# 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 6047(e), 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

**2015**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**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); or
- [X] 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:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
APPLE TEXAS GROUP 401(K) PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/2014

**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)

SSCP MANAGEMENT, INC.

13355 NOEL ROAD
SUITE 1645
DALLAS, TX 75240

**2b** Employer Identification Number (EIN)
27-4937438

**2c** Plan Sponsor's telephone number
972-644-9494

**2d** Business code (see instructions)
722511

**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. | 10/17/2016 | CHERYL GREEN |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **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** | 3471 |
| **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)** | 3430 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 2679 |
| **b** | Retired or separated participants receiving benefits | **6b** | 5 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 186 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 2870 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 2870 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 524 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 128 |
| **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 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)** | [X] | 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)** | [X] | 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)** | [ ] | **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 2015 Form M-1 annual report. If the plan was not required to file the 2015 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 H (Form 5500)

Department of the Treasury
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

**2015**

**This Form is Open to Public Inspection**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
APPLE TEXAS GROUP 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
SSCP MANAGEMENT, INC.

**D** Employer Identification Number (EIN)
27-4937438

## 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 | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 2373 | 9749 |
| **(2)** Participant contributions | 1b(2) | 4747 | 30077 |
| **(3)** Other | 1b(3) | | 17476 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | 8255 |
| **(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) | | |
| **(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) | 121653 | 507541 |
| **(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 | 128773 | 573098 |
| | **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 | | |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 128773 | 573098 |

## 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) | 125917 | |
| | **(B)** Participants | 2a(1)(B) | 259515 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 87525 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 472957 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| | **(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) | | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | |
| | **(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) | 22216 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 22216 |
| | **(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) | | |
| | **(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) | | |

| | | (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) | | -29962 |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 465211 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 19161 | |
| (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) | | 19161 |
| 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) | | |
| (2) Contract administrator fees | 2i(2) | 1725 | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 1725 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 20886 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 444325 |
| 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)** [X] 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 [X] No

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

**(1)** Name: MONTGOMERY COSCIA GREILICH LLP **(2)** EIN: 75-2919818

**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 | N/A | 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 | | | 71695 |
| **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 | N/A | 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 | | |
| 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 | | | | |
| o | Did the plan trust incur unrelated business taxable income? | 4o | | | | |
| p | Were in-service distributions made during the plan year? | 4p | | | | |

**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

## 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 section 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

**2015**

**This Form is Open to Public Inspection.**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** Name of plan
APPLE TEXAS GROUP 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
SSCP MANAGEMENT, INC.

**D** Employer Identification Number (EIN)
27-4937438

## 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): 95-6817943

**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? | ☐ Yes | ☐ No |
| **20b** If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)? | ☐ Design-based safe harbor method | ☐ ADP/ACP test |
| **20c** If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))? | ☐ Yes | ☐ No |
| **21a** Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b): | ☐ Ratio percentage test | ☐ Average benefit test |
| **21b** Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? | ☐ Yes | ☐ No |
| **22a** Has the plan been timely amended for all required tax law changes? | ☐ Yes | ☐ No ☐ N/A |

**22b** Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____ (See instructions for tax law changes and codes).

**22c** If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter _____/_____/_____ and the letter's serial number _____.

**22d** If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter _____/_____/_____.

| | | |
|---|---|---|
| **23** Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)? | ☐ Yes | ☐ No |

# APPLE TEXAS RESTAURANT GROUP 401(K) PLAN

FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES
*WITH INDEPENDENT AUDITOR'S REPORT*

DECEMBER 31, 2015 AND 2014

**APPLE TEXAS RESTAURANT GROUP 401(K) PLAN**

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Note: Supplemental schedules, other than those listed above, are omitted because of the absence of conditions under which they are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

**MONTGOMERY COSCIA GREILICH LLP**
972.748.0300 p
972.748.0700 f

## INDEPENDENT AUDITOR'S REPORT

To the Participants and Plan Administrator of the
Apple Texas Restaurant Group 401(k) Plan:

### REPORT ON THE FINANCIAL STATEMENTS

We were engaged to audit the accompanying statements of net assets available for benefits of the Apple Texas Restaurant Group 401(k) Plan (the "Plan") as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the years ended December 31, 2015 and 2014, and the related notes to the financial statements.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Plan 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.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Apple Texas Restaurant Group 401(k) Plan as of December 31, 2015 and 2014 and the changes in net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## OTHER MATTER – SUPPLEMENTARY SCHEDULES

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of Schedule H, Line 4a – Schedule of Delinquent Participant Contributions For the Year Ended December 31, 2015 and Schedule H, line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2015 are presented for the purpose of additional analysis and are not a required part of the financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

## 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 schedules, 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.

Montgomery Coscia Greilich LLP

**MONTGOMERY COSCIA GREILICH LLP**
Plano, Texas
October 13, 2016

**APPLE TEXAS RESTAURANT GROUP 401(K) PLAN**
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2015 AND 2014

| | 2015 | 2014 |
|---|---|---|
| **ASSETS** | | |
| Investments, at fair value: | | |
| Mutual funds of registered investment companies | $ 507,541 | $ 121,653 |
| Money market fund | 8,255 | - |
| Total investments at fair value | 515,796 | 121,653 |
| Receivables: | | |
| Employer contributions | 9,749 | 2,373 |
| Employer correction | 17,476 | - |
| Participant contributions | 30,077 | 4,747 |
| Total receivables | 57,302 | 7,120 |
| **Net assets available for benefits** | $ 573,098 | $ 128,773 |

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

**APPLE TEXAS RESTAURANT GROUP 401(K) PLAN**
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

| | 2015 | 2014 |
|---|---|---|
| Additions to net assets available for benefits attributed to: | | |
| Investment income (loss): | | |
| Interest and dividends | $ 22,216 | $ 4,035 |
| Net depreciation in fair value of mutual funds | (29,962) | (2,911) |
| Net investment income (loss) | (7,746) | 1,124 |
| Contributions: | | |
| Participants | 259,515 | 85,439 |
| Rollover | 87,525 | - |
| Employer | 125,917 | 42,715 |
| Total contributions | 472,957 | 128,154 |
| Total additions to net assets | 465,211 | 129,278 |
| Deductions from net assets available for benefits attributed to: | | |
| Benefits paid | 19,161 | 355 |
| Administrative fees | 1,725 | 150 |
| Total deductions from net assets | 20,886 | 505 |
| Net increase in net assets available for benefits | 444,325 | 128,773 |
| Net assets available for benefits: | | |
| Beginning of year | 128,773 | - |
| End of year | $ 573,098 | $ 128,773 |

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

# 1 – DESCRIPTION OF PLAN

## GENERAL

The Apple Texas Restaurant Group 401(k) Plan, established January 1, 2014, is a defined contribution plan, subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan covers substantially all employees of the Plan's Sponsor, SSCP Management, Inc. and affiliates (the "Company"). Capital Group Companies Inc. (the "Custodian") serves as the Plan's custodian and record-keeper. The following description provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

## ELIGIBILITY AND PARTICIPANT ACCOUNTS

All qualifying employees of the Company, as defined by the Plan Document, who have attained age of twenty-one and have completed 90 days of service, are eligible to participate in the Plan. Subject to certain limitations on annual additions, each participant's account is credited with employee elective deferrals, Company matching contributions, and an allocation of Plan earnings and charged with certain administrative expenses. Participants may modify investment elections, transfer existing account balances, and obtain information regarding the investments on a daily basis.

## CONTRIBUTIONS

The Plan is funded through employee elective deferrals, Roth deferrals, and Company contributions. A participant may elect to contribute his or her pretax compensation, subject to certain Plan defined exclusions and maximum limitations imposed by the Internal Revenue Code (IRC) ($18,000 and $17,500 for 2015 and 2014, respectively). Participants may also defer after-tax contributions in whole percentages, not less than 1% of their compensation under the Plan. Employees who are eligible to make elective deferrals under the Plan and who have attained the age of fifty before the close of the plan year are also eligible to make catch-up contributions subject to the maximum limitation imposed by the IRC ($6,000 and $5,500 for 2015 and 2014, respectively). Rollover contributions, representing distributions from other qualified defined benefit or contribution plans, are permitted by the Plan.

The Plan has an automatic enrollment deferral feature for new and existing participants set at 1%, unless opted-out by the participants.

The Plan also allows for employer discretionary matching contributions of 50% of employee elective deferrals, up to $750. Discretionary matching contributions for the year ended December 31, 2015 and 2014 totaled $125,917 and $42,715, respectively.

## INVESTMENT OPTIONS

The Plan provides for participants to direct both their contributions and employer contributions into a variety of mutual funds and a money market fund in accordance with participant investment elections and the provisions of the trust agreement. Participants should refer to the Plan website for additional fund information.

## 1 – DESCRIPTION OF PLAN (CONTINUED)

### DISTRIBUTIONS TO PARTICIPANTS

Upon normal retirement age, death, disability, or termination, a participant's benefits are payable in a lump-sum amount equal to 100% of the participant's vested account balance. Employees may also make hardship withdrawals on the balance of their account related to their elective deferral contributions. Such withdrawals are subject to meeting hardship guidelines established by the Internal Revenue Service ("IRS").

### VESTING

Participants are immediately vested in both their contributions and actual earnings thereon. Vesting in the Company's discretionary match contributions plus actual earnings, thereon, is based on 1,000 hours of continuous service. The participant is vested 20% per year, beginning after two years of qualified service and is 100% vested after 6 years of qualified service or upon occurrence of the participant's retirement, death, or disability, as defined by the Plan document.

### FORFEITURES

Forfeitures are available to pay administrative expenses or reduce future Company discretionary match contributions. At December 31, 2015 and 2014, forfeited non-vested accounts available totaled $8,178 and $53, respectively. During 2015 and 2014, no forfeitures were utilized to reduce administrative expenses or Company discretionary match contributions.

### NOTES RECEIVABLE FROM PARTICIPANTS

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum of the lesser of $15,000 or 50% of their vested account balance, subject to certain restrictions as defined by the IRS. The notes are secured by the balance in the participant's account and bear interest rate of prime rate plus 2% or determined reasonable by the Plan Administrator. Terms are generally limited to a maximum of 3 years or extend beyond 5 years if the note is used to acquire or build the principal residence of the participant. The participant can only have one note receivable outstanding at any time. Repayments are made through payroll deductions and are reinvested in the participant accounts according to individual investment elections.

### ADMINISTRATIVE EXPENSES

Distribution and loan fees are charged directly to the requesting participant's account. Certain other costs and expenses of the Plan and its administration, including all fees and expenses of the Custodian, are paid by the Company.

### PLAN TERMINATION

Although it has not expressed any intent to do so, the Company reserves the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, all amounts credited to participants' account shall become 100% vested.

## 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### BASIS OF ACCOUNTING

The financial statements have been prepared under the accrual method in accordance with United States generally accepted accounting principles ("U.S. GAAP").

### ESTIMATES AND ASSUMPTIONS

The preparation of financial statements, in conformity with U.S. GAAP, requires the Plan's management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

### BENEFITS

Benefits are recorded when paid.

### 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. 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.

### NOTES RECEIVABLE FROM PARTICIPANTS

Notes receivable from participants are measured at their unpaid principal balances plus any accrued unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon terms of the plan document or loan policy of the Plan.

## 3 – FAIR VALUE MEASUREMENTS

### RECENT ACCOUNTING PRONOUNCEMENTS

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2015-7, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent). The update removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share as the practical expedient. The update also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share as the practical expedient. Rather, those disclosures are limited to investments for which the entity has elected to measure the fair value using that practical expedient. ASU 2015-7 is effective for fiscal years beginning after December 15, 2015 for public entities and 2016 for all other entities with early adoption permitted. Plan management is currently in the process of evaluating the impact that will result from adoption ASU 2015-7.

In July 2015, the FASB issued ASU 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Parts I and III are not applicable to the Plan. Contract value is the only required measure for FBRICs. Part II eliminates the requirements to disclose individual investments that represent 5 percent 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, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II are to be applied retrospectively. Management has elected to adopt Part II early.

## 3 – FAIR VALUE MEASUREMENTS (CONTINUED)

### INVESTMENT VALUATION AND LEVELING

The financial statements reflect the prospective adoption of FASB Accounting Standards Codification ("ASC") 820, *Fair Value Measurements*, which defines fair value, establishes a framework for measuring fair value in accordance with GAAP and provides for expanded disclosure of information about fair value measurements. The framework 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 Significant observable inputs other than quoted prices in active markets for which 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;
- 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's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

In establishing a fair value hierarchy for the Plan's investments in accordance with ASC 820, the following value methodologies were used for each type of investment:

*Mutual funds of registered investment companies*: Valued at the net asset value ("NAV") or quoted market prices of shares held by the plan at year end.

*Money market fund:* Valued at cost of $1 per unit.

## 3 – FAIR VALUE MEASUREMENTS (CONTINUED)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. The Plan believes its valuation methods are appropriate and consistent with other market participants; even so, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2015:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual funds of registered investment companies | $ 507,541 | $ - | $ - | $ 507,541 |
| Money market fund | 8,255 | - | - | 8,255 |
| Total assets at fair value | $ 515,796 | $ - | $ - | $ 515,796 |

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2014:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual funds of registered investment companies | $ 121,653 | $ - | $ - | $ 121,653 |
| Total assets at fair value | $ 121,653 | $ - | $ - | $ 121,653 |

## 4 – TAX STATUS OF THE PLAN

The Plan is based on a volume submitter developed by David W Ralston PC, which received a favorable opinion letter dated March 31, 2014, from the IRS stating that the volume submitter plan constitutes a qualified plan under Section 401 of the IRC. The Company believes the Plan, as adopted and amended, is operating within the guidelines of the IRC and continues to be tax exempt. Accordingly, no provision for federal income taxes has been provided in the accompanying financial statements.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the DOL or IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

## 5 – RISKS AND UNCERTAINTIES

The Plan provides for various investment options in mutual funds of registered investment companies and a money market fund. 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 participant account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

## 6 – PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds of registered investment companies managed by American Funds, an affiliate of Capital Group Companies Inc. Capital Group Companies Inc. is the custodian and record-keeper as defined by the Plan, and therefore these transactions qualify as party-in-interest. Fees paid by the Plan for various administrative expenses, including investment management services, amounted to $1,725 and $150 for the years ended December 31, 2015 and 2014, respectively.

## 7 – DELINQUENT CONTRIBUTIONS

During the years ended December 31, 2015 and 2014, employee withholdings in the amount of $20,175 and $51,520, respectively, were unintentionally late in being transferred to the Plan. The Company is in the process of remitting, in conjunction with the correction, lost earnings and interest calculated using the Department of Labor guidelines for late deposits.

## 8 – RECONCILIATION TO THE 2015 FORM 5500, SCHEDULE H

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2015 and 2014:

| | 2015 | 2014 |
|---|---|---|
| Net assets available for benefits per the financial statements | $ 573,098 | $ 128,773 |
| Less: 2015 employer correction receivable | (17,476) | - |
| Net assets available for benefits per Form 5500 | $ 555,622 | $ 128,773 |

The following is a reconciliation of the 2015 statement of changes in net assets available for benefits per the financial statements to the Form 5500:

| | 2015 |
|---|---|
| Net increase in net assets available for benefits per the financial statements | $ 444,325 |
| Less: 2015 employer correction receivable | (17,476) |
| Net increase in net assets available for benefits per Form 5500 | $ 426,849 |

## 9 – SUBSEQUENT EVENTS

In accordance with FASB ASC 855, "*Subsequent Events*", the Company has evaluated events or transactions occurring after December 31, 2015, the Statement of Net Assets Available for Benefits date, through October 13, 2016, the date the financial statements were issued, and determined there were no events or transactions that would impact the financial statements for the year ended December 31, 2015.

# SUPPLEMENTAL SCHEDULES

**APPLE TEXAS RESTAURANT GROUP 401(K) PLAN**
SCHEDULE H, LINE 4A – SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
EMPLOYER ID NUMBER: 27-4937438, PLAN NUMBER 001
FOR THE YEAR ENDED DECEMBER 31, 2015

| Total That Constitutes Nonexempt Prohibited Transactions | | | | | |
|---|---|---|---|---|---|
| Participant Contributions Transferred Late to the Plan | Check Here if Late Participant Loan Repayments Are Included | Contributions Not Corrected | Contributions Corrected Outside Voluntary Fiduciary Correction Program | Contributions Pending Correction in Voluntary Fiduciary Correction Program | Total Fully Corrected Under Voluntary Fiduciary Correction Program and PTE 2002-51 |
| Amount Withheld | | | | | |
| $ 20,175 | | $ - | $ - | $ 20,175 | $ - |
| 51,520 | | - | - | 51,520 | - |
| $ 71,695 | | $ - | $ - | $ 71,695 | $ - |

See independent auditor's report on supplemental schedules.

**APPLE TEXAS RESTAURANT GROUP 401(K) PLAN**
SCHEDULE H, LINE 4I – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EMPLOYER ID NUMBER: 27-4937438, PLAN NUMBER 001
DECEMBER 31, 2015

| (a) | (b) Identity of issuer, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par or maturity value | (e) Current value |
|---|---|---|---|
| | **Money Market Fund:** | | |
| * | American Funds | American Funds US Government Money Market Fund R2 | **$ 8,255** |
| | **Mutual Funds of Registered Investment Companies:** | | |
| * | American Funds | American Funds 2010 Target Date Retirement R2 | 652 |
| * | American Funds | American Funds 2015 Target Date Retirement R2 | 2,546 |
| * | American Funds | American Funds 2020 Target Date Retirement R2 | 17,095 |
| * | American Funds | American Funds 2025 Target Date Retirement R2 | 25,384 |
| * | American Funds | American Funds 2030 Target Date Retirement R2 | 72,731 |
| * | American Funds | American Funds 2035 Target Date Retirement R2 | 45,258 |
| * | American Funds | American Funds 2040 Target Date Retirement R2 | 149,028 |
| * | American Funds | American Funds 2045 Target Date Retirement R2 | 65,222 |
| * | American Funds | American Funds 2050 Target Date Retirement R2 | 67,391 |
| * | American Funds | American Funds 2055 Target Date Retirement R2 | 35,914 |
| * | American Funds | American Funds AMCAP R2 | 2,071 |
| * | American Funds | American Funds American Mutual R2 | 436 |
| * | American Funds | American Funds American Balanced R2 | 2,939 |
| * | American Funds | American Funds Europacific Growth R2 | 1,637 |
| * | American Funds | American Funds Growth Fund of America R2 | 7,400 |
| * | American Funds | American Funds Income Fund of America R2 | 4,740 |
| * | American Funds | American Funds Intermediate Bond Fund of America R2 | 437 |
| * | American Funds | American Funds Investment Company of America R2 | 6,238 |
| * | American Funds | American Funds US Government Securities Fund R2 | 79 |
| * | American Funds | American Funds 2060 Target Date Retirement R2 | 343 |
| | Total mutual funds of registered investment companies | | **507,541** |
| | **Total** | | **$ 515,796** |

See independent auditor's report on supplemental schedules.

**APPLE TEXAS RESTAURANT GROUP 401(K) PLAN**
SCHEDULE H, LINE 4I – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EMPLOYER ID NUMBER: 27-4937438, PLAN NUMBER 001
DECEMBER 31, 2015

| (a) | (b) Identity of issuer, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par or maturity value | (e) Current value |
|---|---|---|---|
| | **Money Market Fund:** | | |
| * | American Funds | American Funds US Government Money Market Fund R2 | **$ 8,255** |
| | **Mutual Funds of Registered Investment Companies:** | | |
| * | American Funds | American Funds 2010 Target Date Retirement R2 | 652 |
| * | American Funds | American Funds 2015 Target Date Retirement R2 | 2,546 |
| * | American Funds | American Funds 2020 Target Date Retirement R2 | 17,095 |
| * | American Funds | American Funds 2025 Target Date Retirement R2 | 25,384 |
| * | American Funds | American Funds 2030 Target Date Retirement R2 | 72,731 |
| * | American Funds | American Funds 2035 Target Date Retirement R2 | 45,258 |
| * | American Funds | American Funds 2040 Target Date Retirement R2 | 149,028 |
| * | American Funds | American Funds 2045 Target Date Retirement R2 | 65,222 |
| * | American Funds | American Funds 2050 Target Date Retirement R2 | 67,391 |
| * | American Funds | American Funds 2055 Target Date Retirement R2 | 35,914 |
| * | American Funds | American Funds AMCAP R2 | 2,071 |
| * | American Funds | American Funds American Mutual R2 | 436 |
| * | American Funds | American Funds American Balanced R2 | 2,939 |
| * | American Funds | American Funds Europacific Growth R2 | 1,637 |
| * | American Funds | American Funds Growth Fund of America R2 | 7,400 |
| * | American Funds | American Funds Income Fund of America R2 | 4,740 |
| * | American Funds | American Funds Intermediate Bond Fund of America R2 | 437 |
| * | American Funds | American Funds Investment Company of America R2 | 6,238 |
| * | American Funds | American Funds US Government Securities Fund R2 | 79 |
| * | American Funds | American Funds 2060 Target Date Retirement R2 | 343 |
| | Total mutual funds of registered investment companies | | **507,541** |
| | **Total** | | **$ 515,796** |

See independent auditor's report on supplemental schedules.