

## Question and Answer Guide

### Home Savings of America, Little Falls, MN

On Friday, February 24, 2012, the Office of the Comptroller of the Currency closed Home Savings of America, Little Falls, MN, and appointed the Federal Deposit Insurance Corporation (FDIC) as Receiver. No one lost any insured deposit because of the closure of Home Savings of America.

An assuming bank could not be located; therefore, the FDIC will fulfill its obligation to depositors by mailing checks for insured deposits. If the balance in your interest bearing account(s) is less than or equal to \$250,000, or if your deposit is in a noninterest-bearing transaction account(s), no action is required on your part at this time. Checks to the retail depositors for their insured funds will be mailed on Monday, February 27, 2012.

#### FDIC Call Center

Toll free number 1-800-523-8089

Hours of Operation – Pacific Time

Friday, February 24, 2012: Until 9:00 p.m.

Saturday, February 25, 2012: 9:00 a.m. – 6:00 p.m.

Sunday, February 26, 2012: Noon – 6:00 p.m.

Monday, February 27, 2012: 8:00 a.m. – 8:00 p.m.

Thereafter: 9:00 a.m. – 5:00 p.m.

#### Informational Websites

[Is My Account Fully Insured?](https://www2.fdic.gov/drip/afi/index.asp) (https://www2.fdic.gov/drip/afi/index.asp)

[Electronic Deposit Insurance Estimator](https://www.fdic.gov/edie) (https://www.fdic.gov/edie)

The following answers are provided to the most commonly asked questions by customers of a failed bank.

#### Deposit Questions

1. Over \$250,000 What if I have more than \$250,000 in my accounts at Home Savings of America?
2. Account Hold I have been advised there is a hold on my account. What does that mean?
3. Account Insurance Status: Is my account fully insured? Is there a method to verify whether my account(s) at Home Savings of America are fully insured?
4. ATM/Debit Card/Checks Can I continue to write checks or use my ATM/Debit card?

5. Automatic Payments/Online Billpay Will my automatic Billpay payments continue?
6. Brokered Deposits/Deposit Broker I am a deposit broker or I have brokered deposits.
7. Checks not honored A merchant will not honor my check. What can I do?
8. Claim Account(s) How do I claim my account(s)?
9. Customer Impact How does this bank failure affect me?
10. Direct Deposits, Social Security What will happen to my direct deposits?
11. Early withdrawal penalty Will I incur an early withdrawal penalty if I close my CD before maturity?
12. Final Statement How will I get my final statement(s) from Home Savings of America?
13. Interest Will I continue to earn interest at the same rate?
14. Interest Checks/Cashier's Checks Can I cash my interest check or cashier's check?
15. Internet Connection Will my internet connection work?
16. IRAs What if I have an Individual Retirement Account (IRA)? Will my savings still be insured?
17. Lose Any Money? Will I lose anything on my deposit account?
18. Outstanding Checks What will happen to the checks which have not cleared my account?
19. Records/Account Histories What if I need information regarding my account during the time Home Savings of America was in business?
20. Tax Reporting - 1098/1099s Who will send my 1098 and/or 1099 information after the end of the year?
21. Uninsured Will I collect my uninsured deposits?
22. Wire Transfer Can funds be wired to me?

## **Mortgage Department Questions**

### **General**

23. Mortgage Department What is happening to the Mortgage Department?

### **Existing Loans (Handled at Little Falls, MN)**

24. Mortgage Loan Who can I speak about my application?
25. Payments How and where do I make my payments?
26. Escrows Will you continue to pay my escrows?
27. Sale of Mortgage Will my mortgage be sold?
28. Maturing Loan My Loan will mature soon. What do I need to do?
29. Home Equity Line of Credit (HELOC) What is happening to my HELOC?
30. Overdraft Protection Line of Credit What is happening to my Overdraft Protection Line of Credit?

### **Loans In Process (Handled at the San Diego, CA, Regional Operating Center)**

31. Application Question Who can I speak about my application?
32. Application Processing What will happen to my mortgage loan application?
33. Closing and Funding My loan is scheduled to close and fund soon. Will it close on schedule?
34. Upfront Fees Will my upfront fees (e.g. application fee, appraisal fee, credit report fee) be refunded?
35. Loan Originator Can I continue to work with the same loan originator?
36. Loan Office Can I continue to do business at the same loan office?
37. Broker Arranged Mortgage Loans Will my broker arranged mortgage loan be funded?
38. Supporting Documents to Loan Application What will happen to my pay stubs, etc.?
39. Foreclosures Will the FDIC continue foreclosures in process?
40. Pre-payment Penalty If I refinance, will my pre-payment penalty be waived?
41. What Happens Now What will happen to my loan?

### **General Questions**

42. Safe Deposit Box How do I obtain the contents of my safe deposit box?
43. All-Deposit Transfer versus Insured Deposit Transfer. Why do all deposits, insured and uninsured, pass in some transactions but not in others?
44. FDIC Insurance Where can I find out more information about FDIC Insurance rules?
45. Media I represent a TV/Newspaper/Radio and would like some information.

46. Shareholders I am a Shareholder of Home Savings Bancorp, Inc. What happens to my shares?
47. Unpaid Bill I did some work for Home Savings of America and have not yet been paid.
48. Work for FDIC – Contract or Employment How can I contract or work for FDIC?

## DEPOSIT QUESTIONS

### **1. What if I have more than \$250,000 in my accounts at Home Savings of America?**

If you have more than \$250,000 in your interest-bearing account, or if the total of your related interest-bearing accounts exceeds \$250,000, your accounts may require review by an FDIC Claim Agent. You should call the FDIC to schedule a telephone appointment with an FDIC Claim Agent at 1-800-523-8089.

If you have an interest-bearing account or group of interest-bearing accounts that exceeds \$250,000, you may need to complete certain declarations or affidavits and provide documentation so that the FDIC can make an insurance determination on your account(s).

**If your deposits DO NOT exceed \$250,000, or if your deposits are in a noninterest-bearing transaction account(s) you DO NOT need to complete these documents or contact the FDIC.**

An account hold may be placed on an account due to the need for additional documentation from a depositor. For example, a Declaration for Trust form may be required to attest to the parties involved in a trust. These forms can be mailed to you, or you can access them online at:

<http://www.fdic.gov/regulations/laws/FORMS/claims.html>

If you have a question regarding the completion of required affidavits or declarations, this website contains samples and instructions for completing the declarations. If your question is not resolved by going to the website, please call 1-800-523-8089 and indicate you have a form completion question.

### **2. I have been advised there is a hold on my account. What does that mean?**

It is possible a depositor's account was held due to delinquent loans where the depositor is the borrower or guarantor. Additionally, any account pledged as collateral for a loan will continue to be held. A letter will be sent informing you of any holds placed by the FDIC, along with instructions on how to proceed. If you have any questions

regarding these holds, please call your loan officer or the FDIC at the number provided in the letter.

Another reason an account hold may be placed is due to the need for additional documentation from a depositor. For example, a Declaration for Trust form may be required to attest to the parties involved in the trust. Please contact the FDIC at 1-800-523-8089 to schedule a telephone appointment.

### **3. Is there a method to verify whether my account(s) at Home Savings of America are fully insured?**

A tool is available that allows failed bank customers the ability to verify whether their account is fully insured or if they need to contact the FDIC. The link to specific contact information is <http://www2.fdic.gov/dip/index.asp>. This service will be available for use no later than the first business day after the bank's failure. Once you enter your account number, your insurance status for that account will appear. If there is a hold on your account, it may be due to the need for the additional documentation referenced in question number one. If there is a hold, you will need to contact the FDIC at 1-800-523-8089 to schedule a telephone appointment.

### **4. Can I continue to write checks or use my ATM/Debit card?**

No. All accounts have been closed. Checks to the depositors for their insured funds will be mailed on Monday, February 27, 2012.

### **5. Will my automatic payments through Billpay continue?**

No. All accounts have been closed; therefore, you should contact your creditors to make other arrangements.

### **6. I am a deposit broker or I have brokered deposits. What do I need to do?**

There were no reported brokered deposits, but if you are a customer who has a Home Savings of America deposit through a broker, you **must** contact your broker with any questions.

### **7. A merchant will not honor my check. What can I do?**

All checks will be returned and stamped "Bank Closed". [This document](#) is a letter you can provide to your creditors explaining that the checks were returned through no fault of your own due to the bank closing, and this is no reflection on you.

### **8. How do I claim my account(s)?**

A check for insured deposit will be mailed to the address of record at Home Savings of America on Monday morning, February 27, 2012, from the FDIC processing center in Dallas, TX. Please be advised that this money will be turned over to your state as unclaimed property if your check is not cashed within 18 months. Unclaimed property

can be located by visiting [www.missingmoney.com](http://www.missingmoney.com) or contacting your state treasurer's office or office of unclaimed property.

### **9. How does this failure affect me?**

All accounts have been closed. A check for insured deposit will be sent on Monday, February 27, 2012, from the FDIC processing center in Dallas, TX by US Mail to the address of record at Home Savings of America.

If you had a loan with Home Savings of America, continue to make your payments to the same address as you have in the past until you are instructed otherwise. Continue to make your checks payable to Home Savings of America.

### **10. What will happen to my direct deposits?**

#### **Federal Government Direct Deposits**

The FDIC has arranged for **only** Federal government direct deposits, including Social Security checks, to be redirected to specific branches of US Bank. You will need to visit a branch of US Bank to obtain your funds. The schedule below identifies the appropriate US Bank office you should visit, which depends upon the Home Savings of America branch that received your direct deposit in the past. You will be required to show appropriate identification to the US Bank customer service representative to obtain your funds. **Please remember these government direct deposit payments will be processed at the same time they have been processed in the past.**

<b>Closed Home Savings of America Location</b>	<b>US Bank Branch Location</b>	<b>Telephone</b>
Little Falls, MN	101 East Broadway	1-320-632-5421
Walnut Creek, CA	1910 Tice Valley Blvd	1-925-210-8720
Laguna Hills, CA	24340 El Toro Road	1-949-457-6232
Seal Beach, CA	13900A Seal Beach Boulevard	1-562-344-3441

US Bank has asked that you direct any questions to a member of the management team.

#### **Direct Deposits from anyone other than the Federal Government**

You must make your own arrangements for any other direct deposits.

### **11. Will I incur an early withdrawal penalty if I close my CD before maturity?**

Your CD will automatically be closed. A check for the insured deposit amount will be mailed to the address of record at Home Savings of America on Monday, February 27, 2012, from the FDIC processing center in Dallas, TX. You will not be assessed an early withdrawal penalty.

**12. How will I get my final account statement(s) from Home Savings of America?**

A final statement will be mailed to you within one week of the closing.

**13. Will I continue to earn interest at the same rate?**

All interest on insured deposits accrued through Friday, February 24, 2012 will be paid at your same rate. The interest will be included in the check for the insured deposit amount that will be mailed to the address of record at Home Savings of America on Monday, February 27, 2012.

**14. Can I cash my interest check or cashier's check?**

No, these checks will not clear. However, official checks (those issued by institutions – for example, cashiers' checks, certified checks, money orders) meet the definition of noninterest-bearing transaction accounts. Noninterest-bearing transaction accounts are fully insured. Outstanding checks will be added back to any of your account balance and you will receive payment from the FDIC.

**15. Will my Internet connection to Home Savings of America work?**

Yes, however, all accounts have been closed and the online banking access is in read-only mode. Please note you will need to click continue to proceed past the FDIC announcement to access your online banking.

**16. What if I have an Individual Retirement Account (IRA)? Will my savings still be insured?**

You will be mailed a separate check from the FDIC for your IRA account, up to \$250,000. You have 60 days to invest this deposit into another retirement vehicle. You should consult IRS Publication 590 and/or your tax advisor concerning the possible tax consequences of such distribution. IRS Publication 590 may be obtained by contacting your local IRS office or via the Internet at [www.irs.gov](http://www.irs.gov).

**17. Will I lose anything on my deposit account?**

Principal and interest on insured accounts, through Friday, February 24, 2012, are protected by the FDIC, to at least \$250,000. Certain entitlements and different types of accounts can be insured in excess of the \$250,000.

If you have more than \$250,000 in your interest bearing account (or in your IRA), or if the total of your related interest bearing accounts exceeds \$250,000, your accounts may require review by an FDIC Claim Agent. All accounts that appear to be related are

reviewed to determine ownership and insurance coverage. See question number one for information regarding forms you may need to complete to expedite this process.

### **18. What will happen to the checks which have not cleared my account?**

Checks that were drawn on Home Savings of America that did not clear before the institution closed will be returned indicating "Bank Closed". [This document](#) is a letter you can provide to your creditors explaining the bank was closed, and checks have been returned through no fault of your own. You should contact your vendors as soon as possible.

### **19. What if I need information regarding my account during the time Home Savings of America was in business?**

Please contact the FDIC at 1-800-523-8089 to request a copy of your records.

### **20. Who will send my 1098 and/or 1099 information after the end of the year?**

The FDIC will be responsible for mailing your 1099 tax information. Your 1098 reporting will be done by the FDIC or the servicer of your loan. You will be notified of any changes in ownership or servicing of your loan.

### **21. Will I collect my uninsured deposits**

**If you have a loan in the same name as your uninsured deposit account, it may be possible to offset your uninsured amount against your loan. You should discuss this with your Claims Agent during your appointment.**

If it is determined that you have some uninsured funds, the FDIC will mail you a Notice of Insurance Determination which includes a Receivership Certificate Number. This certificate entitles you to share proportionately in any funds recovered through the sale of the assets of Home Savings of America. You may eventually recover more of your uninsured funds as assets are liquidated.

When a financial institution is closed, and the Federal Deposit Insurance Corporation ("FDIC") is appointed as receiver, one of FDIC's responsibilities is to sell the institution's assets to pay the depositors and its creditors. The money generated by the sale of these assets will flow through the Receivership, and periodic dividend payments will be made to proven claimants when excess cash is available. For an explanation of the dividend process, go to <http://www2.fdic.gov/divweb/index.asp>.

Of course, the FDIC will mail you a check for the full payment for your insured deposit.

If you have a deposit through a broker, your insured funds will be wired to your broker on your behalf once the FDIC receives all required documentation from your broker.

### **22. Can funds be wired to me?**

No, regretfully, we cannot wire your funds directly for individual depositors.



## **MORTGAGE DEPARTMENT QUESTIONS**

### **A. GENERAL**

#### **23. What is happening to the Mortgage Department?**

The Mortgage Department will continue to operate for an undetermined period to wind-down its business affairs. No new mortgage loan applications will be accepted.

### **B. EXISTING LOANS (Handled by Little Falls, MN)**

#### **24. Whom can I speak about my current mortgage?**

Please call 1-800-523-8089 to schedule an appointment with a mortgage counselor from the FDIC. They will review the status of your mortgage loan and advise you accordingly.

#### **25. How and where do I make my loan payments?**

You should continue to make your payments as agreed. If you made your payments electronically via ACH transactions, you must begin making your payments by check. Make payment checks payable to Home Savings of America and mail to: Home Savings of America, 35 East Broadway, Little Falls, MN 56345.

#### **26. Will you continue to pay my escrows (e.g., insurance and taxes)?**

Escrow arrangements will continue and all services previously performed related to your existing mortgage will continue. If you receive a notice that any portion of your real estate taxes or property insurance premiums have not been paid, please contact the FDIC at 1-800-523-8089.

#### **27. Will my mortgage be sold?**

Your mortgage loan may be sold at a future date. If that occurs, you will be notified by letter. Until you are notified otherwise, continue to make all your scheduled payments according to your existing instructions.

#### **28. My loan is due to mature soon. What do I need to do to extend or refinance my loan?**

The FDIC is not a lender and you are encouraged to obtain alternate financing through another lender.

#### **29. What is happening to my Home Equity Line of Credit (HELOC)? Why can't I draw on my HELOC?**

Unfunded commitments are cancelled. You are encouraged to seek alternative financing with another mortgage lender.

### **30. What is happening to my Overdraft Protection Line of Credit?**

Unfunded commitments are cancelled. You are encouraged to payoff the line of credit as soon as possible or seek alternative financing with another lender.

#### **C. LOANS IN PROCESS (Handled by San Diego, CA, Regional Operating Center)**

### **31. To whom can I speak about my current mortgage application?**

Please call 1-800-523-8089 to schedule an appointment with a mortgage counselor from the FDIC.

### **32. What will happen to my mortgage loan application?**

If you have **not** yet received notification of loan underwriting approval, you are encouraged to seek alternative financing with another mortgage lender. Applications that have not already received underwriting approval will not be processed. You may request to have your mortgage application documentation returned. Please call 1-800-523-8089 to schedule an appointment with a mortgage counselor from the FDIC to discuss returning your application.

If you have previously received notification (verbal or written) of loan underwriting approval, you are encouraged to speak with a mortgage counselor about the status of your application. Each mortgage application that has received underwriting approval will be reviewed independently. Please call 1-800-523-8089 to schedule an appointment with a mortgage counselor from the FDIC.

### **33. My loan is scheduled to close and fund soon. Will it close on schedule?**

The FDIC staff will be reaching out to borrowers at least one to two days prior to the loan's closing date, with a priority of contacting borrowers who are scheduled to close in the days immediately following the bank closing.

If you have not been contacted, please call 1-800-523-8089 to schedule an appointment with a mortgage counselor from the FDIC.

### **34. Will my upfront fees (e.g., application fee, appraisal fee, credit report fee) be refunded?**

If your loan application is being terminated because of the Bank's failure, you may request a refund of your out-of-pocket fees paid directly to the bank for items such as Loan Application Fee, Appraisal Fee, or Credit Report Fee. It has not yet been determined if refunds will be granted.

Your written request should include Borrower Name, Loan Number, amounts and dates paid, purpose of payment, and include evidence of payment such as a copy of your cancelled check. Please make your written request to the following address:

FDIC as Receiver for Home Savings of America  
1601 Bryan Street  
Dallas, TX 75201  
ATTN: [Claims Agent](#)

If you paid for an appraisal that has been completed, the FDIC will assign the appraisal to a lender of your choice.

**35. Can I continue to work with the same loan originator?**

If you have been working with a Home Savings loan originator, the answer is "No".

If you have been working with an independent third party mortgage company or loan broker, then you may continue to work through them.

Please call 1-800-523-8089 to schedule an appointment with a mortgage counselor from the FDIC.

**36. Can I continue to do business at the same loan office?**

If you have been working with a Home Savings of America loan office, the answer is "No".

If you have been working with an independent third party mortgage company or loan broker, then you may continue to work through them.

Please call 1-800-523-8089 to schedule an appointment with a mortgage counselor from the FDIC.

**37. Will my broker-arranged mortgage loan be funded?**

You should contact your third party mortgage broker to discuss the status of your loan application. Please call 1-800-523-8089 to schedule an appointment with a mortgage counselor from the FDIC.

**38. What is going to happen to the documents (e.g., pay stubs, tax returns, etc.) that I provided that contain my personal information? Can I have the documents returned to me?**

You may request to have your documents returned. Please call 1-800-523-8089 to schedule an appointment with a mortgage counselor from the FDIC.

**39. Will the FDIC continue foreclosures in process?**

At this point, we have suspended all foreclosure actions in order to evaluate the loans and the borrower's ability to repay. It is our intention to sell all loans, and it will be up to the new owner to determine the best method of collection on the loan. There may be instances where we will continue with the foreclosure process, but this will be done on a case-by-case basis.

#### **40. If I refinance with another lender, will my pre-payment penalty be waived?**

Any pre-payment penalty will be waived as long as FDIC as Receiver for Home Savings of America has control of the asset, and the borrower obtains refinancing of the outstanding balance on the account with another financial institution.

#### **41. What will happen to my loan?**

Each loan is currently being reviewed independently to determine the best action for that individual loan. You have the right to refinance your loan with another lender if you are concerned about whom your future lender or servicer will be.

### **GENERAL QUESTIONS**

#### **42. When can I obtain the contents from my safe deposit box?**

Starting Monday, February 27, 2012, please call the branch office to schedule an appointment to remove the contents of your safe deposit box.

Little Falls Branch  
35 E. Broadway  
Little Falls, MN 56345  
1-320-632-5461

Laguna Woods Branch  
24380 Moulton Pkwy  
Laguna Woods, CA 92637  
1-949-588-7283

Seal Beach Branch  
12151 Seal Beach Blvd.  
Seal Beach, CA 90740  
1-562-431-4663

#### **43. Why do all deposits, insured or not, pass in some transactions but not in others?**

When a buyer cannot be found for a failed bank, the FDIC honors its obligation to insured depositors by mailing an insurance check.

#### **44. How can I find out more about FDIC Insurance rules?**

You may access our website, which contains deposit insurance information and an Electronic Deposit Insurance Estimator (EDIE): [www.fdic.gov](http://www.fdic.gov). At the website, 1. Click on Deposit Insurance, 2. Click on "Are my deposits insured?"; 3. Click on "Your Insured Deposits" (for a comprehensive guide); 4. Click on EDIE (to calculate your insurance coverage)

You may also order any other FDIC publication:

3501 North Fairfax Drive  
Room E-1002  
Arlington, VA 22226

Phone: 703-562-2200  
[publicinfo@fdic.gov](mailto:publicinfo@fdic.gov)

**45. I represent a TV/Newspaper/Radio and would like some information.**

Please contact the Office of Public Affairs:

Greg Hernandez  
1-202-898-6984 - Office  
1-202-340-4922 – Cell phone  
[ghernandez@fdic.gov](mailto:ghernandez@fdic.gov)

**46. I am a shareholder in Home Savings Bancorp, Inc. What happens to my shares?**

Home Savings of America had no publicly owned stock. Equity shareholders were invested in the holding company, Home Savings Bancorp, Little Falls, MN, and not in the bank. Please do not file a claim with the Receiver, instead contact the holding company's registered agent with any questions you may have:

Home Savings Bancorp  
35 East Broadway  
Little Falls, MN 56345

**47. I worked for Home Savings of America and have not yet been paid. What should I do?**

Please send your bills to the following address:

FDIC as Receiver for Home Savings of America  
1601 Bryan Street  
Dallas, TX 75201  
ATTN: [Claims Agent](#)

**48. How can I apply to work for FDIC as a contractor or employee?**

You may access information about doing business with the FDIC by:

Visiting the FDIC Web Site at: [www.fdic.gov](http://www.fdic.gov)

Select the Quick Link: [Contractors/Vendors/Outside Counsel](#)

You must register in the Central Contractor Registration database at [www.ccr.gov](http://www.ccr.gov). Entry into the database is not a guarantee that a contractor will receive a future solicitation.

You may also call 1-866-308-4470 for more information or send an email to [ProcurementOpportunities@fdic.gov](mailto:ProcurementOpportunities@fdic.gov). Please include a statement of your corporate

capabilities, contact information and Minority or Women-Owned Business (MWOB) status, if any.

To review positions currently available at the FDIC, you may review the information at the following link: [www.fdic.gov/about/jobs/index.html](http://www.fdic.gov/about/jobs/index.html).

For more information: [www.fdic.gov/bank/individual/failed/homesvgs.html](http://www.fdic.gov/bank/individual/failed/homesvgs.html)