

**SUPERVISORY AGREEMENT
BETWEEN
CENTURY FINANCIAL SERVICES CORP.
AND
THE OFFICE OF THRIFT SUPERVISION**

This written Supervisory Agreement (Agreement) is entered into and made effective this 19th day of April, 2006 (the Effective Date), by and between Century Financial Services Corp. (Century Financial or the Holding Company), a registered savings and loan holding company that owns and controls Century Bank, FSB (the Institution), a federally-chartered savings Institution, and the Office of Thrift Supervision (OTS), an office within the United States Department of the Treasury, acting through its West Regional Director or his/her designee (Regional Director).

WHEREAS, the OTS, pursuant to 12 U.S.C. §§ 1818 and 1467a(g), has statutory authority to require the Holding Company to take actions to correct matters of regulatory concern; and

WHEREAS, the OTS and the Holding Company, acting by and through its board of directors (the Board), without admitting or denying liability, mutually agree that Century Financial and its institution-affiliated parties should take actions to address concerns identified in the report of the OTS's holding company examination of Century Financial commenced on October 24, 2005; and

WHEREAS, the OTS and the Board have a common interest in assuring that the Institution and the Holding Company are operated in a safe and sound manner; and

WHEREAS, in pursuit of that interest, the OTS and the Board have determined that certain actions should be taken by the Holding Company for the benefit of the Holding Company, its shareholders, and its subsidiary Institution and the depositors thereof;

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NOW THEREFORE, in consideration of the above premises and the mutual undertakings set forth herein, the parties hereto agree as follows:

I. FINANCIAL PLAN

Within forty five (45) days of the Effective Date, the Board shall approve and submit to the OTS Assistant Director (AD) for review and non-objection a written 3-year comprehensive detailed Financial Plan (Financial Plan) that contains, at a minimum, the following components:

A. Plan for Servicing Debt and Enhancing Capital

(1) The Financial Plan should demonstrate in detail how the Holding Company intends:

(a) To support the Institution in its efforts to maintain prudent levels of capital;

(b) Reduce the financial burden of the Institution to service the Holding Company's debt obligations, including quarterly projections of cash needs and cash sources to satisfy those needs; and

(c) To avoid a default by the Holding Company on its debt obligations.

(2) The Financial Plan should address and consider:

(a) The Institution's and Holding Company's present and future capital needs, taking into account their respective current and projected earnings performance and risk profiles and providing Holding Company *pro forma* capital level targets;

(b) Comprehensive pro-forma cash flow projections, detailing all anticipated sources and uses of funds, including any scheduled payment obligations of the Holding Company related to its outstanding debt instruments; and

(c) How the Holding Company will increase the ratio of capital relative to debt while the Trust Preferred Securities remain outstanding.

B. Liquidity

(1) The Financial Plan should include comprehensive calculation and reporting requirements involving both short-term and long-term analysis of liquidity and cash flow, both into and out of the Holding Company. At a minimum, this portion of the Financial Plan should include:

- (a) A process for regularly measuring and monitoring liquidity that includes forecasting cash inflows and outflows over varying time periods to identify potential cash imbalances;
- (b) Quantitative guidelines and limits to ensure adequate liquidity; and
- (c) A schedule for the periodic review of the liquidity strategy by both Management and the Board to ensure that the Financial Plan adequately addresses changes in liquidity risk limits, liquidity strategy, information systems and internal controls.

II. CAPITAL DISTRIBUTIONS

The Holding Company shall not declare or pay any capital distributions to the owners of its shares unless it first (i) provides a minimum of 30 days advance notice of a proposed capital distribution and (ii) receives a written notice of non-objection from the AD. Provided, however, the Holding Company, as an entity that has elected to be taxed under subchapter S of the Internal Revenue Code of 1986, as amended (the Code), may make distributions to the owners of its shares in amounts that do not exceed the amount of state and federal income tax the Holding Company would have paid if it were taxed under subchapter C of the Code; the Holding

Company shall give the OTS written notice within five business days after making any such tax distribution to the owners of its shares. The term "shares" is defined in 12 C.F.R. § 563.142.

III. IMPLEMENTATION AND ADHERENCE TO PLAN AND POLICIES

A. Within fifteen (15) days of receipt of the AD's notice of objection, if any, to any aspect of the foregoing Plan or Policies, the Holding Company shall submit a revised Policy to the AD addressing any such objections or comments of the AD;

B. Once the Plan or Policy is submitted pursuant to this Agreement and all objections from the AD, if any, have been satisfactorily resolved, the Holding Company may not amend, suspend, or revoke the Plan or Policy without the prior written non-objection from the AD; and

C. Immediately upon receipt of the AD's non-objection to the Plan or Policy, the Holding Company shall implement the Plan or Policy and ensure that all directors, officers, employees and agents adhere to it.

IV. COMPLIANCE WITH AGREEMENT

A. The Board and officers of the Holding Company shall take immediate action to cause Century Financial to comply fully with the terms of this Agreement. On an ongoing basis, the Board and officers of the Holding Company also shall take all actions necessary or appropriate to cause Century Financial to continue to carry out the provisions of this Agreement. The Board also shall be responsible for regularly monitoring compliance with this Agreement. The Board's monitoring efforts must be accurately reflected in the minutes of its meetings.

B. Notwithstanding the requirements of this Agreement that the Board submit various matters to the Regional Director (or his designee) for the purpose of receiving his approval, non-objection or notice of acceptability, such regulatory oversight does not derogate or supplant each individual Board member's continuing fiduciary duty to the Holding Company.

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The Board shall have the ultimate responsibility for overseeing the safe and sound operation of the Holding Company at all times, including compliance with the determinations of the Regional Director as required by this Agreement.

V. DIRECTOR RESPONSIBILITY

Notwithstanding the requirements herein that the Institution submit various matters to the AD for purpose of review, such regulatory oversight does not derogate or supplant each individual director's continuing fiduciary duty. The Board shall have the ultimate responsibility for overseeing the safe and sound operation of the Institution at all times, including compliance with any and all directives of the OTS.

VI. DEFINITIONS, REGULATORY REFERENCES, RESERVATION OF RIGHTS

A. All technical words or terms used in this Agreement for which meanings are not specified or otherwise provided by the provisions of this Agreement shall, insofar as applicable, have meanings as defined in Chapter V of Title 12 of the Code of Federal Regulations, the Home Owners' Loan Act, the Federal Deposit Insurance Act (FDI Act), the Federal Reserve Act (FR Act), or OTS Memoranda. Any such technical words or terms used in this Agreement and undefined in said Code of Federal Regulations, HOLA, FDI Act, FR Act, or OTS Memoranda shall have meanings that are in accordance with the best custom and usage in the savings and loan/Institution industry.

B. Reference in this Agreement to provisions of statutes, regulations, and OTS Memoranda shall be deemed to include references to all amendments to such provisions as have been made as of the date hereof and references to successor provisions as they become applicable.

C. Neither the OTS's issuance of this Agreement nor the Holding Company's compliance therewith shall bar, estop or otherwise prevent the OTS from taking any other action

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(including, without limitation, any type of supervisory, enforcement or resolution action) affecting the Holding Company, or any of its current or former institution-affiliated parties.

VII. TIME LIMITS

Time limitations for compliance with the terms of this Agreement run from the Effective Date unless otherwise noted.

VIII. RULES OF INTERPRETATION, INTERGRATION CLAUSE, COUNTERPARTS

A. Nothing in this Agreement shall be construed as:

- (1) Allowing the Holding Company to violate any law, rule, regulation, or policy statement to which it is subject; or
- (2) Restricting the OTS from taking such action(s) that are appropriate in fulfilling the responsibilities placed upon it by law, including, without limitation, any type of supervisory, enforcement or resolution action that the OTS determines to be appropriate.

B. The paragraph and section headings herein are for convenience only and shall not affect the construction hereof.

C. This Agreement represents, as of the Effective Date, the final written agreement of the parties with respect to the subject matter hereof and constitutes the sole agreement of the parties, as of the Effective Date, with respect to such subject matter.

D. In case any provision in this Agreement is ruled to be invalid, illegal or unenforceable by the decision of any Court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby, unless the Regional Director in his/her sole discretion determines otherwise.

E. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute one and the same Agreement.

IX. SUCCESSORS IN INTEREST

The terms and provisions of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest. Nothing in this Agreement, express or implied, shall give to any person or entity, other than the parties hereto, the Federal Deposit Insurance Corporation, and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Agreement.

X. ENFORCEABILITY OF AGREEMENT

A. The Holding Company represents and warrants that this Agreement has been duly authorized, executed, and delivered, and constitutes, in accordance with its terms, a valid and binding agreement of Century Financial.

B. This Agreement is a "written agreement" for the purposes of, and is enforceable by the OTS as an order issued under, Section 8 of the FDI Act, 12 U.S.C. § 1818. Also see 12 U.S.C. § 1467a(g).

C. Each director of the Holding Company signing this Agreement attests, by such act, that she or he, as the case may be, voted in favor of the Board resolution (submitted herewith) authorizing the execution of this Agreement by Century Financial.

XI. DURATION, TERMINATION, SUSPENSION OF AGREEMENT

A. This Agreement shall:

- (1) Become effective upon its execution by the OTS, through its authorized representative whose signature appears below; and
- (2) Remain in effect until terminated, modified or suspended in writing by the OTS, acting through its Director or the Regional Director (including any authorized designee thereof). No amendment or modification of this

Agreement shall be valid or binding unless written and duly executed by the OTS and the Holding Company.

B. The Regional Director, in his or her sole discretion, may, by written notice, suspend or waive (temporarily or permanently) any or all provisions of this Agreement.

IN WITNESS WHEREOF, the OTS and Century Financial (in accordance with a duly adopted resolution of its Board) hereby execute this Agreement.

OFFICE OF THRIFT SUPERVISION

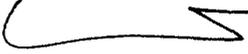
CENTURY FINANCIAL SERVICES CORP.

By: 
Michael E. Finn
Regional Director

By: 
Name: Milo L. McGonagle
Chief Executive Officer

Date: Effective Date Shown on Page 1

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By: 
Gerald P. Peters
Director

By: 
Milo L. McGonagle
Director

By: 
Bryan J. Chippeaux
Director

By: 
Donald A. Gonzales
Director