Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A This return/report is for:
- ☐ a multiemployer plan
- ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan
- ☐ a DFE (specify) ____

B This return/report is:
- ☐ the first return/report
- ☐ the final return/report
- ☐ an amended return/report
- ☐ a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

D Check box if filing under:
- ☒ Form 5558
- ☐ automatic extension
- ☐ the DFVC program
- ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
HOME STATE BANCORP, INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2007

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
HOME STATE BANCORP, INC.

40 GRANT STREET
CRYSTAL LAKE, IL 60014

2b Employer Identification Number (EIN) 36-3282805

2c Plan Sponsor's telephone number 815-429-2000

2d Business code (see instructions) 532400

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2017	DANEAL KEANE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2017	DANEAL KEANE
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address (include room or suite number)

Preparer's telephone number

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	208
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	182
a(2) Total number of active participants at the end of the plan year	**6a(2)**	156
b Retired or separated participants receiving benefits	**6b**	4
c Other retired or separated participants entitled to future benefits	**6c**	33
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	193
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	193
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	184
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2A 2E 2F 2G 2J 2K 2S 2T 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	[X]	**R** (Retirement Plan Information)
(2)	[ ]	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	[ ]	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	[X]	**H** (Financial Information)
(2)	[ ]	**I** (Financial Information – Small Plan)
(3)	[ ]	**A** (Insurance Information)
(4)	[X]	**C** (Service Provider Information)
(5)	[ ]	**D** (DFE/Participating Plan Information)
(6)	[ ]	**G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2016** **This Form is Open to Public Inspection.**

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan HOME STATE BANCORP, INC. 401(K) PLAN	**B** Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 HOME STATE BANCORP, INC.	**D** Employer Identification Number (EIN) 36-3282805

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions). . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PENSERV PLAN SERVICES, INC.

102 TRADE ZONE DRIVE
WEST COLUMBIA, SC 29170

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 64	RECORDKEEPER	5085	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
HOME STATE BANCORP, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
HOME STATE BANCORP, INC.

D Employer Identification Number (EIN)
36-3282805

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	27371	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	19	9618
(2) Participant contributions	1b(2)	0	23666
(3) Other	1b(3)	2448	4082
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	964744	661597
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	130506	114711
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	8709629	9821175
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	9834717	10634849
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	9834717	10634849

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	206436	
	(B) Participants	2a(1)(B)	443134	
	(C) Others (including rollovers)	2a(1)(C)	12314	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		661884
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	234	
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	5181	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		5415
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	217218	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		217218
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		562742
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		1447259
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	642042	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		642042
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)	5085	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		5085
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		647127
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		800132
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified **(2)** ☐ Qualified **(3)** ☒ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: THE HOBBS GROUP, P.A. **(2)** EIN: 57-0957419

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		10000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m	X		
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	4n	X		
o	Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

Part V Trust Information

6a Name of trust	**6b** Trust's EIN

6c Name of trustee or custodian	**6d** Trustee's or custodian's telephone number

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
HOME STATE BANCORP, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
HOME STATE BANCORP, INC.

D Employer Identification Number (EIN)
36-3282805

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 75-3182674

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Part VII IRS Compliance Questions

20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No

22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter _____/_____/_____ and the serial number _____.

22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter _____/_____/_____.

AUDITED FINANCIAL STATEMENTS

and SUPPLEMENTAL SCHEDULE

HOME STATE BANCORP, INC.
401(K) PLAN

December 31, 2016

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December 31, 2016

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Home State Bancorp, Inc. 401(k) Plan

REPORT ON THE FINANCIAL STATEMENTS

We were engaged to audit the accompanying financial statements of the Home State Bancorp, Inc. 401(k) Plan (the "*Plan*"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILIITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Matrix Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that Matrix Trust Company holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2016 and 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

DISCLAIMER OF OPINION

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

OTHER MATTER

The supplemental schedule, Schedule H, line 4i-Schedule of Assets (Held at End of Year) as of December 31, 2016 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

REPORT ON FORM AND CONTENT IN COMPLIANCE WITH DOL RULES AND REGULATIONS

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

The Hobbs Group, P.A.

Columbia, South Carolina
October 6, 2017

AUDITED FINANCIAL STATEMENTS

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
HOME STATE BANCORP, INC. 401(k) PLAN

	December 31, 2016	December 31, 2015
ASSETS		
Investments at fair value	$ 10,482,772	$ 9,674,373
Cash	0	27,371
	10,482,772	9,701,744
Receivables:		
Notes receivable from participants	116,095	131,891
Participant contributions	25,493	0
Employer contributions	9,618	19
Pending dividend	2,255	2,448
	153,461	134,358
TOTAL ASSETS	10,636,233	9,836,102
NET ASSETS AVAILABLE FOR BENEFITS	$ 10,636,233	$ 9,836,102

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
HOME STATE BANCORP, INC. 401(k) PLAN

	For the Years Ended December 31, 2016	2015
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income:		
Net appreciation (depreciation) in fair value of investments	$ 562,743	$ (271,802)
Dividends	217,450	194,059
	780,193	(77,743)
Interest income on notes receivable from participants	5,181	4,738
Contributions:		
Employer, net	206,436	212,457
Participants	443,134	468,261
Rollovers	12,314	7,441
	661,884	688,159
TOTAL ADDITIONS	1,447,258	615,154
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	642,042	899,815
Administrative expenses	5,085	8,420
TOTAL DEDUCTIONS	647,127	908,235
NET INCREASE (DECREASE)	800,131	(293,081)
Net assets available for benefits at beginning of year	9,836,102	10,129,183
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	$ 10,636,233	$ 9,836,102

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
HOME STATE BANCORP, INC. 401(k) PLAN
December 31, 2016

NOTE A -- GENERAL DESCRIPTION OF THE PLAN

The following brief description of the Home State Bancorp, Inc. 401(k) Plan, (the "*Plan*") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan that covers all employees of Home State Bank, N.A. and Home State Leasing Corporation (Collectively referred to as the "Company") who are age twenty-one or older; excluding those who are union employees, nonresident aliens who have no earned income from sources within the United States, and leased employees. Participants enter the Plan on the first day following their meeting the eligibility requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Trustee's Board of Directors.

Contributions: Each year, participants may elect to contribute up to the maximum amount allowed by law of their compensation as pre-tax contributions or post-tax Roth contributions, as defined in the Plan. Participants who have attained the age of fifty before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans (rollover). The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the plan unless they affirmatively elect not to participate in the Plan. Effective December 15, 2016, the auto-enrollment provision is effective for employees after three months of service if no other election is made. Automatically enrolled participants have their deferral rate set at two percent of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. The Companies may make matching employer contributions equal to a discretionary percentage of a participant's compensation or a discretionary dollar amount; the dollar amount to be determined by the Companies on a uniform basis for all participants. Employees must complete one year of service in order to participate in any Company contributions. Contributions are subject to certain IRS limitations.

Investment Options: Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds as investment options. Participants may change their investment options at any time.

Participant Accounts: Each participant's account is credited with the participant's contributions and an allocation of Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided for the participant's vested account.

Vesting: Participants are immediately vested in all Plan contributions plus actual earnings thereon.

Notes Receivable from Participants: Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. Loan terms range from 2 to 15 years. The loans are secured by the balance in the participant's account and bear interest at the prime rate plus one percent. Principal and interest are paid ratably through payroll deductions.

NOTE A -- GENERAL DESCRIPTION OF THE PLAN – Continued

Payment of Benefits: On termination of service a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or installments until the balance is depleted. Upon the death of a participant, a participant or their beneficiary may receive the value of the vested interest as a lump sum distribution. In-service distributions may be made to participants who have not separated from service provided the participant has attained age 59 ½. Participants, who have demonstrated incurring a hardship event, as defined in the Plan, may elect to receive a distribution of the lessor of the value of their vested interest or the amount necessary to satisfy the immediate and heavy financial need of the participant.

Forfeited Accounts: At December 31, 2016 and 2015, the Plan had no forfeited accounts due to participants being 100% vested.

Plan Termination: Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE B -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan Committee determines the Plan's valuation policies utilizing information provided by the investment custodian. See Note D for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits: Benefits are recorded when paid.

Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent loans are treated as distributions based upon the terms of the plan document.

Reclassifications: Certain items in the financial statements as of December 31, 2015 have been reclassified to conform to current year presentation. The reclassifications had no effect on net assets available for benefits or changes in net assets available for benefits.

NOTE B -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Reclassifications: Certain items in the financial statements as of December 31, 2015 have been reclassified to conform to current year presentation. The reclassifications had no effect on net assets available for benefits or changes in net assets available for benefits.

New Accounting Pronouncements: In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820) Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or its equivalent),* which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value (NAV) per share practical expedient. ASU 2015-07 also limits certain disclosures to investments for which the entity has elected to measure the fair value using the practical expedient. ASU 2015-07 is to be applied retrospectively, and for nonpublic filers is effective for years beginning after December 15, 2016, with early adoption permitted.

In July 2015, FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit Responsive Investment Contracts, (Part II) Plan Investment Disclosures and (Part III) Measurement Date Practical Expedient.* Part I eliminates the requirements to measure the fair value of fully benefit responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit responsive contracts. Part II eliminates the requirements to disclose individual investments that represent 5% or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristic and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of asset. Part III allows a plan to measure its investments and investment-related accounts using the month end closest to its fiscal year-end. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015, with early adoption permitted, and Parts I and II are to be applied retrospectively.

Plan management elected to early adopt the applicable ASUs and has concluded that the adoption did not have a significant impact on the Plan's financial statements.

Subsequent Events: The Plan has evaluated subsequent events through October 6, 2017, the date the financial statements were available to be issued.

NOTE C -- INFORMATION CERTIFIED OR PROVIDED BY THE PLAN TRUSTEE (UNAUDITED)

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee has certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate:

- Investments shown on the statements of net assets available for benefits as of December 31, 2016 and 2015.

NOTE C -- INFORMATION CERTIFIED OR PROVIDED BY THE PLAN TRUSTEE (UNAUDITED) – Continued

- Net investment activity as shown in the statements of changes in net assets available for benefits for the years ended December 31, 2016 and 2015.
- Investment information included in the footnotes and supplemental schedule of assets (held at end of year) as of December 31, 2016 and 2015.

The Plan's independent auditors did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

NOTE D -- FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 — Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2016 and 2015.

Money market funds: Valued based on quoted net asset values of the shares held by the Plan at year end.

NOTE D -- FAIR VALUE MEASUREMENTS - Continued

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net assets value (NAV) and to transact at the price. The mutual funds held by the Plan are deemed to be actively traded.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

	Assets at Fair Value as of December 31, 2016			
	Level 1	Level 2	Level 3	Total
Money market funds	$ 661,597			$ 661,597
Mutual funds	9,821,175			9,821,175
TOTAL ASSETS AT FAIR VALUE	$ 10,482,772	$ 0	$ 0	$ 10,482,772

	Assets at Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Money market funds	$ 964,744			$ 964,744
Mutual funds	8,709,629			8,709,629
TOTAL ASSETS AT FAIR VALUE	$ 9,674,373	$ 0	$ 0	$ 9,674,373

NOTE E -- RELATED-PARTY AND PARTY IN INTEREST TRANSACTIONS

The Plan's investments are held by Matrix Trust Company, the trustee of the Plan. Matrix Trust Company is the trustee and PenServ Plan Services, Inc. is the record-keeper/third party administrator for the Plan years ending December 31, 2016 and 2015. Performing these custodial and recordkeeping services qualifies them as party-in-interest. Fees paid by the Plan to these entities amounted to $5,085 and $8,420 for the years ended December 31, 2016 and 2015, respectively.

Certain employees of the Company provide administrative services for the Plan and are not reimbursed for their services from the Plan.

NOTE F -- RISK AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE G -- TAX STATUS

The Company adopted a profit-sharing plan (the plan) sponsored by Third Party Administrators. The Internal Revenue Service has determined and informed the Third Party Administrator by a favorable opinion letter dated March 31, 2008, that the plan is designed in accordance with the applicable sections of the Internal Revenue Code (the Code). The opinion letter is being relied on by the Plan. Plan management believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code, and therefore, believes that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016 and 2015, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2014.

NOTE H -- RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2016 and 2015 to Schedule H of Form 5500:

	2016	2015
Net assets available for benefits per the financial statements	$ 10,636,233	$ 9,836,102
Deemed distributions classified as loans	(1,385)	(1,385)
Net assets available for benefits per Schedule H of 5500	$ 10,634,848	$ 9,834,717

SUPPLEMENTAL SCHEDULE

Schedule H, Line 4i
HOME STATE BANCORP, INC. 401(k) PLAN
EIN: 36-3282805
Plan Number: 002
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
As of December 31, 2016

(a)	(b) Identity of Issue, Borrower Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	Fidelity	Government Money Market Fund	**	$ 661,597
	Cohen & Steers	Institutional Global Realty Fund Class I	**	333,888
	Columbia Management	Columbia Mid Cap Value Fund Class Z	**	398,239
	Dimensional Fund Advisors	Emerging Markets Value Portfolio	**	213,075
	Dodge & Cox	Income Fund	**	1,251,056
	Franklin Templeton Investments	Global Bond Fund	**	187,838
	Harbor Funds	International Fund Institutional Class	**	680,447
	OppenheimerFunds	International Small- Mid Co	**	149,293
	Primecap Odyssey Funds	Odyssey Growth Fund	**	892,126
	T Rowe Price	High Yield Fund	**	441,295
	Vanguard	500 Index Admiral Shares	**	1,337,804
	Vanguard	Developed Markets Index Admiral	**	139,878
	Vanguard	Equity Income Fund	**	952,185
	Vanguard	Inflation Protected Securities Fund Admiral Shares	**	487,080
	Vanguard	Short-term Federal Fund Admiral Shares	**	170,497
	Vanguard	Small Cap Value Index Admiral	**	319,894
	Vanguard	Retirement Income Fund	**	221,854
	Vanguard	Target Retirement 2015	**	59,483
	Vanguard	Target Retirement 2020	**	389,700
	Vanguard	Target Retirement 2025	**	82,066
	Vanguard	Target Retirement 2030	**	323,756
	Vanguard	Target Retirement 2035	**	51,679
	Vanguard	Target Retirement 2040	**	22,003
	Vanguard	Target Retirement 2045	**	92,486
	Vanguard	Target Retirement 2050	**	5,432
	Vanguard	Target Retirement 2055	**	4,059
	Vanguard	Target Retirement 2060	**	5,306
	Vanguard	Wellesley Income Fund Admiral Shares	**	151,958
	Vanguard	Wellington Fund Admiral Shares	**	456,798
				10,482,772
*	Participant Notes Receivable	Interest rate - (4.25% - 5.50%)	$ 0	116,095
				$ 10,598,867

* Indicates party-in-interest to the Plan.
** Cost information has not been included in column (d) because all investments are participant directed.

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A This return/report is for:
- ☐ a multiemployer plan
- ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan
- ☐ a DFE (specify) ____

B This return/report is:
- ☐ the first return/report
- ☐ the final return/report
- ☐ an amended return/report
- ☐ a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

D Check box if filing under:
- ☒ Form 5558
- ☐ automatic extension
- ☐ the DFVC program
- ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
Home State Bancorp, Inc. 401(k) Plan

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2007

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
Home State Bancorp, Inc.

40 Grant Street

Crystal lake IL 60014

2b Employer Identification Number (EIN) 36-3282805

2c Plan Sponsor's telephone number (815)429-2000

2d Business code (see instructions) 532400

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	DaNeal Keane	9-27-17	DaNeal Keane
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	DaNeal Keane	9-27-17	DaNeal Keane
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address (include room or suite number)

Preparer's telephone number

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	208
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1)**, **6a(2)**, **6b**, **6c**, and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	182
a(2) Total number of active participants at the end of the plan year	**6a(2)**	156
b Retired or separated participants receiving benefits	**6b**	4
c Other retired or separated participants entitled to future benefits	**6c**	33
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	193
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f Total. Add lines **6d** and **6e**	**6f**	193
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	184
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2A 2E 2F 2G 2J 2K 2S 2T 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	(1)	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	(2)	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	(3)	[X] Trust
(4)	[ ] General assets of the sponsor	(4)	[ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1) [X] **R** (Retirement Plan Information)

(2) [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary

(3) [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1) [X] **H** (Financial Information)

(2) [ ] **I** (Financial Information – Small Plan)

(3) [ ] **A** (Insurance Information)

(4) [X] **C** (Service Provider Information)

(5) [ ] **D** (DFE/Participating Plan Information)

(6) [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

AUDITED FINANCIAL STATEMENTS

and SUPPLEMENTAL SCHEDULE

HOME STATE BANCORP, INC.
401(K) PLAN

December 31, 2016

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December 31, 2016

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1704 Laurel Street
Columbia, SC 29201

P.O. Box 2411
Columbia, SC 29202

TheHobbsGroup
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS, PA

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Home State Bancorp, Inc. 401(k) Plan

REPORT ON THE FINANCIAL STATEMENTS

We were engaged to audit the accompanying financial statements of the Home State Bancorp, Inc. 401(k) Plan (the "*Plan*"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILIITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Matrix Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that Matrix Trust Company holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2016 and 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

DISCLAIMER OF OPINION

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

OTHER MATTER

The supplemental schedule, Schedule H, line 4i-Schedule of Assets (Held at End of Year) as of December 31, 2016 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

REPORT ON FORM AND CONTENT IN COMPLIANCE WITH DOL RULES AND REGULATIONS

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

The Hobbs Group, P.A.

Columbia, South Carolina
October 6, 2017

AUDITED FINANCIAL STATEMENTS

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
HOME STATE BANCORP, INC. 401(k) PLAN

	December 31, 2016	December 31, 2015
ASSETS		
Investments at fair value	$ 10,482,772	$ 9,674,373
Cash	0	27,371
	10,482,772	9,701,744
Receivables:		
Notes receivable from participants	116,095	131,891
Participant contributions	25,493	0
Employer contributions	9,618	19
Pending dividend	2,255	2,448
	153,461	134,358
TOTAL ASSETS	10,636,233	9,836,102
NET ASSETS AVAILABLE FOR BENEFITS	$ 10,636,233	$ 9,836,102

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
HOME STATE BANCORP, INC. 401(k) PLAN

	For the Years Ended December 31, 2016	2015
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income:		
Net appreciation (depreciation) in fair value of investments	$ 562,743	$ (271,802)
Dividends	217,450	194,059
	780,193	(77,743)
Interest income on notes receivable from participants	5,181	4,738
Contributions:		
Employer, net	206,436	212,457
Participants	443,134	468,261
Rollovers	12,314	7,441
	661,884	688,159
TOTAL ADDITIONS	1,447,258	615,154
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	642,042	899,815
Administrative expenses	5,085	8,420
TOTAL DEDUCTIONS	647,127	908,235
NET INCREASE (DECREASE)	800,131	(293,081)
Net assets available for benefits at beginning of year	9,836,102	10,129,183
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	$ 10,636,233	$ 9,836,102

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
HOME STATE BANCORP, INC. 401(k) PLAN
December 31, 2016

NOTE A -- GENERAL DESCRIPTION OF THE PLAN

The following brief description of the Home State Bancorp, Inc. 401(k) Plan, (the "*Plan*") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan that covers all employees of Home State Bank, N.A. and Home State Leasing Corporation (Collectively referred to as the "Company") who are age twenty-one or older; excluding those who are union employees, nonresident aliens who have no earned income from sources within the United States, and leased employees. Participants enter the Plan on the first day following their meeting the eligibility requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Trustee's Board of Directors.

Contributions: Each year, participants may elect to contribute up to the maximum amount allowed by law of their compensation as pre-tax contributions or post-tax Roth contributions, as defined in the Plan. Participants who have attained the age of fifty before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans (rollover). The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the plan unless they affirmatively elect not to participate in the Plan. Effective December 15, 2016, the auto-enrollment provision is effective for employees after three months of service if no other election is made. Automatically enrolled participants have their deferral rate set at two percent of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. The Companies may make matching employer contributions equal to a discretionary percentage of a participant's compensation or a discretionary dollar amount; the dollar amount to be determined by the Companies on a uniform basis for all participants. Employees must complete one year of service in order to participate in any Company contributions. Contributions are subject to certain IRS limitations.

Investment Options: Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds as investment options. Participants may change their investment options at any time.

Participant Accounts: Each participant's account is credited with the participant's contributions and an allocation of Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided for the participant's vested account.

Vesting: Participants are immediately vested in all Plan contributions plus actual earnings thereon.

Notes Receivable from Participants: Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. Loan terms range from 2 to 15 years. The loans are secured by the balance in the participant's account and bear interest at the prime rate plus one percent. Principal and interest are paid ratably through payroll deductions.

NOTE A -- GENERAL DESCRIPTION OF THE PLAN – Continued

Payment of Benefits: On termination of service a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or installments until the balance is depleted. Upon the death of a participant, a participant or their beneficiary may receive the value of the vested interest as a lump sum distribution. In-service distributions may be made to participants who have not separated from service provided the participant has attained age 59 ½. Participants, who have demonstrated incurring a hardship event, as defined in the Plan, may elect to receive a distribution of the lessor of the value of their vested interest or the amount necessary to satisfy the immediate and heavy financial need of the participant.

Forfeited Accounts: At December 31, 2016 and 2015, the Plan had no forfeited accounts due to participants being 100% vested.

Plan Termination: Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE B -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan Committee determines the Plan's valuation policies utilizing information provided by the investment custodian. See Note D for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits: Benefits are recorded when paid.

Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent loans are treated as distributions based upon the terms of the plan document.

Reclassifications: Certain items in the financial statements as of December 31, 2015 have been reclassified to conform to current year presentation. The reclassifications had no effect on net assets available for benefits or changes in net assets available for benefits.

NOTE B -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Reclassifications: Certain items in the financial statements as of December 31, 2015 have been reclassified to conform to current year presentation. The reclassifications had no effect on net assets available for benefits or changes in net assets available for benefits.

New Accounting Pronouncements: In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820) Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or its equivalent),* which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value (NAV) per share practical expedient. ASU 2015-07 also limits certain disclosures to investments for which the entity has elected to measure the fair value using the practical expedient. ASU 2015-07 is to be applied retrospectively, and for nonpublic filers is effective for years beginning after December 15, 2016, with early adoption permitted.

In July 2015, FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit Responsive Investment Contracts, (Part II) Plan Investment Disclosures and (Part III) Measurement Date Practical Expedient.* Part I eliminates the requirements to measure the fair value of fully benefit responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit responsive contracts. Part II eliminates the requirements to disclose individual investments that represent 5% or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristic and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of asset. Part III allows a plan to measure its investments and investment-related accounts using the month end closest to its fiscal year-end. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015, with early adoption permitted, and Parts I and II are to be applied retrospectively.

Plan management elected to early adopt the applicable ASUs and has concluded that the adoption did not have a significant impact on the Plan's financial statements.

Subsequent Events: The Plan has evaluated subsequent events through October 6, 2017, the date the financial statements were available to be issued.

NOTE C -- INFORMATION CERTIFIED OR PROVIDED BY THE PLAN TRUSTEE (UNAUDITED)

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee has certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate:

- Investments shown on the statements of net assets available for benefits as of December 31, 2016 and 2015.

NOTE C -- INFORMATION CERTIFIED OR PROVIDED BY THE PLAN TRUSTEE (UNAUDITED) – Continued

- Net investment activity as shown in the statements of changes in net assets available for benefits for the years ended December 31, 2016 and 2015.
- Investment information included in the footnotes and supplemental schedule of assets (held at end of year) as of December 31, 2016 and 2015.

The Plan's independent auditors did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

NOTE D -- FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 — Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2016 and 2015.

Money market funds: Valued based on quoted net asset values of the shares held by the Plan at year end.

NOTE D -- FAIR VALUE MEASUREMENTS - Continued

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net assets value (NAV) and to transact at the price. The mutual funds held by the Plan are deemed to be actively traded.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

	Assets at Fair Value as of December 31, 2016			
	Level 1	Level 2	Level 3	Total
Money market funds	$ 661,597			$ 661,597
Mutual funds	9,821,175			9,821,175
TOTAL ASSETS AT FAIR VALUE	$ 10,482,772	$ 0	$ 0	$ 10,482,772

	Assets at Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Money market funds	$ 964,744			$ 964,744
Mutual funds	8,709,629			8,709,629
TOTAL ASSETS AT FAIR VALUE	$ 9,674,373	$ 0	$ 0	$ 9,674,373

NOTE E -- RELATED-PARTY AND PARTY IN INTEREST TRANSACTIONS

The Plan's investments are held by Matrix Trust Company, the trustee of the Plan. Matrix Trust Company is the trustee and PenServ Plan Services, Inc. is the record-keeper/third party administrator for the Plan years ending December 31, 2016 and 2015. Performing these custodial and recordkeeping services qualifies them as party-in-interest. Fees paid by the Plan to these entities amounted to $5,085 and $8,420 for the years ended December 31, 2016 and 2015, respectively.

Certain employees of the Company provide administrative services for the Plan and are not reimbursed for their services from the Plan.

NOTE F -- RISK AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE G -- TAX STATUS

The Company adopted a profit-sharing plan (the plan) sponsored by Third Party Administrators. The Internal Revenue Service has determined and informed the Third Party Administrator by a favorable opinion letter dated March 31, 2008, that the plan is designed in accordance with the applicable sections of the Internal Revenue Code (the Code). The opinion letter is being relied on by the Plan. Plan management believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code, and therefore, believes that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016 and 2015, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2014.

NOTE H -- RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2016 and 2015 to Schedule H of Form 5500:

	2016	2015
Net assets available for benefits per the financial statements	$ 10,636,233	$ 9,836,102
Deemed distributions classified as loans	(1,385)	(1,385)
Net assets available for benefits per Schedule H of 5500	$ 10,634,848	$ 9,834,717

SUPPLEMENTAL SCHEDULE

Schedule H, Line 4i
HOME STATE BANCORP, INC. 401(k) PLAN
EIN: 36-3282805
Plan Number: 002
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
As of December 31, 2016

(a)	(b) Identity of Issue, Borrower Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	Fidelity	Government Money Market Fund	**	$ 661,597
	Cohen & Steers	Institutional Global Realty Fund Class I	**	333,888
	Columbia Management	Columbia Mid Cap Value Fund Class Z	**	398,239
	Dimensional Fund Advisors	Emerging Markets Value Portfolio	**	213,075
	Dodge & Cox	Income Fund	**	1,251,056
	Franklin Templeton Investments	Global Bond Fund	**	187,838
	Harbor Funds	International Fund Institutional Class	**	680,447
	OppenheimerFunds	International Small- Mid Co	**	149,293
	Primecap Odyssey Funds	Odyssey Growth Fund	**	892,126
	T Rowe Price	High Yield Fund	**	441,295
	Vanguard	500 Index Admiral Shares	**	1,337,804
	Vanguard	Developed Markets Index Admiral	**	139,878
	Vanguard	Equity Income Fund	**	952,185
	Vanguard	Inflation Protected Securities Fund Admiral Shares	**	487,080
	Vanguard	Short-term Federal Fund Admiral Shares	**	170,497
	Vanguard	Small Cap Value Index Admiral	**	319,894
	Vanguard	Retirement Income Fund	**	221,854
	Vanguard	Target Retirement 2015	**	59,483
	Vanguard	Target Retirement 2020	**	389,700
	Vanguard	Target Retirement 2025	**	82,066
	Vanguard	Target Retirement 2030	**	323,756
	Vanguard	Target Retirement 2035	**	51,679
	Vanguard	Target Retirement 2040	**	22,003
	Vanguard	Target Retirement 2045	**	92,486
	Vanguard	Target Retirement 2050	**	5,432
	Vanguard	Target Retirement 2055	**	4,059
	Vanguard	Target Retirement 2060	**	5,306
	Vanguard	Wellesley Income Fund Admiral Shares	**	151,958
	Vanguard	Wellington Fund Admiral Shares	**	456,798
				10,482,772
*	Participant Notes Receivable	Interest rate - (4.25% - 5.50%)	$ 0	116,095
				$ 10,598,867

* Indicates party-in-interest to the Plan.
** Cost information has not been included in column (d) because all investments are participant directed.

Attachment to Form 5500
Schedule H, Line 4i - Schedule of Assets

Plan Name	HOME STATE BANCORP, INC. 401(k) PLAN	EIN	36-3282805
Sponsor	HOME STATE BANCORP, INC.	PN	002

(a)	(b) Identity of Issue, borrower, lessor or similar property	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) cost	(e) current value
	Cohen & Steers Instl Global Realty	Mutual Fund	0	333,888
	Columbia Mid Cap Value R5	Mutual Fund	0	398,239
	DFA Emerging Markets Value I	Mutual Fund	0	213,075
	Dodge & Cox Income	Mutual Fund	0	1,251,056
	Harbor International Institutional	Mutual Fund	0	680,447
	Oppenheimer International Small-Mid Co I	Mutual Fund	0	149,293
	PRIMECAP Odyssey Growth	Mutual Fund	0	892,126
	T. Rowe Price High Yield	Mutual Fund	0	443,550
	Templeton Global Bond Adv	Mutual Fund	0	187,838
	Vanguard 500 Index Admiral	Mutual Fund	0	1,337,804
	Vanguard Developed Markets Index Admiral	Mutual Fund	0	139,878
	Vanguard Equity-Income Adm	Mutual Fund	0	952,185
	Vanguard Short-Term Federal Adm	Mutual Fund	0	487,080
	Vanguard Shrt-Term Infl-Prot Sec Idx Inv	Mutual Fund	0	170,497
	Vanguard Small Cap Value Index Admiral	Mutual Fund	0	319,894
	Vanguard Target Retirement 2015 Inv	Mutual Fund	0	59,483
	Vanguard Target Retirement 2020 Inv	Mutual Fund	0	389,700
	Vanguard Target Retirement 2025 Inv	Mutual Fund	0	82,066
	Vanguard Target Retirement 2030 Inv	Mutual Fund	0	323,756
	Vanguard Target Retirement 2035 Inv	Mutual Fund	0	51,679
	Vanguard Target Retirement 2040 Inv	Mutual Fund	0	22,003
	Vanguard Target Retirement 2045 Inv	Mutual Fund	0	92,486
	Vanguard Target Retirement 2050 Inv	Mutual Fund	0	5,432
	Vanguard Target Retirement 2055 Inv	Mutual Fund	0	4,059
	Vanguard Target Retirement 2060 Inv	Mutual Fund	0	5,306
	Vanguard Target Retirement Income Inv	Mutual Fund	0	221,854
	Vanguard Wellesley Income Admiral	Mutual Fund	0	151,958
	Vanguard Wellington Admiral	Mutual Fund	0	456,796
	Fidelity Government MMkt	Money Market	0	661,597
*	Loans	4.25% to 5.50% Interest	0	114,711

* Denotes a Party-in-Interest as defined by ERISA.