

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 <u>10/01/2015</u> and ending <u>09/30/2016</u>	
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 ☒ 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 <u>HOUSTON COUNTRY CLUB PENSION PLAN</u>	1b Three-digit plan number (PN) ▶ <u>001</u> 1c Effective date of plan <u>01/01/1966</u>
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) <u>HOUSTON COUNTRY CLUB</u> <u>1 POTOMAC DRIVE</u> <u>HOUSTON, TX 77057-1207</u>	2b Employer Identification Number (EIN) <u>74-0693540</u> 2c Plan Sponsor's telephone number <u>713-465-8381</u> 2d Business code (see instructions) <u>713900</u>

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	<u>Filed with authorized/valid electronic signature.</u>	<u>07/17/2017</u>	<u>GABRIEL CHAVEZ</u>
	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 ☐ Same as Plan Sponsor ADMINISTRATIVE COMMITTEE 1 POTOMAC DRIVE HOUSTON, TX 77057-1207	3b Administrator's EIN 74-1949068
	3c Administrator's telephone number 713-465-8381
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: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 190
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) 95
a(2) Total number of active participants at the end of the plan year	6a(2) 7
b Retired or separated participants receiving benefits.....	6b 53
c Other retired or separated participants entitled to future benefits.....	6c 16
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 76
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 6
f Total. Add lines 6d and 6e	6f 82
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g
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: 1A 11	
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) ☒ 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) ☒ 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) ☒ 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) ☒ 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)
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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 _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2015</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2015 or fiscal plan year beginning 10/01/2015 and ending 09/30/2016

Round off amounts to nearest dollar.
Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<div>A Name of plan HOUSTON COUNTRY CLUB PENSION PLAN</div>	<div>B Three-digit plan number (PN) 001</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF HOUSTON COUNTRY CLUB</div>	<div>D Employer Identification Number (EIN) 74-0693540</div>

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I Basic Information

1	Enter the valuation date: Month 10 Day 01 Year 2015			
2	Assets:			
	a Market value	2a	7081891	
	b Actuarial value	2b	7081891	
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
	a For retired participants and beneficiaries receiving payment	58	4564337	4564337
	b For terminated vested participants	37	1503246	1503246
	c For active participants	95	2739901	2739901
	d Total	190	8807484	8807484
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5	6.30%	
6	Target normal cost	6	61236	

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<div>SIGN HERE</div>	<div>Signature of actuary KAREN SMITH Type or print name of actuary NOVA 401(K) ASSOCIATES Firm name 10777 NORTHWEST FREEWAY SUITE 440 HOUSTON, TX 77092 Address of the firm</div>	<div>05/04/2017 Date 17-05404 Most recent enrollment number 713-881-9310 Telephone number (including area code)</div>
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	7365
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	7328
9 Amount remaining (line 7 minus line 8)	0	37
10 Interest on line 9 using prior year's actual return of <u>-1.40</u> %	0	-1
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.55</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance.....		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	36

Part III Funding Percentages		
14 Funding target attainment percentage.....	14	80.40 %
15 Adjusted funding target attainment percentage	15	80.40 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	94.22 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/07/2016	163000	0			
07/08/2016	81500	0			
09/29/2016	322250	0			
			Totals ►	18(b)	566750
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date.....	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	538177
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?..... ☐ Yes ☒ No		
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
0	0	0
		(4) 4th
		0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.72 %	2nd segment: 6.11 %	3rd segment: 6.81 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	61236	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	1725629	436852	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	498088	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	498088	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	538177	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	40089	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 10/01/2015 and ending 09/30/2016		
<div>A</div> Name of plan HOUSTON COUNTRY CLUB PENSION PLAN	<div>B</div> Three-digit plan number (PN) ▶	001
<div>C</div> Plan sponsor's name as shown on line 2a of Form 5500 HOUSTON COUNTRY CLUB	<div>D</div> Employer Identification Number (EIN) 74-0693540	

Part I	Service Provider Information (see instructions)
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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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-----	---

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-----	--

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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)

NOVA 401(K) ASSOCIATES

20-1181458

(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?
11	NONE	75009	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CITIGROUP GLOBAL MARKETS

13-2919773

(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?
27	NONE	53660	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

AST CAPITAL TRUST

51-0099033

(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?
21	NONE	10211	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.	

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
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(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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 <div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2015</div> This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning 10/01/2015 and ending 09/30/2016		
A Name of plan HOUSTON COUNTRY CLUB PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 HOUSTON COUNTRY CLUB	D Employer Identification Number (EIN) 74-0693540	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a	0	0
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	0	0
	(2) Participant contributions	1b(2)	0	0
	(3) Other	1b(3)	0	0
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	477094	2895373
	(2) U.S. Government securities	1c(2)	245801	0
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)	0	0
	(B) All other	1c(3)(B)	125253	0
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)	314400	0
	(B) Common	1c(4)(B)	2272161	0
	(5) Partnership/joint venture interests	1c(5)	941568	508430
	(6) Real estate (other than employer real property)	1c(6)	0	0
	(7) Loans (other than to participants)	1c(7)	0	0
	(8) Participant loans	1c(8)	0	0
	(9) Value of interest in common/collective trusts	1c(9)	0	0
	(10) Value of interest in pooled separate accounts	1c(10)	0	0
	(11) Value of interest in master trust investment accounts	1c(11)	0	0
	(12) Value of interest in 103-12 investment entities	1c(12)	0	0
	(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	2690251	0
	(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
	(15) Other	1c(15)	15363	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	7081891	3403803

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	7081891	3403803
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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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	566750	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		566750

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	80	
(B) U.S. Government securities	2b(1)(B)	2746	
(C) Corporate debt instruments	2b(1)(C)	1627	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	160	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		4613

(2) Dividends: (A) Preferred stock	2b(2)(A)	11891	
(B) Common stock	2b(2)(B)	41445	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	136727	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		190063

(3) Rents	2b(3)		0
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(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)	0	
(B) Other	2b(5)(B)	-7167	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-7167

	(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)	0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)	0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)	0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)	0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)	535010
c Other income	2c	-4426
d Total income. Add all income amounts in column (b) and enter total	2d	1284843

Expenses

e Benefit payment and payments to provide benefits:		
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4732401
(2) To insurance carriers for the provision of benefits	2e(2)	0
(3) Other	2e(3)	0
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)	4732401
f Corrective distributions (see instructions)	2f	0
g Certain deemed distributions of participant loans (see instructions)	2g	0
h Interest expense	2h	0
i Administrative expenses: (1) Professional fees	2i(1)	85220
(2) Contract administrator fees	2i(2)	0
(3) Investment advisory and management fees	2i(3)	53660
(4) Other	2i(4)	91650
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)	230530
j Total expenses. Add all expense amounts in column (b) and enter total	2j	4962931

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k	-3678088
l Transfers of assets:		
(1) To this plan	2l(1)	0
(2) From this plan	2l(2)	0

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: PANNELL KERR FORSTER OF TEXAS, P.C.

(2) EIN: 76-0356844

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.)		☒		
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.)		☒		

	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.)		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.)		X		
e Was this plan covered by a fidelity bond?	X			1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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?		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?		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.)	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.)	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?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)				
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.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

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: 0

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.
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For calendar plan year 2015 or fiscal plan year beginning 10/01/2015 and ending 09/30/2016

A Name of plan <u>HOUSTON COUNTRY CLUB PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HOUSTON COUNTRY CLUB</u>	D Employer Identification Number (EIN) <u>74-0693540</u>

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	<u>0</u>
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): <u>51-0099033</u>		
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	<u>105</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 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
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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
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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

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2015
v. 150123

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
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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

**HOUSTON COUNTRY CLUB
PENSION PLAN**

**Financial Statements
and Supplemental Schedules**

September 30, 2016

Houston Country Club Pension Plan

September 30, 2016

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Schedules not filed herewith are omitted because of the absence of conditions under which they are required.

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of
Houston Country Club Pension Plan

We were engaged to audit the financial statements of the Houston Country Club Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of September 30, 2016 (In liquidation) and 2015 (Ongoing), the related statements of changes in net assets available for benefits for the year ended December 31, 2016 (In liquidation) and 2015 (Ongoing), and the related notes to 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 U.S. generally accepted accounting principles; 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 U.S. generally accepted auditing standards. 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 audit procedures with respect to the information summarized in Note 6, which was certified by Matrix Trust Company, the trustee of the Plan, for the years ended September 30, 2016 and 2015, except for comparing such information with the related information included in the financial statements and the supplemental schedules. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certification from the trustee as of and for the years ended September 30, 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

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, Schedule H, line 4i and Schedule H, line 4j, which are the responsibility of management, are presented for the purposes of additional analysis and are not a required part of the financial statements but are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedules referred to above.

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 U.S. generally accepted auditing standards and, in our opinion, is presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Basis of Accounting

As described in Note 1 to the financial statements, the Houston Country Club approved a plan of liquidation on May 24, 2016. As a result, the Plan has changed its basis of accounting from the going concern basis used in presenting the 2015 financial statements to the liquidation basis used in presenting the 2016 financial statements. Our opinion is not modified with respect to that matter.

Pannell Kerr Forster of Texas, P.C.

July 11, 2017

Houston Country Club Pension Plan

Statements of Net Assets Available for Benefits

	September 30,	
	2016	2015
	(In liquidation)	(Ongoing)
Assets		
Investments at fair value		
Cash and cash equivalents	\$ 2,895,373	\$ 477,094
Common and foreign stock	-	2,272,161
Preferred stock	-	314,400
U.S government and foreign securities	-	260,091
Corporate bonds	-	124,576
Mutual funds	-	2,690,251
Hedge fund	508,430	941,568
Total investments at fair value	3,403,803	7,080,141
Accrued income receivable	-	1,750
Total assets	3,403,803	7,081,891
Liabilities		
Total liabilities	-	-
Net assets available for benefits	\$ 3,403,803	\$ 7,081,891

See notes to financial statements.

Houston Country Club Pension Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended September 30,	
	2016	2015
	(In liquidation)	(Ongoing)
Additions to net assets		
Employer contribution	\$ 566,764	\$ 343,700
Net appreciation in fair value of investments	527,843	-
Interest	4,551	13,602
Dividends	188,904	185,743
Total additions	<u>1,288,062</u>	<u>543,045</u>
Deductions from net assets		
Benefit payments	4,730,886	1,853,686
Net depreciation in fair value of investments	-	301,692
Administrative expenses	<u>235,264</u>	<u>137,604</u>
Total deductions	<u>4,966,150</u>	<u>2,292,982</u>
Net decrease in net assets available for benefits	(3,678,088)	(1,749,937)
Net assets available for benefits, beginning of year	<u>7,081,891</u>	<u>8,831,828</u>
Net assets available for benefits, end of year	<u>\$ 3,403,803</u>	<u>\$ 7,081,891</u>

See notes to financial statements.

Houston Country Club Pension Plan

Notes to Financial Statements

September 30, 2016

Note 1 - Description of the PlanGeneral

The Houston Country Club Pension Plan (the "Plan") is a defined benefit pension plan established for employees of the Houston Country Club (the "Club"). The plan was frozen as to participation effective January 1, 2008 and effective September 30, 2008, the Plan was amended to cease benefit accruals.

On May 24, 2016, the Club elected to terminate the Plan effective September 1, 2016. The Plan settled Plan liabilities through either (i) lump sum distributions to Plan participants or (ii) annuity contracts purchased from a third-party insurance company that provided for the payment of future vested benefits to those participants that did not elect the lump sum option.

Based on the actuarially determined value needed to liquidate the Plan, the Club signed an agreement with an insurance company on September 29, 2016 to purchase annuity contracts for the remaining Plan participants for a total of \$9,162,230. To fund the purchase of annuity contracts, the Club committed approximately \$5.7 million in addition to the remaining assets of the Plan. The participant annuity contracts were purchased in November 2016.

As of September 30, 2016, \$508,430 invested in the hedge fund was not available for liquidation. The shares in the fund have limited liquidity and generally may only be redeemed as of the close of business on the last business day of the twelfth month following the date of subscription for such shares and as of the close of business on the last business day of each six-month period occurring thereafter, upon at least 95 days prior written notice. The liquidation of the fund is expected to occur in July 2017.

Trustee

Matrix Trust Company (the "Trustee") maintains in safe keeping all assets of the Plan and executes all transactions.

Funding

The Plan requires contributions from the Club. Contributions made by the Club are designed to meet the Employee Retirement Income Security Act of 1974 ("ERISA") minimum annual funding requirements calculated using the aggregate funding method which, by definition, results in no Unfunded Past Service Liability. During the years ended September 30, 2016 and 2015, the Plan's minimum required contribution was \$498,088 and \$343,511, respectively. The Club made contributions of \$566,764 and \$343,700 to satisfy the minimum required funding requirements under ERISA for 2016 and 2015, respectively.

Pension benefits

The Plan provides for various retirement benefits including the following:

- (1) Normal Retirement - Applies to a member of the Plan who retires on or after his normal retirement date (i.e., the date on which a member's sixty-fifth (65) birthday occurs or five (5) years of participation, if later).

Houston Country Club Pension Plan

Notes to Financial Statements

September 30, 2016

Note 1 - Description of the Plan (Continued)Pension benefits (continued)

- (2) Early Retirement - Applies to a member who is fifty-five (55) or more years of age, but who has not attained normal retirement date and who has completed ten (10) or more years of Plan service.
- (3) Disability Retirement - Applies to a member who is terminated by reason of disability before his normal retirement date, is forty-five (45) or more years of age, and has completed ten (10) or more years of Plan service.
- (4) Termination Benefit - Applies to a member whose employment has been terminated for any reason other than disability, retirement, or death, provided he has completed five (5) or more years of Plan service.
- (5) Death Benefit - Applies to the eligible surviving spouse of a married member who dies while employed before his normal retirement date, and after ten (10) or more years of Plan service.

Note 2 - Summary of Significant Accounting PoliciesBasis of accounting

The accompanying financial statements have been prepared on the liquidation basis of accounting.

Valuation of investments

The Plan's investments are stated at liquidation value which approximate 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 fair value is measured at net asset value ("NAV") per share using the practical expedient for the hedge fund, under fair value measurements. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date.

Net realized and unrealized appreciation or depreciation is recorded in the accompanying financial statements as net appreciation or depreciation in fair value of investments. Unrealized appreciation or depreciation in the fair values of investments held at year-end is determined using the fair value at the beginning of the year or the purchase price if the investment is acquired during the year. The realized gain or loss on the sale of investments is determined using historical cost. Upon the sale of an investment, the current year unrealized appreciation or depreciation is adjusted for unrealized gains and losses recognized in prior years.

Actuarial present value of accumulated plan benefits

Accumulated plan benefits are those future periodic payments including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to retired employees, former employees and beneficiaries of deceased employees.

Houston Country Club Pension Plan

Notes to Financial Statements

September 30, 2016

Note 2 - Summary of Significant Accounting Policies (Continued)Actuarial present value of accumulated plan benefits (continued)

The actuarial present value of accumulated plan benefits is determined by the Plan's independent enrolled actuary, and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability or retirement) between the valuation date and the expected date of payment.

These actuarial assumptions reflect the Plan termination date of September 1, 2016; however, they are used to disclose the actuarial position of the Plan on an ongoing basis. Due to the Plan terminating, the short Plan year was reflected in the actuary report by prorating the amortization base by 11/12.

Benefit payments

Benefit payments to participants are recorded upon distribution.

In conjunction with the Plan termination, certain terminated participants, who had not yet commenced to receive their benefits under the Plan, were eligible to receive a lump sum distribution, subject to certain eligibility requirements. Lump sum distributions of \$4,221,943 and \$1,390,208 were paid in 2016 and 2015, respectively.

Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

Financial instruments and credit risk

The Plan provides for investments in various securities which, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Houston Country Club Pension Plan

Notes to Financial Statements

September 30, 2016

Note 3 - Priorities Upon Termination of Plan

As the Plan was terminated effective September 1, 2016, the net assets of the Plan were allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- (1) The vested interest of each affected member shall be 100%, effective as of the termination date specified by the Club.
- (2) The assets of the Plan shall be liquidated and distributed in accordance with Section 4044 of ERISA.
- (3) After the satisfaction of all liabilities of the Plan to its members and beneficiaries, the Club shall receive any remaining amount resulting from any variations between actual requirements and actuarially expected requirements.

Benefits under this Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. The PBGC generally guarantees most benefits but does not guarantee all types of benefits and the amount of benefit protection is subject to certain limitations. The PBGC guarantees vested benefits at the level in effect on the date of Plan termination. However, if a Plan amendment has created increased benefits within the five years before Plan termination, the entire increase may not be guaranteed. Also, there is a statutory ceiling on the amount of an individual's monthly benefit that the PBGC guarantees, which is adjusted periodically.

Note 4 - Actuarial Information

The calculations of the Actuarial Present Value of Accumulated Plan Benefits were made by the Plan's independent enrolled actuary for the 2016 and 2015 Plan years.

The most recent actuarial valuation of the Plan was prepared as of October 1, 2015 for the Plan year ending September 30, 2016. The Actuarial Present Value of Accumulated Plan Benefits consists of the following as of September 30:

	<u>2016</u>	<u>2015</u>
Vested benefits		
Individuals receiving benefits	\$ 4,502,073	\$ 4,321,831
Vested terminated and deferred participants	1,435,057	2,086,643
Active participants	<u>2,617,190</u>	<u>2,429,951</u>
Total vested benefits	<u>\$ 8,554,320</u>	<u>\$ 8,838,425</u>

Houston Country Club Pension Plan

Notes to Financial Statements

September 30, 2016

Note 4 - Actuarial Information (Continued)

The Statements of Changes in Accumulated Plan Benefits follows:

	September 30,	
	2016	2015
Accumulated Plan Benefits at beginning of period	\$ 8,838,425	\$ 8,643,061
Additions:		
Increase due to decrease in discount period	551,488	589,517
Benefits accumulated and actuarial gains	637,828	48,630
Change in assumptions	446,624	-
Total additions	1,635,940	638,147
Deductions:		
Benefits paid	1,920,045	442,783
Total deductions	1,920,045	442,783
Accumulated Plan Benefits at end of period	\$ 8,554,320	\$ 8,838,425

A summary of the more significant assumptions underlying the actuarial computations is as follows:

- (1) Mortality - 2015 and 2014 Prescribed Combined Static Mortality Table
- (2) Turnover - A graded scale of turnover by age
- (3) Retirement Age - All employees are assumed to retire at age 62 to 65 using a graded scale

Actuarial calculations were determined on the basis of the unit credit method in accordance with the Pension Protection Act requirements. Employer contributions were within the minimum funding requirements of ERISA.

Note 5 - Fair Value Measurements

The Plan uses a three-level hierarchy, in accordance with the fair value standard, that establishes a hierarchy for grouping assets and liabilities, based on the significance of inputs. The hierarchy of fair value measurements is described below:

- Level 1 - quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of these assets or liabilities; or

Houston Country Club Pension Plan

Notes to Financial Statements

September 30, 2016

Note 5 - Fair Value Measurements (Continued)

- Level 3 - unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value:

- Common, foreign stock and preferred stock - These investments are valued at published market prices.
- Government securities - These investments are updated daily from live data sources, such as active market makers and inter-dealer brokers, that are reviewed on the basis of historical accuracy for individual issues and maturity ranges.
- Corporate and foreign bonds - These investments are updated daily using a credit risk model that calculates the investment value from inputs obtained from the new issue market, secondary trading, and dealer quotes.
- Mutual fund and cash equivalents - These investments are valued daily at the net asset value of shares or units held by the Plan based on the quoted market value of the underlying assets.
- Hedge fund - This investment invests substantially all of its assets through a master feeder structure of an investment partnership for the purpose of investing in private companies. The fund records its investment in the master fund at fair value which is an amount equal to its proportionate share of the net asset value of the master fund at the close of the year. The shares in the fund have limited liquidity and generally may only be redeemed as of the close of business on the last business day of the twelfth month following the date of subscription for such shares and as of the close of business on the last business day of each six-month period occurring thereafter, upon at least 95 days prior written notice.

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. Furthermore, while the valuation methods are considered appropriate and consistent with other market participants, 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 Plan's investments of cash and cash equivalents are valued at level 1 as of September 30, 2016. The hedge fund is measured at net asset value per share (or its equivalent) and is not classified in the fair value hierarchy.

Houston Country Club Pension Plan

Notes to Financial Statements

September 30, 2016

Note 5 - Fair Value Measurements (Continued)

The Plan's investments as of September 30, 2015 measured at fair value are as follows:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 477,094	\$ -	\$ -	\$ 477,094
Common and foreign stock	2,272,161	-	-	2,272,161
Preferred stock	314,400	-	-	314,400
U.S Government and foreign securities	143,104	116,987	-	260,091
Corporate bonds	-	124,576	-	124,576
Mutual funds	2,690,251	-	-	2,690,251
Total investments in the fair value hierarchy	5,897,010	241,563	-	6,138,573
Investments measured at net asset value (a)				941,568
Total investments at fair value	\$ 5,897,010	\$ 241,563	\$ -	\$ 7,080,141

(a) The hedge fund is measured at net asset value per share (or its equivalent) and has not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

Note 6 - Certification by Trustee (Unaudited)

For Plan years 2016 and 2015, the financial information included in the Plan's financial statements and supplemental schedules, except for employer contributions, benefit payments and administrative expenses, has been derived from information certified as complete and accurate by the Trustee, in accordance with 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Note 7 - Administration of Plan Assets

The Plan's assets are held by the Trustee of the Plan. The Trustee invests all cash received and makes distributions to participants as directed by the Plan administrator.

Certain administrative functions are performed by employees of the Club. No such employee receives compensation from the Plan. Administrative expenses are paid directly by the Plan.

Note 8 - Tax Status

The Internal Revenue Service ("IRS") has determined and informed the Club in a letter, dated December 1, 2016, that the termination of the Plan does not affect its qualification for federal tax purposes.

The Plan recognizes the impact of uncertain tax positions only if that position is more likely than not of being sustained upon examination by the taxing authority based on the technical merits. The Plan is currently undergoing an audit conducted by the PBGC due to the Plan terminating. The outcome of the audit was not known at the time the financial statements were issued.

Houston Country Club Pension Plan

Notes to Financial Statements

September 30, 2016

Note 9 - Transactions With Parties-In-Interest

During the years ended September 30, 2016 and 2015, the Plan paid \$138,880 and \$95,268, respectively, to the Trustee, actuary and investment advisors for custodial and administrative fees.

Note 10 - Subsequent Events

Management has evaluated subsequent events through July 11, 2017, which was the date that the financial statements were available to be issued, and has determined that there are no additional subsequent events to be reported.

SUPPLEMENTAL SCHEDULES

HOUSTON COUNTRY CLUB PENSION PLAN
E.I.N. 74-0693540
Plan 001

Schedule H, line 4i - Schedule of Assets Held at End of Year
September 30, 2016

a	b	c		d	e
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Number of Shares/Units or Par Value	Cost	Current value
	Morgan Stanley Bank Deposit Program	Cash and cash equivalents	497,518	\$ 497,518	\$ 497,518
	Morgan Stanley Dean Witter Liquid Asset Fund	Cash and cash equivalents		<u>2,397,855</u>	<u>2,397,855</u>
	Total Cash and Cash Equivalents			<u>2,895,373</u>	<u>2,895,373</u>
	Ironwood International Ltd	Hedge Fund	246	<u>440,548</u>	<u>508,430</u>
	Total Hedge Fund			<u>440,548</u>	<u>508,430</u>
	Total Assets Held for Investments			<u>\$ 3,335,921</u>	<u>\$ 3,403,803</u>

HOUSTON COUNTRY CLUB PENSION PLAN
E.I.N. 74-0693540
Plan 001

Schedule H, line 4j - Schedule of Reportable Transactions
Year Ended September 30, 2016

a	b	c	d	g	h	i
Identity of party involved	Description of asset	Purchase price	Selling price	Cost of asset	Current value of asset on transaction date	Net gain or (loss)
Individual transactions:						
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	\$ 1,161,828	\$ -	\$ 1,161,828	\$ 1,161,828	\$ -
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	412,984	-	412,984	412,984	-
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	4,261,008	-	4,261,008	4,261,008	-
Vanguard Duration Treasury	Mutual fund	379,743	-	379,743	379,743	-
Vanguard Intermediate Term C	Mutual fund	731,646	-	731,646	731,646	-
Vanguard Long-Term Corp Bond	Mutual fund	479,936	-	479,936	479,936	-
Vanguard Long-Term Corp Bond	Mutual fund	952,156	-	952,156	952,156	-
Vanguard Long-Term Corp Bond	Mutual fund	2,913,917	-	2,913,917	2,913,917	-
Ironwood International Ltd	Hedge fund	-	412,984	362,964	412,984	50,020
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	-	1,143,334	1,143,334	1,143,334	-
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	-	412,984	412,984	412,984	-
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	-	4,214,584	4,214,584	4,214,584	-
SPDR S&P 500 ETF Trust	Mutual fund	-	1,026,756	1,113,788	1,026,756	(87,032)
SPDR S&P 500 ETF Trust	Mutual fund	-	1,010,894	991,428	1,010,894	19,466
Vanguard Intermediate Term C	Mutual fund	-	367,886	365,823	367,886	2,063
Vanguard Intermediate Term C	Mutual fund	-	371,884	365,823	371,884	6,061
Vanguard Long-Term Corp Bond	Mutual fund	-	1,067,348	952,156	1,067,348	115,192
Vanguard Long-Term Corp Bond	Mutual fund	-	1,366,578	1,356,343	1,366,578	10,235
Vanguard Long-Term Corp Bond	Mutual fund	-	1,614,066	1,557,574	1,614,066	56,492
Series of transactions:						
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	7,119,871	-	7,119,871	7,119,871	-
Vanguard Duration Treasury	Mutual fund	770,931	-	770,931	770,931	-
Vanguard Intermediate Term C	Mutual fund	1,199,123	-	1,199,123	1,199,123	-
Vanguard Long-Term Corp Bond	Mutual fund	4,442,640	-	4,442,640	4,442,640	-
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	-	7,056,039	7,056,039	7,056,039	-
SPDR S&P 500 ETF Trust	Mutual fund	-	2,037,650	2,105,216	2,037,650	(67,566)
Vanguard Duration Treasury	Mutual fund	-	782,528	770,931	782,528	11,597
Vanguard Intermediate Term C	Mutual fund	-	1,231,301	1,199,123	1,231,301	32,178
Vanguard Long-Term Corp Bond	Mutual fund	-	4,692,789	4,442,640	4,692,789	250,149
Vanguard Long-Term Government Bond	Mutual fund	-	354,502	345,944	354,502	8,558

Schedule SB, line 26 – Schedule of Active Participant Data**Plan Name: Houston Country Club Pension Plan****EIN: 74-0693540 PN: 001**

Age/Service	0-1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total
Under 25	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	4	0	0	0	0	0	0	0	0	4
35 to 39	0	1	2	2	0	0	0	0	0	0	5
40 to 44	0	1	3	6	1	0	0	0	0	0	11
45 to 49	0	3	7	4	2	3	0	0	0	0	19
50 to 54	0	3	3	4	5	5	0	0	0	0	20
55 to 59	0	2	4	4	1	3	5	1	0	0	20
60 to 64	0	1	5	2	2	2	0	0	0	0	12
65 to 69	0	0	1	0	0	0	1	0	0	0	2
70 & Up	0	1	0	1	0	0	0	0	0	0	2
Total	0	16	25	23	11	13	6	1	0	0	95

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Plan Name: Houston Country Club Pension Plan

EIN: 74-0693540 PN: 001

Assumptions

Economic Assumptions

Interest Rate Basis	Segment Rates: 4.72% / 6.11% / 6.81%
Effective Interest Rate	6.30%
Interest Rate Basis - Maximum	Segment Rates: 1.30% / 4.07% / 5.11% (4 month lookback)
Effective Interest Rate - Maximum	4.41%
Expected Rate of Return for Smoothed Assets	N/A
Salary Scale	N/A
Increase for Pay and Benefit Limitations	0.00%
Increase for Social Security Wage Base	0.00%
Plan Expenses	\$61,236 (prior year expenses paid from the trust excluding investment advisory expenses)

Demographic Assumptions

Assumed Normal Form of Payment	Single Life Annuity														
Healthy Life Mortality	2015 Prescribed Combined Static Mortality Table for funding Static sex-distinct RP-2014 Annuitant, All Rates Mortality Table projected to 2024 using static projection scale BB for FAS 35. Rates not combined for annuitant and non-annuitant.														
Rate of Termination	Sample rates of termination <table><tr><th>Age</th><th>Rate</th></tr><tr><td>20</td><td>16.22%</td></tr><tr><td>30</td><td>21.84%</td></tr><tr><td>40</td><td>5.16%</td></tr><tr><td>50</td><td>2.26%</td></tr><tr><td>60</td><td>0.00%</td></tr><tr><td>65</td><td>0.00%</td></tr></table>	Age	Rate	20	16.22%	30	21.84%	40	5.16%	50	2.26%	60	0.00%	65	0.00%
Age	Rate														
20	16.22%														
30	21.84%														
40	5.16%														
50	2.26%														
60	0.00%														
65	0.00%														
Rate of Disablement	None														

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Plan Name: Houston Country Club Pension Plan

EIN: 74-0693540 PN: 001

Rate of Retirement	Age	Rate
	62	20.00%
	63	10.00%
	64	10.00%
	65	100.00%
The average weighted retirement age is 64.17.		
Marriage Assumption	100% of participants are assumed to be married. Males are assumed to be 3 years older than their spouses.	

Methods

Asset Valuation Method	Market Value of Assets
Actuarial Cost Method	Unit Credit in accordance with Pension Protection Act Requirements
Plan Expenses	The assumed expenses are based upon Nova's good-faith interpretation of WRERA and include anticipated administrative expenses and not investment expenses. If IRS regulations are issued mandating inclusion of investment expenses, this assumption will need to be changed.

Changes in Assumptions and Methods

Changes in Actuarial Assumptions	<p>For the calculation of 2015 minimum funding requirement, the following assumption changes were made:</p> <ul style="list-style-type: none">• Segment rates were updated to 2015 HATFA segment rates consistent with those published for annual funding requirements• Healthy Life Mortality was updated to 2015 prescribed combined static tables consistent with those mandated for annual funding requirements• The expected plan expenses were updated to reflect the prior year's plan expenses instead of as fixed amount of \$15,000. <p>The above changes were made in compliance with PPA requirements.</p> <p>For the calculation of FAS35 liabilities, the following change in assumption was made:</p> <ul style="list-style-type: none">• Mortality tables were updated from 2012 Prescribed Combined Static Mortality Table for FAS 35 to static sex-distinct RP-2014 Annuitant, All Rates Mortality Table projected to 2024 using static projection scale BB. Rates not combined for annuitant and non-annuitant.
Changes in Methods	None.

HOUSTON COUNTRY CLUB PENSION PLAN
E.I.N. 74-0693540
Plan 001

Schedule H, line 4j - Schedule of Reportable Transactions
Year Ended September 30, 2016

a	b	c	d	g	h	i
Identity of party involved	Description of asset	Purchase price	Selling price	Cost of asset	Current value of asset on transaction date	Net gain or (loss)
Individual transactions:						
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	\$ 1,161,828	\$ -	\$ 1,161,828	\$ 1,161,828	\$ -
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	412,984	-	412,984	412,984	-
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	4,261,008	-	4,261,008	4,261,008	-
Vanguard Duration Treasury	Mutual fund	379,743	-	379,743	379,743	-
Vanguard Intermediate Term C	Mutual fund	731,646	-	731,646	731,646	-
Vanguard Long-Term Corp Bond	Mutual fund	479,936	-	479,936	479,936	-
Vanguard Long-Term Corp Bond	Mutual fund	952,156	-	952,156	952,156	-
Vanguard Long-Term Corp Bond	Mutual fund	2,913,917	-	2,913,917	2,913,917	-
Ironwood International Ltd	Hedge fund	-	412,984	362,964	412,984	50,020
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Vanguard Intermediate Term C	Mutual fund	-	367,886	365,823	367,886	2,063
Vanguard Intermediate Term C	Mutual fund	-	371,884	365,823	371,884	6,061
Vanguard Long-Term Corp Bond	Mutual fund	-	1,067,348	952,156	1,067,348	115,192
Vanguard Long-Term Corp Bond	Mutual fund	-	1,366,578	1,356,343	1,366,578	10,235
Vanguard Long-Term Corp Bond	Mutual fund	-	1,614,066	1,557,574	1,614,066	56,492
Series of transactions:						
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	7,119,871	-	7,119,871	7,119,871	-
Vanguard Duration Treasury	Mutual fund	770,931	-	770,931	770,931	-
Vanguard Intermediate Term C	Mutual fund	1,199,123	-	1,199,123	1,199,123	-
Vanguard Long-Term Corp Bond	Mutual fund	4,442,640	-	4,442,640	4,442,640	-
Morgan Stanley Bank Deposit Program	Cash and cash equivalent	-	7,056,039	7,056,039	7,056,039	-
SPDR S&P 500 ETF Trust	Mutual fund	-	2,037,650	2,105,216	2,037,650	(67,566)
Vanguard Duration Treasury	Mutual fund	-	782,528	770,931	782,528	11,597
Vanguard Intermediate Term C	Mutual fund	-	1,231,301	1,199,123	1,231,301	32,178
Vanguard Long-Term Corp Bond	Mutual fund	-	4,692,789	4,442,640	4,692,789	250,149
Vanguard Long-Term Government Bond	Mutual fund	-	354,502	345,944	354,502	8,558

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 10/01/2015 and ending 09/30/2016

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Houston Country Club Pension Plan	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF HOUSTON COUNTRY CLUB	D Employer Identification Number (EIN) 74-0693540	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500		

Part I Basic Information				
1 Enter the valuation date: Month <u>10</u> Day <u>01</u> Year <u>2015</u>				
2 Assets:				
a Market value	2a	7081891		
b Actuarial value	2b	7081891		
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target	
a For retired participants and beneficiaries receiving payment	58	4564337	4564337	
b For terminated vested participants	37	1503246	1503246	
c For active participants	95	2739901	2739901	
d Total	190	8807484	8807484	
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐				
a Funding target disregarding prescribed at-risk assumptions	4a			
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b			
5 Effective interest rate	5	6.30 %		
6 Target normal cost	6	61236		

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	 Signature of actuary Karen Smith	<u>5/4/2017</u> Date 17-05404
	Type or print name of actuary Nova 401(k) Associates	Most recent enrollment number (713) 881-9310
	Firm name 10777 Northwest Freeway Suite 440 Houston, TX 77092 Address of the firm	Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2015 v. 150123

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Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 4.72 %	2nd segment: 6.11 %	3rd segment: 6.81 %
			☐ N/A, full yield curve used
b Applicable month (enter code)	21b		4
22 Weighted average retirement age	22		65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	61236	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	1725629	436852	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	498088	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	498088	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	538177	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	40089	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

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HOUSTON COUNTRY CLUB
PENSION PLAN

Schedule SB, line 19
Discounted Employer Contributions
Employer Identification Number 74-0693540 Plan Number 001
As of October 1, 2015

Code	Date	Contribution Amount	Effective Rate	For Months	Quarterly Due	Effective Rate Plus 5%	For Months	Discounted Contribution
C	4/7/2016	81,454.00	6.30	3.45	1/15/2016	11.30	2.74	78,101.01
C	4/7/2016	81,546.00	6.30	6.19				79,014.73
C	7/8/2016	81,500.00	6.30	9.23				77,760.38
C	9/29/2016	322,250.00	6.30	11.90				303,300.86
Total		566,750.00						538,176.98

Code 'C' is a contribution, 'B' is a balance reduction

Schedule SB, line 22 – Description of Weighted Average Retirement Age**Plan Name: Houston Country Club Pension Plan****EIN: 74-0693540 PN: 001**

Each employee is assumed to retire in accordance with a table of retirement rates.

The proportion of employees expected to retire at each potential retirement age is shown below.

The average retirement age is: 64.17

Calculation of Average Weighted Retirement Age				
A	B	C	D	E = D x A
Age	Rate of Retirement	Lx	# Retiring	# Retiring x Age
55	0.00%	10,000	-	-
56	0.00%	10,000	-	-
57	0.00%	10,000	-	-
58	0.00%	10,000	-	-
59	0.00%	10,000	-	-
60	0.00%	10,000	-	-
61	0.00%	10,000	-	-
62	20.00%	10,000	2,000	124,000
63	10.00%	8,000	800	50,400
64	10.00%	7,200	720	46,080
65	100.00%	6,480	6,480	421,200
Total			10,000	641,680
Average Weighted Retirement Age				64.17
Average Weighted Retirement Age				
After Adjustments for Actives beyond NRD				65.31

Schedule SB, Part V – Summary of Plan Provisions

Plan Name: Houston Country Club Pension Plan

EIN: 74-0693540 PN: 001

The below is a very brief summary of the plan provisions. This summary should not be used for purposes of calculating benefits.

Plan Effective Date	January 1, 1966
Plan Termination Date	September 1, 2016
Plan Year	From October 1 st to September 30 th
Eligibility	<p>All employees not excluded by class are eligible to enter on the 1st day of the month coincident with or following the completion of 12 months of service where an employee completes at least 1,000 hours of service.</p> <p><i>No additional employees enter the Plan on or after January 1, 2008.</i></p>
Credited Service	<p>For accrual purposes, service is measured on an elapsed time basis.</p> <p><i>No additional service is earned after September 30, 2008.</i></p>
Vesting Service	For vesting purposes, one year of service is credited for each Plan Year in which an employee completes at least 1000 hours of service.
Plan Compensation	<p>Generally, total compensation including amounts deferred under any 401(k) plan or 125 plan. Compensation is limited as required under section 401(a)(17) of the Internal Revenue Code.</p> <p><i>No additional compensation is considered after September 30, 2008.</i></p>
Accrued Benefit	The Accrued Benefit for each Participant is determined based upon the fractional rule based on Years of Service.
Normal Retirement Age	Participants become eligible for normal retirement upon attainment of age 65.

Schedule SB, Part V – Summary of Plan Provisions

Plan Name: Houston Country Club Pension Plan

EIN: 74-0693540 PN: 001

Normal Retirement Benefit	<p>The normal retirement benefit is the sum of the following:</p> <ul style="list-style-type: none">▪ 1.15% of his Average Monthly Compensation multiplied by his Years of Benefit Service not to exceed 35 years, plus 0.6% of his Excess Average Monthly Compensation, multiplied by his Years of Benefit Service not to exceed 35 years.▪ 1.75% of his Average Monthly Compensation, multiplied by his Years of Benefit Service, if any, in excess of 35 years. <p>The minimum monthly Normal Retirement benefit payable to any Participant is the greater of:</p> <ul style="list-style-type: none">▪ \$15 per month per Year of Benefit Service▪ \$300 per month if the Participant has 5 Years of Benefit Service and prorated by service at date of termination divided by service that would have been earned had they remained active until Normal Retirement Date. <p><i>Benefits are frozen as of September 30, 2008.</i></p>
Early Retirement	<p>A Participant's Early Retirement Benefit is a monthly pension benefit equal to his Accrued Benefit determined as of the Early Retirement Date, reduced by 1/180 for each of the first 60 months, and by 1/360 for each of the next 60 months that his Early Retirement Date precedes his Normal Retirement Date. The preceding early retirement reduction shall not apply in the case of a Participant who has completed 30 or more Years of Vesting Service.</p>
Vested Termination	<p>Benefits vest upon five years of vesting service. The Accrued Benefit is payable at Normal Retirement Age.</p>
Pre-retirement Death Benefit	<p>A participant's surviving spouse will be entitled to receive a death benefit if the Participant dies while employed and prior to the commencement of a monthly pension benefit but following the Participant's completion of 10 years of Vesting Service.</p> <p>The Participant's Surviving Spouse, if any, will be entitled to receive a monthly pension benefit equal to 50% of the Participant's Accrued Benefit determined as of his date of death.</p> <p>If a vested Participant does not satisfy the above requirements and dies before his Annuity Starting Date, the Participant's surviving spouse, if any, will be entitled to receive a Qualified Pre-Retirement Survivor Annuity.</p>

Schedule SB, Part V – Summary of Plan Provisions

Plan Name: Houston Country Club Pension Plan

EIN: 74-0693540 PN: 001

Total and Permanent Disability Benefit	<p>A member is eligible for a disability benefit if they have at least 10 years Vesting Service and have attained age of 45 at the time of incurring a total disability while employed by the employer.</p> <p>Proof is required. Disability benefits are the Actuarial Equivalent to the Participant's Accrued Benefit as of the date of disability, without reduction due to commencement earlier than age 65.</p>
Forms of Benefit Payment	<p>The normal form of benefit is a life only annuity</p> <p>Optional forms include:</p> <ul style="list-style-type: none">▪ Life Annuity▪ Life Annuity with 10 or 15 years guaranteed▪ 50% Joint & Survivor▪ 66.67% Joint & Survivor▪ 75% Joint & Survivor▪ 100% Joint & Survivor▪ Lump sums for the entire benefit if under \$5,000

Changes in Plan Provisions

The following changes were reflected in this report:	<p>For the calculation of 2015 funding requirements, the following plan changes were reflected:</p> <ul style="list-style-type: none">• The Lump Sum Window implemented last year was reflected. Please see the executive summary and last year's report for additional detail.• The Plan termination was not reflected in the calculation of the funding target, but the short plan year was reflected by prorating the amortization bases by 11/12. This was done to be consistent with IRC 1.430(a)-1(b)(5).• The target normal cost (other than expense load) is \$0. So, the plan termination did not change the target normal cost.• The expense load included in the target normal cost was not prorated.
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HOUSTON COUNTRY CLUB PENSION PLAN
E.I.N. 74-0693540
Plan 001

Schedule H, line 4i - Schedule of Assets Held at End of Year
September 30, 2016

a	b	c		d	e
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Number of Shares/Units or Par Value	Cost	Current value
	Morgan Stanley Bank Deposit Program	Cash and cash equivalents	497,518	\$ 497,518	\$ 497,518
	Morgan Stanley Dean Witter Liquid Asset Fund	Cash and cash equivalents		<u>2,397,855</u>	<u>2,397,855</u>
	Total Cash and Cash Equivalents			<u>2,895,373</u>	<u>2,895,373</u>
	Ironwood International Ltd	Hedge Fund	246	<u>440,548</u>	<u>508,430</u>
	Total Hedge Fund			<u>440,548</u>	<u>508,430</u>
	Total Assets Held for Investments			<u>\$ 3,335,921</u>	<u>\$ 3,403,803</u>

Schedule SB, line 32 – Schedule of Amortization Bases

Plan Name: Houston Country Club Pension Plan

EIN: 74-0693540 PN: 001

Type of Base	Initial Valuation Date	Initial Value	Initial Number of Years	Years Remaining	Amortization Installment	Current Year Charge	Present Value
Shortfall	10/1/2009	662,104.00	7	1	112,147.00	112,147.00	112,147.00
Shortfall	10/1/2010	324,642.00	7	2	53,837.80	53,837.80	105,248.99
Shortfall	10/1/2011	2,017,158.27	7	3	321,268.60	321,268.60	921,017.26
Shortfall	10/1/2012	-1,839,740.53	7	4	-312,249.19	-312,249.19	-1,167,062.30
Shortfall	10/1/2013	162,836.95	7	5	27,406.37	27,406.37	125,223.43
Shortfall	10/1/2014	166,075.72	7	6	27,794.26	27,794.26	147,657.81
Shortfall	10/1/2015	1,481,396.69	7	7	246,360.91	246,360.91	1,481,396.69
Total (un-prorated)						476,565.75	1,725,628.88

Amortization charge prorated to reflect the plan termination

$$476,565.75 * (11/12) = 436,851.94$$

Schedule SB, line 24 – Change in Actuarial Assumptions

Plan Name: Houston Country Club Pension Plan

EIN: 74-0693540 PN: 001

Changes in Actuarial Assumptions	<p>For the calculation of 2015 minimum funding requirement, the following assumption changes were made:</p> <ul style="list-style-type: none">• Segment rates were updated to 2015 HATFA segment rates consistent with those published for annual funding requirements• Healthy Life Mortality was updated to 2015 prescribed combined static tables consistent with those mandated for annual funding requirements• The expected plan expenses were updated to reflect the prior year's plan expenses instead of as fixed amount of \$15,000. <p>The above changes were made in compliance with PPA requirements.</p> <p>For the calculation of FAS35 liabilities, the following change in assumption was made:</p> <ul style="list-style-type: none">• Mortality tables were updated from 2012 Prescribed Combined Static Mortality Table for FAS 35 to static sex-distinct RP-2014 Annuitant, All Rates Mortality Table projected to 2024 using static projection scale BB. Rates not combined for annuitant and non-annuitant.
Changes in Methods	None.