS - FIXED

Class	No.	Dec 07		New Loans	Pay Offs	Amortization	Advances	Non Scheduled Principal Pmts	Dec 08		
		Outstandings	Yield						Outstandings	Yield	
03 = Com'l Demand	4	94,997.29		12.00	10,965.91	0.00	0.00	2,850.88	2	81,192.50	
04 = Com'l Term Secured	2	850,000.00		0.00	850,000.00	0.00	0.00	0.00	0	0.00	
05 = Com'l Time Secured	18	1,633,208.79		0.00	153,333.43	172,630.74	100,000.00	315,669.09	13	1,091,575.53	
06 = Com'l Demand Unsecured	1	67,466.50		0.00	0.00	0.00	0.00	11,472.06	06	55,994.44	
08 = Com'l Term Unsecured	175	18,131,359.87		13,612,938.27	2,252,350.90	2,729,759.06	2,652,289.05	695,910.88	08	28,718,546.35	
18 = Com'l Construction	1	195,146.70		0.00	0.00	0.00	0.00	0.00	18	195,146.70	
21 = Sm Bus LOC	3	81,875.19		170,000.00	0.00	96,062.46	310,733.26	32,488.87	21	434,047.12	
37 = Participation Note	2	182,394.81		0.00	0.00	12,369.70	0.00	499.63	37	169,525.48	
38 = Participation Note	29	34,765,094.07		13,221,121.73	1,853,023.00	711,615.69	5,301,637.48	10,176,727.41	38	40,546,487.18	
39 = Lease Loans	1	6,153.57		0.00	0.00	0.00	0.00	6,153.57	39	0.00	
53 = Com'l Time	2	8,636,568.66		0.00	3,720,000.00	0.00	85,293.58	1,862.24	53	5,000,000.00	
96 = Business Loans	2	31,594.63		0.00	0.00	22,228.74	0.00	0.00	96	9,365.89	
	240	64,675,660.08		27,004,072.00	8,839,673.24	3,744,666.39	8,449,933.37	11,243,644.63	245	76,301,881.19	

COMMERCIAL LOANS - VARIABLE

15 = Com'l LOC	122	25,270,152.54		13,527,155.20	1,071,878.82	241,198.92	32,782,190.53	36,303,156.93	15	134	33,963,263.60
07 = Com'l Time Unsecured	93	57,264,483.57		45,165,204.27	34,705,161.88	382,392.38	16,021,201.51	16,387,739.05	07	72	66,975,596.04
	215	82,534,636.11		58,692,359.47	35,777,040.70	623,591.30	48,803,392.04	52,690,895.98		206	100,938,859.64

COMMERCIAL MORTGAGES

01 = Com'l Mortgage	98	55,255,636.97		160,000.00	4,650,732.59	2,888,770.41	0.00	1,961,892.22	01	84	45,914,241.75
41 = Com'l Mortgage	148	82,314,855.37		140,833,768.16	5,218,349.08	4,020,866.66	0.00	3,296,461.24	41	207	210,612,926.55
	246	137,570,492.34		140,993,768.16	9,869,081.67	6,909,657.07	0.00	5,258,353.46		291	256,527,168.30

INSTALLMENT LOANS

09 = Home Equity	16	109,872.51		0.00	0.00	4,643.39	9,571.77	49,079.31	09	13	65,721.58
11 = Heartline (LOC)	4	46,498.78		1,049,864.66	0.00	6,320.12	394,400.00	20,060.18	11	12	1,464,383.14
14 = HELOCs	772	28,717,343.97		2,650,137.84	6,035,328.45	645,909.74	16,627,951.35	12,584,277.30	14	711	28,729,917.67
16 = Shirling Miller (LOC)	11	112,460.76		0.00	0.00	2,984.08	20,755.00	22,607.87	16	10	107,623.81
20 = Overdraft Protection	39	48,749.55		42,950.77	0.00	24,793.71	383,096.72	332,990.38	20	80	117,012.95
23 = Student Loans	1	2,535.80		0.00	286.71	2,201.42	0.00	37.67	23	0	0.00
54 = Champion Mortgages	20	880,884.41		0.00	17,835.27	60,053.30	0.00	5,011.36	54	19	797,984.48
80 = Afford A Loan	14	40,696.01		21,500.00	5,966.61	13,143.60	0.00	3,352.93	80	14	39,732.87
91 = Personal Loan	16	73,797.52		97,000.00	6,532.24	40,250.97	9,000.00	16,156.92	91	24	116,857.39
92 = New Auto	11	87,469.70		0.00	2,541.41	37,322.00	0.00	9,080.00	92	7	38,526.29
93 = Used Auto	13	117,026.93		65,700.00	41,761.88	30,121.97	0.00	5,785.31	93	12	105,047.77
94 = Home Equity Loans Fixed	1,315	86,752,740.09		4,331,877.70	10,742,951.81	7,676,414.13	0.00	2,080,207.98	94	1,147	70,595,043.87
95 = Home Improvement	2	9,083.55		0.00	0.68	810.93	0.00	969.68	95	1	7,302.26
	2,234	117,009,159.58		8,259,030.97	16,853,215.06	8,544,969.36	17,444,774.84	15,129,626.89		2,050	102,185,154.08

Union Center National Bank
 Loan Trial Balance Activity between Dec 31, 2008 and Jan 31, 2009

COMMERCIAL LOANS - FIXED

Class	No.	December 08 Outstandings	Yield
03 = Com'l Demand	2	81,192.50	
05 = Com'l Time Secured	13	1,091,575.53	
06 = Com'l Demand Unsecured	1	55,994.44	
08 = Com'l Term Unsecured	195	28,718,546.35	
18 = Com'l Construction	1	195,146.70	
21 = Sm Bus LOC	10	434,047.12	
37 = Participation Note	2	169,525.48	
38 = Participation Note	18	40,546,487.18	
53 = Com'l Time	1	5,000,000.00	
96 = Business Loans	2	9,365.89	
	245	76,301,881.19	

New Loans	Pay Offs	Amortization	Advances	Non Scheduled Principal Pmts
0.00	0.00	0.00	0.00	59.46
0.00	0.16	0.00	0.00	16,564.57
0.00	0.00	0.00	0.00	850.94
580,858.18	0.00	252,514.85	0.00	44,889.33
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	29,180.72	2,199.02
0.00	0.00	11,541.23	0.00	585.98
0.00	0.00	1,090.96	186,539.92	89,965.80
0.00	0.00	40,244.67	0.00	0.00
0.00	0.00	0.00	0.00	0.00
580,858.18	0.16	422.97	215,720.64	155,115.10

Class	No.	January 09 Outstandings	Yield
03	2	81,133.04	
05	12	1,075,010.80	
06	1	55,143.50	
08	199	29,002,000.35	
18	1	195,146.70	
21	10	449,487.59	
37	2	167,848.54	
38	20	40,602,816.63	
53	1	5,000,000.00	
96	2	8,942.92	
	250	76,637,530.07	

COMMERCIAL LOANS - VARIABLE

15 = Com'l LOC	134	33,963,263.60
07 = Com'l Time Unsecured	72	66,975,596.04
	206	100,938,859.64

500,000.00	192,460.41	0.00	5,645,709.00
5,710,000.00	649,227.18	0.00	1,268,378.35
6,210,000.00	841,687.59	0.00	6,914,087.35

15	135	38,344,718.03
07	72	72,919,051.34
	207	111,263,769.37

COMMERCIAL MORTGAGES

01 = Com'l Mortgage	84	45,914,241.75
41 = Com'l Mortgage	207	210,612,926.55
	291	256,527,168.30

0.00	0.00	239,391.75	0.00	(2,781.80)
3,525,000.00	741,416.53	428,537.49	0.00	10,375.44
3,525,000.00	741,416.53	667,929.24	0.00	7,593.64

01	84	45,677,631.80
41	208	212,957,597.09
	292	258,635,228.89

INSTALLMENT LOANS

09 = Home Equity	13	65,721.58
11 = Heartline (LOC)	12	1,464,383.14
14 = HELOCs	711	28,729,917.67
16 = Stirling Miller (LOC)	10	107,623.81
20 = Overdraft Protection	80	117,012.95
23 = Student Loans	0	0.00
54 = Charnion Mortgages	19	797,984.48
80 = Afford A Loan	14	39,732.87
91 = Personal Loan	24	116,857.39
92 = New Auto	7	38,526.29
93 = Used Auto	12	105,047.77
94 = Home Equity Loans Fixed	1,147	70,595,043.87
95 = Home Improvement	1	7,302.26
	2,050	102,185,154.08

0.00	0.00	584.91	0.00	2,160.74
21,297.10	0.00	1,990.38	8,435.28	9,366.45
0.00	104,291.51	71,477.53	2,414,676.90	1,263,781.52
0.00	418.53	345.48	0.00	1,311.05
2,000.00	0.00	2,867.67	25,334.36	23,410.96
0.00	0.00	0.00	0.00	0.00
0.00	0.00	5,271.48	0.00	534.85
0.00	0.00	1,250.11	0.00	39.55
6,000.00	0.00	3,995.01	0.00	0.00
0.00	0.00	2,359.30	0.00	86.58
0.00	0.00	2,825.76	0.00	0.00
0.00	1,336,923.60	599,074.43	0.00	188,141.37
0.00	0.00	62.44	0.00	56.56
29,297.10	1,441,633.64	692,104.50	2,448,446.54	1,488,889.63

09	13	62,975.93
11	14	1,482,758.69
14	704	29,705,044.01
16	9	105,548.75
20	84	118,068.68
23	0	0.00
54	19	792,178.15
80	14	38,443.21
91	25	118,862.38
92	7	36,080.41
93	12	102,222.01
94	1,128	68,470,904.47
95	1	7,183.26
	2,030	101,040,269.95

Union Center National Bank
 Loan Trial Balance Activity between Dec 31, 2008 and Jan 31, 2009

RESIDENTIAL MORTGAGES -- ARMS

Class	No.	December 08 Outstandings	Yield
32 = 1 Year Convertible ARM	1	114,735.63	
33 = 5/1 ARM	4	789,496.84	
34 = 7/1 ARM	28	5,880,519.83	
35 = 10/1 ARM	2	349,748.27	
45 = 5/1 ARM	58	18,292,407.66	
46 = 7/1 ARM	82	23,499,129.51	
47 = 10/1 ARM	27	8,035,209.36	
51 = 3/1 ARM	13	5,071,590.41	
	215	62,032,837.51	

New Loans	Pay Offs	Amortization	Advances
0.00	0.00	651.47	0.00
0.00	0.00	2,581.42	0.00
0.00	0.00	23,761.11	0.00
0.00	0.00	1,120.00	0.00
0.00	0.00	33,618.10	0.00
0.00	0.00	59,473.90	0.00
0.00	231,162.98	13,360.49	0.00
0.00	0.00	4,471.13	0.00
0.00	231,162.98	139,037.62	0.00

Non Scheduled Principal Pyts	Class	No.	January 09 Outstandings	Yield
(651.47)	32	1	114,735.63	
12.82	33	4	786,902.60	
3,996.70	34	28	5,852,762.02	
(718.58)	35	2	349,346.85	
51,385.21	45	58	18,207,404.35	
(5,376.43)	46	82	23,445,032.04	
93,160.93	47	26	7,697,524.96	
19.80	51	13	5,067,099.48	
141,828.98		214	61,520,807.93	

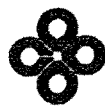
RESIDENTIAL MORTGAGES -- FIXED

Class	No.	December 08 Outstandings	Yield
02 = Residential Mortgage-Fixed	153	16,711,537.98	
12 = Mortgages Avail for Sale	0	0.00	
42 = Residential Mortgage-Fixed	189	43,148,568.39	
49 = 10 Yr Mortgage	138	12,096,076.86	
50 = 10 Yr Mortgage	60	4,566,398.13	
	540	76,522,581.36	

New Loans	Pay Offs	Amortization	Advances
0.00	0.00	97,767.97	0.00
0.00	0.00	0.00	0.00
0.00	154,468.66	143,957.07	0.00
0.00	81,451.66	219,057.08	0.00
0.00	160,044.23	113,208.25	0.00
0.00	395,964.55	573,990.37	0.00

Non Scheduled Principal Pyts	Class	No.	January 09 Outstandings	Yield
0.00	02	153	16,613,770.01	
0.00	12	0	0.00	
0.00	42	187	42,850,142.66	
0.00	49	136	11,795,568.12	
0.00	50	59	4,293,145.65	
0.00		535	75,552,626.44	

No.	December 08 Outstandings	Yield	New Loans	Pay Offs	Amortization	Advances	Non Scheduled Principal Pyts	No.	January 09 Outstandings	Yield
3,547	67,450,882.08		10,345,155.28	3,651,865.45	2,376,876.41	9,578,254.53	3,750,917.38	3,528	68,650,232.65	

 Center Bancorp, INC.

Union  Center
UNION CENTER NATIONAL BANK

Shock Scenarios

b(4)



Center Bancorp, Inc. Announces Issuance of \$10,000,000 of Senior Preferred Stock to the U.S. Department of Treasury

Company Release - 01/12/2009 12:38

UNION, N.J., Jan. 12, 2009 (GLOBE NEWSWIRE) -- Center Bancorp, Inc. (Nasdaq:CNBC), the parent company for Union Center National Bank, ("UCNB"), announced today that it issued \$10 million in CNBC's nonvoting senior preferred stock to the U.S. Department of Treasury under the Capital Purchase Program. As part of the transaction, the Corporation also issued warrants to the Treasury to purchase 173,410 shares of common stock of the Corporation at an exercise price of \$8.65 per share.

"As we have previously announced, we believe that our voluntary participation in the Capital Purchase Program makes good sense for CNBC, providing us with an attractive low-cost alternative to other capital sources in today's market," remarked Anthony C. Weagley, President & CEO.

Mr. Weagley further added, "Although CNBC is a well-capitalized organization, we believe this program provides an excellent opportunity for healthy banks to participate in and support the recovery of the U.S. economy. As we previously indicated, the Corporation chose to voluntarily enter the program in order to meet the spirit of the Treasury's efforts to provide additional long-term funds to facilitate lending by banks."

At September 30, 2008, the Corporation's capital ratios were all above the levels required to be categorized as "well capitalized." The Corporation's total risk-based capital, Tier I capital, and leverage capital ratios were 11.03 percent, 10.22 percent, and 7.73 percent, respectively, at September 30, 2008.

Mr. Weagley said, "The capital raised, which amounted to approximately 50 percent of what CNBC had qualified for under the Treasury program, will significantly strengthen our financial position during these challenging economic times. We will invest these funds to support future loan growth in the markets we serve."

Mr. Weagley added: "We are optimistic that the Corporation will continue to build its loan volume throughout 2009. Our pipelines have remained strong during the fourth quarter and increased activity in the lending sector is expected to support continued growth in the loan portfolio and improvement in our earning-asset mix."

About Center Bancorp

Center Bancorp, Inc. is a financial services holding company and operates Union Center National Bank, its main subsidiary. Chartered in 1923, Union Center National Bank is one of the oldest national banks headquartered in the state of New Jersey and currently the largest commercial bank headquartered in Union County. Its primary market niche is its commercial banking business. UCNB focuses its lending activities on commercial lending to small and medium sized businesses, real estate developers and high net worth individuals.

UCNB, through its Private Wealth Management Division, which includes its wholly owned subsidiary, Center Financial Group LLC, and through a strategic partnership with American Economic Planning Group, provides financial services, including brokerage services, insurance and annuities, mutual funds, financial planning, estate and tax planning, trust services, elder care and benefit plan administration. Center Bancorp additionally offers title insurance services in connection with the closing of real estate transactions, through two subsidiaries, Union Title Company and Center Title Company.

UCNB currently operates 13 banking locations in Union and Morris counties in New Jersey. Banking centers are located in Union Township (6 locations), Berkeley Heights, Boonton/Mountain Lakes, Madison, Millburn/Vauxhall, Morristown, Springfield, and Summit, New Jersey. UCNB also operates remote ATM locations in the Chatham and Madison New Jersey Transit train stations and the Boys and Girls Club of Union.

While UCNB's primary market area is comprised of Morris and Union Counties, New Jersey, the Corporation has expanded into northern and central New Jersey. At September 30, 2008, Center Bancorp had total assets of \$1.0 billion, total deposit funding sources, which includes overnight repurchase agreements, of \$721.7 million and stockholders' equity of \$80.6 million. For further information regarding Center Bancorp, Inc., call 1-(800)-862-3683. For information regarding Union Center National Bank, visit our web site at <http://www.centerbancorp.com>

Forward-Looking Statements

All non-historical statements in this press release (including statements regarding the investment of the net proceeds of the Capital Purchase Program transaction, future growth in the Corporation's loan portfolio and improvement in the Corporation's earning-asset mix) constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may use such forward-looking terminology such as "expect," "look," "believe," "plan," "anticipate," "may," "will" or similar statements or variations of such terms or otherwise express views concerning trends and the future. Such forward-looking statements involve certain risks and uncertainties. These include, but are not limited to, the direction of interest rates, continued levels of loan quality and origination volume, continued relationships with major customers including sources for loans, as well as the effects of international, national, regional and local economic conditions and legal and regulatory barriers and structure, including those relating to the current global financial crisis and the deregulation of the financial services industry, and other risks cited in reports filed by the Corporation with the Securities and Exchange Commission. Actual results may differ materially from such forward-looking statements. Center Bancorp, Inc. assumes no obligation for updating any such forward-looking statement at any time.

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