

SUPERVISORY AGREEMENT

This Supervisory Agreement (Agreement) is made and is effective this 9th day of June 2006 (the Effective Date), by and between Alliance, FSB (Alliance or the Institution) OTS Docket No. 13824, a federally chartered stock institution, and the Office of Thrift Supervision (OTS), an office within the United States Department of the Treasury, having its principal executive offices located at 1700 G Street, N.W., Washington, D.C. 20552, acting through its Southeast Regional Director or his designee (Regional Director). It is understood and agreed that this Agreement is a "written agreement" entered into with the OTS within the meaning of 12 U.S.C. §§ 1818(b)(1) and (i)(2).¹

WHEREAS, the OTS is the primary federal regulator of Alliance; and

WHEREAS, based on the November 28, 2005 Report of Examination (2005 ROE), the OTS is of the opinion that Alliance has engaged in acts and practices that: (i) have resulted in violations of certain of the laws or regulations to which Alliance is subject, and/or (ii) are considered to be unsafe and unsound; and

WHEREAS, the OTS is of the opinion that grounds exist for the initiation of administrative proceedings against Alliance; and

WHEREAS, the OTS is of the view that it is appropriate to take measures intended to ensure that Alliance will: (i) comply with all applicable laws and regulations, and (ii) engage in safe and sound practices; and

WHEREAS, Alliance, acting through its Board of Directors (the Board), without admitting or denying any violations of law or regulations or any unsafe or unsound practices, wishes to cooperate with the OTS and to evidence its intent to: (i) comply with all applicable laws and regulations, and (ii) engage in safe and sound practices.

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

COMPLIANCE

Compliance With Laws, Regulations & Safe and Sound Practices

1. The Institution, its directors and its executive officers shall take all necessary and appropriate actions to comply with 12 C.F.R. § 563.177(c)(1) (Procedures for Monitoring Bank Secrecy Act Compliance) and shall direct the Institution's employees and agents to comply with 12 C.F.R. § 563.177(c)(1).

¹ All references to the United States Code (U.S.C.) are as amended, unless otherwise indicated.

Bank Secrecy Act (BSA) and Anti-Money Laundering (AML) Policies and Procedures

2. The Board shall ensure that the Institution maintains and complies with a written compliance program that provides for ongoing compliance with BSA and AML Laws, the related regulations, and the AML guidelines of the Financial Crimes Enforcement Network (FinCEN) and the OTS. At a minimum, the BSA/AML Compliance Program shall include the following:

(a) adequate controls and procedures to identify and research potential suspicious transactions and to report those transactions deemed by the Institution to be suspicious within required time frames for the filing of Suspicious Activity Reports (SARs) consistent with the requirements of 12 C.F.R. § 563.180 and 31 C.F.R. § 103.18 (SARs Regulations);

(b) a comprehensive training program for all operational and supervisory personnel involved in BSA and AML compliance and oversight to ensure that they understand the requirements of the BSA, USA PATRIOT Act, Office of Foreign Assets Control (OFAC), and SARs Laws and Regulations, which shall include maintaining adequate written documentation of such training;

(c) the Board's formal designation and documentation in the corporate minutes of Institution personnel assigned the titles of BSA Officer, Security Officer, Compliance Officer, and Compliance Coordinators on an annual basis; and

(d) semi-annual reviews of all Institution customers for possible matches to the Specially Designated Nationals and Blocked Persons list released by the Treasury Department's OFAC.

3. The Board shall review the Institution's BSA/AML Compliance Program as necessary, but not less than annually, to assess its adequacy and compliance with applicable BSA Laws and Regulations based upon the Institution's operations, activities, size and complexity. Based on such reviews, the Board shall promptly adopt and implement such changes as are necessary to ensure that the BSA/AML Compliance Program remains adequate and appropriate for the Institution and in compliance with the BSA Laws and Regulations.

Compliance Committee

4. The Board shall ensure that the Institution maintains a Compliance Committee responsible for all consumer and regulatory compliance oversight. The Board shall require the following:

(a) the Compliance Committee shall operate in accordance with a preset schedule established by the Committee on an annual basis;

(b) all findings from independent compliance audits shall be reported directly to the Compliance Committee;

(c) the Compliance Committee, in its oversight capacity, shall ensure that all significant independent compliance audit recommendations are implemented in a timely manner; and

(d) the Compliance and BSA Officers shall provide summary reports to the Compliance Committee on a periodic basis corresponding to the independent compliance audits that include basic conclusions, recommendations, and the status of any necessary corrective action.

GENERAL

Compliance with Agreement

5. The Board and officers of Alliance shall take immediate action to cause the Institution to comply with the terms of this Agreement and shall take all actions necessary or appropriate thereafter to cause Alliance to continue to carry out the provisions of this Agreement.

6. By August 31, 2006, and, thereafter, within 45 days after the end of each calendar quarter, the Compliance Committee shall: (i) conduct a review of the Institution's compliance with paragraphs 1 through 4 of this Agreement through, but not limited to, a review of reports and audits of such compliance by management and third party consultants, and (ii) shall submit a written progress report to the Board (Compliance Report) detailing the actions taken to comply with paragraphs 1 through 4, which shall: (a) specify in detail how, if at all, full compliance was found not to exist; (b) identify corrective action requested by the Compliance Committee; and (c) identify all notices of exemption or non-objection under this Agreement issued by the Regional Director during the quarter.

7. By September 15, 2006, and, thereafter, within 60 days after the end of each calendar quarter, the Board, after reviewing the Compliance Report and any reports by management on corrective action taken as required in that report, shall adopt a resolution accepting these reports and requiring any additional corrective action (Compliance Resolution).

8. The minutes of the Board meetings at which a Compliance Resolution is adopted shall set forth the identity of each director voting in favor of its adoption, and the identity of each director voting in opposition to its adoption or abstaining from voting thereon, setting forth each such director's reasoning for opposing or abstaining.

9. The Institution shall promptly respond to any request from the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Agreement.

MISCELLANEOUS

Definitions

10. 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, Home Owners' Loan Act (HOLA), Federal Deposit Insurance Act (FDIA), OTS Publications, or Bank Secrecy Act/Anti-Money Laundering Examination Manual of the Federal Financial Institution Examinations Council (FFIEC BSA Manual). Any such technical words or terms used in this Agreement and undefined in said Code of Federal Regulations, HOLA, FDIA, OTS Publications, or FFIEC BSA Manual shall have meanings that are in accordance with the best custom and usage in the savings and loan industry.

Successor Statutes, Regulations, Guidance, Amendments

11. Reference in this Agreement to provisions of statutes, regulations, OTS Publications and Interagency Statements shall be deemed to include references to all amendments to such provisions as have been made as of the Effective Date and references to successor provisions as they become applicable.

Notices

12. Except as otherwise provided herein, any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted by the Agreement to be made upon, given or furnished to, delivered to, or filed with:

(a) the OTS, by Alliance, shall be sufficient for every purpose hereunder if in writing and mailed, first class, postage prepaid or sent via overnight delivery service or physically delivered, in each case addressed to Ms. Cheryl G. Petty, Assistant Regional Director, Office of Thrift Supervision, Department of the Treasury, One South Wacker Drive, Suite 2000, Chicago, Illinois 60606, or telecopied to 312-917-5001 and confirmed by first class mail, postage prepaid, overnight delivery service or physically delivered, in each case to the above address; and

(b) the Institution, by the OTS, shall be sufficient for every purpose hereunder if in writing and mailed, first class, postage prepaid or sent via overnight delivery service or physically delivered, in each case addressed to Mr. Lawrence H. Chlum, President and Chief Executive Officer, Alliance, FSB, 4800 South Pulaski Road, Chicago, Illinois 60632 or telecopied to 773-376-8222, and confirmed by first class mail, postage prepaid, overnight delivery service or physically delivered, in each case to the above address.

13. Notices hereunder shall be effective upon receipt, if by mail, overnight delivery service or telecopy, and upon delivery, if by physical delivery. If there is a dispute about the date on which a written notice has been received by a party to this Agreement, then, in the event such notice was sent by the United States mail, there shall be a presumption that the notice was received two Business Days after the date of the postmark on the envelope in which the notice was enclosed.

Duration, Termination or Suspension of Agreement

14. This Agreement shall become effective upon its execution by the OTS, through its authorized representative whose signature appears below. The Agreement shall remain in effect until terminated, modified or suspended in writing by the OTS, acting through its Director, Regional Director or other authorized representative.

15. The Regional Director, in his sole discretion, may, by written notice, suspend any or all of the provisions of this Agreement.

Time Limits

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

Effect of Headings

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

Separability Clause

18. 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 sole discretion determines otherwise.

No Violations of Law, Rule, Regulation or Policy Statement Authorized: OTS Not Restricted

19. Nothing in this Agreement shall be construed as: (i) allowing the Institution to violate any law, rule, regulation, or policy statement to which it is subject, or (ii) restricting or estopping the OTS from taking such action(s) that it believes is 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; provided, however, that the OTS shall not take any further actions based on the BSA/AML findings in the 2005 ROE.

Successors in Interest/Benefit

20. 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.

Integration Clause

21. This Agreement represents 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 the subject matter.

Enforceability of Agreement

22. Alliance represents and warrants that this Agreement has been duly authorized, executed, and delivered, and constitutes, in accordance with its terms, a valid and binding obligation of the Institution. Alliance acknowledges that this Agreement is a "written agreement" entered into with the OTS within the meaning of Section 8 of the FDIA, 12 U.S.C. §1818.

Signature of Directors

23. Each Director signing the Agreement attests, by such act, that she or he voted in favor of a Board resolution authorizing the execution of this Agreement by the Institution.

Counterparts

24. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and each of which shall be deemed an original.

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IN WITNESS WHEREOF, the OTS, acting by and through the Regional Director, and Alliance hereby execute this Agreement as of the Effective Date.

ALLIANCE, FSB

By: /s/ Frank J. Spula
Frank J. Spula
Chairman of the Board

By: /s/ Teresa N. Abick
Teresa N. Abick
Director

By: /s/ Lawrence H. Chlum
Lawrence H. Chlum
Director

By: /s/ Robert R. Maycan
Robert R. Maycan
Director

By: /s/ Casimir J. Musielak
Casimir J. Musielak
Director

By: /s/ Christopher T. Nowotarski
Christopher T. Nowotarski
Director

By: /s/ Paul C. Odrobina
Paul C. Odrobina
Director

By: /s/ Z. John Ordon
Z. John Ordon
Director

By: /s/ Sylvester J. Ptak
Sylvester J. Ptak
Director

By: /s/ Kimberly P. Rooney
Kimberly P. Rooney
Director

By: /s/ Dr. Henry K. Roztoczynski
Dr. Henry K. Roztoczynski
Director

By: /s/ Virginia Sikora
Virginia Sikora
Director

OFFICE OF THRIFT SUPERVISION

By: /s/ John E. Ryan
John E. Ryan
Southeast Regional Director