Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
CHECKERS DRIVE-IN RESTAURANTS, INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 06/01/1992

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)
CHECKERS DRIVE-IN RESTAURANTS, INC.

4300 W. CYPRESS ST., SUITE 600
TAMPA, FL 33607-4157

2b Employer Identification Number (EIN) 58-1654960

2c Plan Sponsor's telephone number 813-283-7004

2d Business code (see instructions) 722511

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	07/21/2017	JONATHAN T LINDSEY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Preparer's telephone number

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	

5 Total number of participants at the beginning of the plan year	**5**	3399
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)**	3374
a(2) Total number of active participants at the end of the plan year	**6a(2)**	2552
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	46
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	2598
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	1
f Total. Add lines **6d** and **6e**.	**6f**	2599
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	250
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:
2E 2F 2G 2J 2K 2S 2T 3D

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

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

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code_____

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

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

A Name of plan
CHECKERS DRIVE-IN RESTAURANTS, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CHECKERS DRIVE-IN RESTAURANTS, INC.

D Employer Identification Number (EIN)
58-1654960

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

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

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

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

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

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

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

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

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

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

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

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

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)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
37 60 64 65	RECORDKEEPER	2294	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

KESTRA INVESTMENT SERVICES LLC

35-2552359

(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?
55	ADVISOR	0	Yes [X] No [ ]	Yes [ ] No [X]	7944	Yes [ ] No [X]

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
AM CENT DISCPL GR A - AMERICAN CEN 44-0619208	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
BLKRK HI YD BD INV A - BNY MELLON P.O. BOX 9793 PROVIDENCE, RI 02940	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
BLKRK INTL INDEX A - BNY MELLON IN P.O. BOX 9793 PROVIDENCE, RI 02940	0.05%

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
COL MID CAP IDX A - COLUMBIA MGT I 04-2838628	0.10%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
DREYFUS S&P 500 INDX - DREYFUS TRA 200 PARK AVENUE NEW YORK, NY 10166	0.15%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
JANUS ENTERPRISE S - JANUS SERVICE 43-1804048	0.25%

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
JPM EQUITY INCOME A - BOSTON FINAN	330 W. 9TH STREET KANSAS CITY, MO 66160	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
PIM STKPLUS SM A - BOSTON FINANCIA	P.O. BOX 8480 BOSTON, MA 02266	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
WA CORE BOND A - BNY MELLON INV SE	P.O. BOX 9793 PROVIDENCE, RI 02940	0.25%

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
KESTRA INVESTMENT SERVICES LLC	55	2148
(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.	
NATIONAL FINANCIAL SERVICES LLC 04-3523567		

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
KESTRA INVESTMENT SERVICES LLC	55	5796
(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.	
NATIONAL FINANCIAL SERVICES LLC 04-3523567		

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500)

Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

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

A Name of plan
CHECKERS DRIVE-IN RESTAURANTS, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CHECKERS DRIVE-IN RESTAURANTS, INC.

D Employer Identification Number (EIN)
58-1654960

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	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)	15879	14903
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(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)	167424	164908
(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)	2571685	2998791
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(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	2754988	3178602
	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 through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	2754988	3178602

Part II Income and Expense Statement

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

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	0	
	(B) Participants	2a(1)(B)	344518	
	(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)		344518
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	2	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)	0	
	(D) Loans (other than to participants)	2b(1)(D)	0	
	(E) Participant loans	2b(1)(E)	6402	
	(F) Other	2b(1)(F)	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		6404
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	118736	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		118736
	(3) Rents	2b(3)		0
	(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)	0	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		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)		88101
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		557759
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	131851	
(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)		131851
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)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	2294	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		2294
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		134145
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		423614
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

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

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

(1) Name: BARLEY, MCNAMARA, WILD **(2)** EIN: 27-3236857

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

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

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

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

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

Part V Trust Information

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

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

A Name of plan
CHECKERS DRIVE-IN RESTAURANTS, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
CHECKERS DRIVE-IN RESTAURANTS, INC.

D Employer Identification Number (EIN)
58-1654960

Part I Distributions

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

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

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

EIN(s): 04-6568107

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

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

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part VII IRS Compliance Questions

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

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

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

Barley | McNamara | Wild
CERTIFIED PUBLIC ACCOUNTANTS & ASSOCIATES

July 7, 2017

To those charged with governance of

Checkers Drive-In Restaurants, Inc. 401(k) Plan

We have audited the financial statements of Checkers Drive-In Restaurants, Inc. 401(k) Plan for the year ended December 31, 2016, and have issued our report thereon dated June 23, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated April 7, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Checkers Drive-In Restaurants, Inc. 401(k) Plan are described in Note B to the financial statements. As described in Note B, the Plan changed accounting policies related to the following:

Accounting Standards Update (ASU) 2015-12, Fair Value Measurement (Topic 820): *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, which exempts investments measured using the net asset value (NAV) practical expedient in ASC 820, Fair Value Measurement, from categorization within the fair value hierarchy

ASU 2015-07, a three-part standard simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts and plan investment disclosures, and provides for a measurement-date practical expedient.

ASU 2014-15, requires management to assess a company's ability to continue as a going concern and to provide related footnote disclosures in certain circumstances.

Accordingly, the accounting changes have been retrospectively applied to prior periods presented as if the policies had always been used. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements and are based on your knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

> Your estimate of the Net Assets Available for Benefits is based on US GAAP. We evaluated the key factors and assumptions used to develop the Net Assets Available for Benefits in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

> **Note B, Note C, and Note I**

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing and completing our audit.

Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 23, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of those individuals charged with governance and, if appropriate, management of Checkers Drive-In Restaurants, Inc. 401(k) Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Barley, McNamara, Wild

Barley, McNamara, Wild



Barley | McNamara | Wild
CERTIFIED PUBLIC ACCOUNTANTS & ASSOCIATES

Financial Statements, Supplemental Schedule and Independent Auditor's Report

Checkers Drive-In Restaurants, Inc. 401(k) Plan

December 31, 2016 and 2015

Checkers Drive-In Restaurants, Inc. 401(k) Plan

Table of Contents

Independent Auditor's Report 1-2

Financial Statements:

Statements of Net Assets Available for Benefits 3

Statement of Changes in Net Assets Available for Benefits 4

Notes to Financial Statements 5-12

Supplemental Schedule:

Schedule H, Line 4i – Supplemental Schedule of Assets (Held at End of Year) 13

Barley | McNamara | Wild
CERTIFIED PUBLIC ACCOUNTANTS & ASSOCIATES

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Certified Public Accountants
To the **Checkers Drive-In Restaurants, Inc. 401(k) Plan** and Participants:

Report on the Financial Statements

We were engaged to audit the accompanying statement of net assets available for benefits of **Checkers Drive-In Restaurants, Inc. 401(k) Plan** (the "Plan") as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016 and the supplemental schedule H, line 4i—Schedule of Assets (Held at End of Year) as of December 31, 2016. These financial statements and supplemental schedule are the responsibility of the Plan's management.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

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

Disclaimer of Opinion

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

Other Matter

The supplemental schedule as of or for the year ended December 31, 2016 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

Barley | McNamara | Wild
CERTIFIED PUBLIC ACCOUNTANTS & ASSOCIATES

Report on Form and Content in Compliance With DOL Rules and Regulations

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

Barley, McNamara, Wild

Tampa, Florida
June 23, 2017

JACKSONVILLE • 5150 Belfort Rd., Building 400 • Jacksonville, FL 32256 • Office: 904.694.4CPA (4272) • Fax: 904.694.4BMW (4269)
TAMPA • 1300 North Westshore Boulevard • Suite 205 • Tampa, FL 33607 • Direct: 813.443-5048 ext. 303 • Toll free: 888.410.2323
www.bmwcpa.com

Checkers Drive-In Restaurants, Inc. 401(k) Plan

Statements of Net Assets Available for Benefits

As of December 31, 2016 and 2015

	2016	2015
Investments, at fair value:		
Money market funds	$ 14,903	$ 15,879
Mutual funds	2,998,791	2,571,685
Total investments, at fair value:	3,013,694	2,587,564
Contributions Receivables:		
Notes receivable from participant loans	164,908	167,424
Participant	18,043	18,293
Total receivables	182,951	185,717
Net assets available for benefits	$ 3,196,645	$ 2,773,281

The accompanying notes are an integral part of these financial statements

Checkers Drive-In Restaurants, Inc. 401(k) Plan

Statement of Changes in Net Assets Available for Benefits

For the Year Ended December 31, 2016

Additions to net assets attributed to:	2016
Investment income:	
Net appreciation in fair value of investments	$ 88,101
Dividends and interest	118,738
Net investment income	206,839
Interest income from notes receivable	6,402
Contributions:	
Participant	344,268
Total contributions	344,268
Total additions	557,509
Deductions from net assets attributed to:	
Benefits paid to participants	131,851
Administrative expenses	2,294
Total deductions	134,145
Net increase	423,364
Net assets available for benefits	
Beginning of year	2,773,281
End of year	$ 3,196,645

The accompanying notes are an integral part of this financial statement

Note A – Description of Plan

The following description of the Checkers Drive-In Restaurants, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

Checkers Drive-In Restaurants, Inc., (the Company or Employer) established the Plan effective as of June 1, 1992. The Plan has since been restated and amended, the last amendment being July 1, 2015. The Plan operates as a defined contribution plan. It is subject to the applicable provisions of the Employer Retirement Income Security Act of 1974, (ERISA), as amended. Employees of the Company are eligible to participate in the Plan after attainment of age 21 and 6 months of service with the Company.

The custodian of the Plan was Fidelity Management Trust Company (the Custodian or Trustee) during the year ended December, 31, 2016. The custodian of the Plan has been given the authority and power to, among other things, make investment decisions, borrow funds and take any other action it believes to be beneficial to the Plan.

Contributions

Participants may contribute up to 100 percent of their compensation to their participant account subject to limitations imposed by the Internal Revenue Code (IRC) limitations. The maximum employee deferral for December 31, 2016 and December 31, 2015 was $18,000. A participant who has attained the age of 50 may also make catch up contributions, subject to IRS limitations of $6,000 for December 31, 2016 and 2015.

The Company may contribute a discretionary matching contribution equal to a percentage of each participant's deferred compensation (the exact percentage to be determined each year by the Employer), only on salary reductions up to 6 percent of compensation. The Company may also contribute a discretionary profit sharing contribution equal to a percentage of each eligible individual's compensation (the exact percentage to be determined each year by the Employer). For the year ended December 31, 2016, the Company did not make any discretionary matching contributions, and there was not a discretionary profit sharing contribution. Highly compensated employees are not eligible for employer matching contributions under any circumstances.

The Plan also accepts rollovers and direct transfers from the other tax-qualified plans.

Participant Accounts

Each participant's account is credited with the participant's contribution and the Company's matching contribution and performance sharing amounts, if applicable. Each participant's account shall be allocated earnings, gains, expenses, and losses with respect to the investments of the participant's account. Allocations of plan earnings or losses are based on each participant's investment fund balance in proportion to the total investment fund balance.

Note A – Description of Plan (continued)

Vesting

Participants are immediately vested in their voluntary and qualified non-elective contributions plus actual earnings thereon. Vesting in the remainder of their accounts is based on years of continuous service. A participant is 100 percent vested after four years of credit service as follows.

Years of Services	Vesting Percentage
Less than 1	0%
1	25%
2	50%
3	75%
4	100%

A participant who reaches normal retirement age 59.5, becomes totally disabled, or dies, whichever comes first while under the Company's employment, shall be 100 percent vested on such date.

Forfeitures

Non-vested benefits of terminated participants are forfeited on the date the participant receives a complete distribution of vested benefits. Forfeitures are used to reduce the Company's benefit plan administration costs. For the years ended December 31, 2016 and 2015, forfeited non-vested accounts totaled $0 each year. For the year ended December 31, 2016, there were no forfeitures used to reduce plan administration costs.

Investment Options

Upon enrollment in the Plan, a participant may direct his or her contributions, in multiples of 1%, into various types of investment options. Participants are allowed to select from 27 different investment options with varying investment styles. Participants may change their investment options during election periods established by the Plan Administrator.

Distribution of Benefits

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or installments paid over various periods, as defined in the Plan agreement. If a participant's vested balance is $5,000 or less, the Company may distribute the entire vested account balance to the participant without their consent. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution less 20 percent withheld for taxes. Benefits maybe received when a participant demonstrates a situation of extreme financial hardship as defined by the Internal Revenue Code and the distribution is approved by the Plan's trustee.

Note A – Description of Plan (continued)

Participant Loans

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. Participants may only have two loans outstanding at time. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant notes receivable. Loan terms can range from one to five years. These loans are collateralized by the balance in the participant's account and bear interest at prevailing rates as determined by the Plan Administrator. Principal and interest are paid by payroll deduction in substantially equal payments over the life of the loan, with payments not less frequently than bi-weekly.

The Plan Administrator shall consider a loan in default if any scheduled repayment remains unpaid as of the last business day of the calendar quarter following the calendar quarter in which a loan is initially considered past due. In the event of a default, death, disability, or termination of employment, the entire outstanding principal and accrued interest shall be immediately due and payable. However, if the termination of employment results from a corporate action on the part of the employer and the participant remains performing the same job after that corporate action, within 60 days of the termination of employment the participant may request that the Plan Administrator roll over the loan to the new employer's retirement plan. Unless the participant rolls over the loan, any default in repayment to the Plan will result in the treating of the balance due as a taxable distribution from the Plan.

Note B – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP).

In May 2015, the FASB issued ASU 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent), which exempts investments measured using the net asset value (NAV) practical expedient in ASC 820, Fair Value Measurement, from categorization within the fair value hierarchy. The guidance requires retrospective application and is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2015. For all other entities, the guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. Early adoption is permitted. Management elected to early adopt the provisions of this new standard. Accordingly, the amendment was retrospectively applied resulting in changes to the footnote disclosures related to fair value measurements in Note B.

In July 2015, the FASB issued ASU 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965): Part (I) Fully Benefit-Responsive Investment Contracts, Part (II) Plan Investment Disclosures, Part (III) Measurement Date Practical Expedient. This three-part standard simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts and plan investment disclosures, and provides for a measurement-date practical expedient. Parts I and II are effective for fiscal years beginning after December 15, 2015 and should be applied retrospectively, with early application permitted. Part III is effective for fiscal years beginning after December 15, 2015 and should be applied prospectively, with early application permitted. Management has elected to adopt Parts I and II early. Accordingly, the amendments were retrospectively applied resulting in changes to the footnote disclosures related to fully benefit-responsive investments. Part III is not applicable to this Plan.

Note B – Summary of Significant Accounting Policies (continued)

As described in the Code *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the Code), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. As required by the Code, the Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Plan had no fully benefit-responsive investments as of December 31, 2016 and 2015.

Fair Value Measurements

The Code has established establishes a framework for measuring fair value, *Fair Value Measurements*. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements.) The three levels of the fair value hierarchy are described below:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
Level 2	Inputs to the valuation methodology include: Quoted prices for similar assets or liabilities in active markets; Quoted prices for identical or similar assets or liabilities in inactive markets; Inputs other than quoted prices that are observable for the asset or liability; Inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Note B – Summary of Significant Accounting Policies (continued)

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

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

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 Plan believes its valuation methods are 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 following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

		Fair Value Measurements at Reporting Date Using:		
Description	Assets Measured at Fair Value at 12/31/2016	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	
Mutual funds	$ 2,998,791	$ 2,998,791	$ -	
Total assets in the fair value hierarchy	2,998,791	2,998,791	-	
Investments measured at net asset value	14,903			
Investments at fair value	$ 3,013,694			

		Fair Value Measurements at Reporting Date Using:		
Description	Assets Measured at Fair Value at 12/31/2015	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	
Mutual funds	$ 2,571,685	$ 2,571,685	$ -	
Total assets in the fair value hierarchy	2,571,685	2,571,685	-	
Investments measured at net asset value	15,879			
Investments at fair value	$ 2,587,564			

Note B – Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and the changes in net assets available for benefits and disclosure of contingent assets and liabilities during the reporting period. Actual results could differ from these estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Shares of pooled separate accounts are valued at the net asset value of shares held by the Plan at year end. Participant loans are valued at their outstanding balances, which approximate fair value. The Plan's interest in the guaranteed accounts are valued based on information reported by the investment advisor using the audited financial statements of the guaranteed accounts at year-end.

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

Contributions

Contributions from participants are accrued and credited to participants' accounts as of each pay period.

Benefits

Benefit payments to participants are recorded when paid.

Party-In-Interest

The Plan invests in shares of certain mutual funds and money market funds managed by Fidelity Management Trust Company. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

Note C – Investments

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator instructed the auditors not to perform any auditing procedures with respect to the information certified by the Trustee, except for comparing such information to the related information included in the financial statements and supplemental schedule. The Plan administrator has obtained a certification from the Trustee that the information provided to the Plan administrator by the Trustee as of December 31, 2016 and 2015 and for the year ended December 31, 2016, is complete and accurate. Such information includes all investments, notes receivable from participants, investment income and the information in the supplemental schedule of assets (held at end of year).

Note D – Financial Instruments

Certain financial instruments potentially subject the Plan to concentrations of credit risk. These financial instruments consist of mutual funds and common collective trusts. The Plan limits its credit risk by monitoring its accounts with what management believes to be high quality financial institutions.

Note E– Party-In-Interest Transactions

Certain plan investments are held and managed by the Trustee. Transactions related to these investments qualify as party-in-interest transactions. Fees paid by the Plan to the Trustee totaled $2,294 for the year ended December 31, 2016. The Plan sponsor only pays fees associated with the annual Plan audit.

Note F – Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated March 31, 2014, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code and, therefore, the related trust is exempt from taxation under Section 401 of the Internal Revenue Code. The Plan Administrator and its qualified tax counsel do not anticipate that changes in the Plan after the date of the amendments covered by the Internal Revenue Service determination letter will affect the qualified and tax-exempt status of the Plan.

The Plan Administrator evaluated the Plan's tax positions and concluded that the Plan had maintained its tax-exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the accompanying financial statements. The Plan is no longer subject to examination by taxing authorities for years prior to 2014.

Note G – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event the Plan is terminated, participants would become 100 percent vested in their accounts.

Note H – Risks and Uncertainties

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

Note I – Reconciliation of Financial Statements to Form 5500

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

	2016	2015
Net assets available for benefits per the financial statements	$3,196,645	$2,773,281
Adjustment for variances between cash and accrual basis	(18,043)	(18,293)
Net assets available for benefits per the Form 5500	$3,178,602	$2,754,988

The following is a reconciliation of additions per the financial statements for the year ended December 31, 2016 to the Form 5500:

	2016
Additions per financial statements	$ 557,509
Adjustment for variance between cash and accrual basis	250
Total additions per the Form 5500	$ 557,759

Note J – Subsequent Events

Subsequent events have been evaluated through June 23, 2017, which is the date the financial statements were available to be issued.

Supplemental Schedule

Checkers Drive-In Restaurants, Inc. 401(k) Plan (EIN): 58-1654960 Plan# 001

Schedule H, Line 4i- Supplemental Schedule of Assets (Held at End of Year)

As of December 31, 2016

(a)	(b) Identity of issuer/ (c) Description of investment	(e) Current value
	(i)Money market fund:	
*	Fidelity Government Money Market Fund Daily Money Class	$ 14,903
	(ii)Mutual funds:	
*	Fidelity Advisor Freedom 2025 Fund Class T	685,894
*	Fidelity Advisor Freedom 2035 Fund Class T	672,813
*	Fidelity Advisor Freedom 2030 Fund Class T	447,100
*	Fidelity Advisor Freedom 2040 Fund Class T	319,810
*	Fidelity Advisor Freedom 2015 Fund Class T	193,435
*	Fidelity Advisor Freedom 2020 Fund Class T	163,837
	Janus Enterprise Fund Class S	137,752
*	Fidelity Advisor Freedom 2045 Fund Class T	123,834
	JPMorgan Equity Income Fund Class A	37,815
	Dreyfus S&P 500 Index Fund	36,942
*	Fidelity Advisor Freedom 2050 Fund Class T	33,253
	PIMCO StocksPLUS Small Fund Class A	32,895
*	Fidelity Advisor Freedom 2010 Fund Class T	28,011
	American Century Disciplined Growth Fund Class A	23,801
	BlackRock High Yield Bond Portfolio Investor A Shares	23,076
*	Fidelity Advisor Freedom 2055 Fund Class T	11,821
*	Fidelity Advisor Diversified Stock Fund Class A	7,979
*	Fidelity Advisor Small Cap Growth Fund Class A	4,941
*	Fidelity Advisor Freedom 2060 Fund Class T	2,722
	PIMCO StocksPlUS International Fund (Unhedged) Administrative Class	2,569
	BlackRock International Index Fund Investor A Shares	2,548
*	Fidelity Advisor Freedom 2005 Fund Class T	1,808
	Columbia Mid Cap Index Fund Class A	1,521
	Western Asset Core Bond Fund Class A	1,317
	PIMCO Global Bond (Unhedged) Fund Administrative Class	1,113
*	Fidelity Advisor Freedom Income Fund Class T	184
	Total mutual funds	2,998,791
*	(iii) Notes receivable from participants (4.25%-4.5%)	164,908
	Total investments and notes receivables	$ 3,178,602

* Managed by Fidelity Management Trust Company, the Trustee, a party-in-interest.

See Accountant's Opinion



Barley | McNamara | Wild
CERTIFIED PUBLIC ACCOUNTANTS & ASSOCIATES

Financial Statements, Supplemental Schedule and Independent Auditor's Report

Checkers Drive-In Restaurants, Inc. 401(k) Plan

December 31, 2016 and 2015

Checkers Drive-In Restaurants, Inc. 401(k) Plan

Table of Contents

Independent Auditor's Report 1-2

Financial Statements:

Statements of Net Assets Available for Benefits 3

Statement of Changes in Net Assets Available for Benefits 4

Notes to Financial Statements 5-12

Supplemental Schedule:

Schedule H, Line 4i – Supplemental Schedule of Assets (Held at End of Year) 13

Barley | McNamara | Wild
CERTIFIED PUBLIC ACCOUNTANTS & ASSOCIATES

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Certified Public Accountants
To the **Checkers Drive-In Restaurants, Inc. 401(k) Plan** and Participants:

Report on the Financial Statements

We were engaged to audit the accompanying statement of net assets available for benefits of **Checkers Drive-In Restaurants, Inc. 401(k) Plan** (the "Plan") as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016 and the supplemental schedule H, line 4i—Schedule of Assets (Held at End of Year) as of December 31, 2016. These financial statements and supplemental schedule are the responsibility of the Plan's management.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

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

Disclaimer of Opinion

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

Other Matter

The supplemental schedule as of or for the year ended December 31, 2016 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

Barley | McNamara | Wild
CERTIFIED PUBLIC ACCOUNTANTS & ASSOCIATES

Report on Form and Content in Compliance With DOL Rules and Regulations

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

Barley, McNamara, Wild

Tampa, Florida
June 23, 2017

JACKSONVILLE • 5150 Belfort Rd., Building 400 • Jacksonville, FL 32256 • Office: 904.694.4CPA (4272) • Fax: 904.694.4BMW (4269)
TAMPA • 1300 North Westshore Boulevard • Suite 205 • Tampa, FL 33607 • Direct: 813.443-5048 ext. 303 • Toll free: 888.410.2323
www.bmwcpa.com

Checkers Drive-In Restaurants, Inc. 401(k) Plan

Statements of Net Assets Available for Benefits

As of December 31, 2016 and 2015

	2016	2015
Investments, at fair value:		
Money market funds	$ 14,903	$ 15,879
Mutual funds	2,998,791	2,571,685
Total investments, at fair value:	3,013,694	2,587,564
Contributions Receivables:		
Notes receivable from participant loans	164,908	167,424
Participant	18,043	18,293
Total receivables	182,951	185,717
Net assets available for benefits	$ 3,196,645	$ 2,773,281

The accompanying notes are an integral part of these financial statements

Checkers Drive-In Restaurants, Inc. 401(k) Plan

Statement of Changes in Net Assets Available for Benefits

For the Year Ended December 31, 2016

Additions to net assets attributed to:	2016
Investment income:	
Net appreciation in fair value of investments	$ 88,101
Dividends and interest	118,738
Net investment income	206,839
Interest income from notes receivable	6,402
Contributions:	
Participant	344,268
Total contributions	344,268
Total additions	557,509
Deductions from net assets attributed to:	
Benefits paid to participants	131,851
Administrative expenses	2,294
Total deductions	134,145
Net increase	423,364
Net assets available for benefits	
Beginning of year	2,773,281
End of year	$ 3,196,645

The accompanying notes are an integral part of this financial statement

Note A – Description of Plan

The following description of the Checkers Drive-In Restaurants, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

Checkers Drive-In Restaurants, Inc., (the Company or Employer) established the Plan effective as of June 1, 1992. The Plan has since been restated and amended, the last amendment being July 1, 2015. The Plan operates as a defined contribution plan. It is subject to the applicable provisions of the Employer Retirement Income Security Act of 1974, (ERISA), as amended. Employees of the Company are eligible to participate in the Plan after attainment of age 21 and 6 months of service with the Company.

The custodian of the Plan was Fidelity Management Trust Company (the Custodian or Trustee) during the year ended December, 31, 2016. The custodian of the Plan has been given the authority and power to, among other things, make investment decisions, borrow funds and take any other action it believes to be beneficial to the Plan.

Contributions

Participants may contribute up to 100 percent of their compensation to their participant account subject to limitations imposed by the Internal Revenue Code (IRC) limitations. The maximum employee deferral for December 31, 2016 and December 31, 2015 was $18,000. A participant who has attained the age of 50 may also make catch up contributions, subject to IRS limitations of $6,000 for December 31, 2016 and 2015.

The Company may contribute a discretionary matching contribution equal to a percentage of each participant's deferred compensation (the exact percentage to be determined each year by the Employer), only on salary reductions up to 6 percent of compensation. The Company may also contribute a discretionary profit sharing contribution equal to a percentage of each eligible individual's compensation (the exact percentage to be determined each year by the Employer). For the year ended December 31, 2016, the Company did not make any discretionary matching contributions, and there was not a discretionary profit sharing contribution. Highly compensated employees are not eligible for employer matching contributions under any circumstances.

The Plan also accepts rollovers and direct transfers from the other tax-qualified plans.

Participant Accounts

Each participant's account is credited with the participant's contribution and the Company's matching contribution and performance sharing amounts, if applicable. Each participant's account shall be allocated earnings, gains, expenses, and losses with respect to the investments of the participant's account. Allocations of plan earnings or losses are based on each participant's investment fund balance in proportion to the total investment fund balance.

Note A – Description of Plan (continued)

Vesting

Participants are immediately vested in their voluntary and qualified non-elective contributions plus actual earnings thereon. Vesting in the remainder of their accounts is based on years of continuous service. A participant is 100 percent vested after four years of credit service as follows.

Years of Services	Vesting Percentage
Less than 1	0%
1	25%
2	50%
3	75%
4	100%

A participant who reaches normal retirement age 59.5, becomes totally disabled, or dies, whichever comes first while under the Company's employment, shall be 100 percent vested on such date.

Forfeitures

Non-vested benefits of terminated participants are forfeited on the date the participant receives a complete distribution of vested benefits. Forfeitures are used to reduce the Company's benefit plan administration costs. For the years ended December 31, 2016 and 2015, forfeited non-vested accounts totaled $0 each year. For the year ended December 31, 2016, there were no forfeitures used to reduce plan administration costs.

Investment Options

Upon enrollment in the Plan, a participant may direct his or her contributions, in multiples of 1%, into various types of investment options. Participants are allowed to select from 27 different investment options with varying investment styles. Participants may change their investment options during election periods established by the Plan Administrator.

Distribution of Benefits

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or installments paid over various periods, as defined in the Plan agreement. If a participant's vested balance is $5,000 or less, the Company may distribute the entire vested account balance to the participant without their consent. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution less 20 percent withheld for taxes. Benefits maybe received when a participant demonstrates a situation of extreme financial hardship as defined by the Internal Revenue Code and the distribution is approved by the Plan's trustee.

Note A – Description of Plan (continued)

Participant Loans

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. Participants may only have two loans outstanding at time. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant notes receivable. Loan terms can range from one to five years. These loans are collateralized by the balance in the participant's account and bear interest at prevailing rates as determined by the Plan Administrator. Principal and interest are paid by payroll deduction in substantially equal payments over the life of the loan, with payments not less frequently than bi-weekly.

The Plan Administrator shall consider a loan in default if any scheduled repayment remains unpaid as of the last business day of the calendar quarter following the calendar quarter in which a loan is initially considered past due. In the event of a default, death, disability, or termination of employment, the entire outstanding principal and accrued interest shall be immediately due and payable. However, if the termination of employment results from a corporate action on the part of the employer and the participant remains performing the same job after that corporate action, within 60 days of the termination of employment the participant may request that the Plan Administrator roll over the loan to the new employer's retirement plan. Unless the participant rolls over the loan, any default in repayment to the Plan will result in the treating of the balance due as a taxable distribution from the Plan.

Note B – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP).

In May 2015, the FASB issued ASU 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent), which exempts investments measured using the net asset value (NAV) practical expedient in ASC 820, Fair Value Measurement, from categorization within the fair value hierarchy. The guidance requires retrospective application and is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2015. For all other entities, the guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. Early adoption is permitted. Management elected to early adopt the provisions of this new standard. Accordingly, the amendment was retrospectively applied resulting in changes to the footnote disclosures related to fair value measurements in Note B.

In July 2015, the FASB issued ASU 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965): Part (I) Fully Benefit-Responsive Investment Contracts, Part (II) Plan Investment Disclosures, Part (III) Measurement Date Practical Expedient. This three-part standard simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts and plan investment disclosures, and provides for a measurement-date practical expedient. Parts I and II are effective for fiscal years beginning after December 15, 2015 and should be applied retrospectively, with early application permitted. Part III is effective for fiscal years beginning after December 15, 2015 and should be applied prospectively, with early application permitted. Management has elected to adopt Parts I and II early. Accordingly, the amendments were retrospectively applied resulting in changes to the footnote disclosures related to fully benefit-responsive investments. Part III is not applicable to this Plan.

Note B – Summary of Significant Accounting Policies (continued)

As described in the Code *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the Code), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. As required by the Code, the Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Plan had no fully benefit-responsive investments as of December 31, 2016 and 2015.

Fair Value Measurements

The Code has established establishes a framework for measuring fair value, *Fair Value Measurements*. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements.) The three levels of the fair value hierarchy are described below:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
Level 2	Inputs to the valuation methodology include: Quoted prices for similar assets or liabilities in active markets; Quoted prices for identical or similar assets or liabilities in inactive markets; Inputs other than quoted prices that are observable for the asset or liability; Inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Note B – Summary of Significant Accounting Policies (continued)

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

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

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 Plan believes its valuation methods are 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 following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

		Fair Value Measurements at Reporting Date Using:		
Description	Assets Measured at Fair Value at 12/31/2016	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	
Mutual funds	$ 2,998,791	$ 2,998,791	$ -	
Total assets in the fair value hierarchy	2,998,791	2,998,791	-	
Investments measured at net asset value	14,903			
Investments at fair value	$ 3,013,694			

		Fair Value Measurements at Reporting Date Using:		
Description	Assets Measured at Fair Value at 12/31/2015	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	
Mutual funds	$ 2,571,685	$ 2,571,685	$ -	
Total assets in the fair value hierarchy	2,571,685	2,571,685	-	
Investments measured at net asset value	15,879			
Investments at fair value	$ 2,587,564			

Note B – Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and the changes in net assets available for benefits and disclosure of contingent assets and liabilities during the reporting period. Actual results could differ from these estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Shares of pooled separate accounts are valued at the net asset value of shares held by the Plan at year end. Participant loans are valued at their outstanding balances, which approximate fair value. The Plan's interest in the guaranteed accounts are valued based on information reported by the investment advisor using the audited financial statements of the guaranteed accounts at year-end.

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

Contributions

Contributions from participants are accrued and credited to participants' accounts as of each pay period.

Benefits

Benefit payments to participants are recorded when paid.

Party-In-Interest

The Plan invests in shares of certain mutual funds and money market funds managed by Fidelity Management Trust Company. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

Note C – Investments

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator instructed the auditors not to perform any auditing procedures with respect to the information certified by the Trustee, except for comparing such information to the related information included in the financial statements and supplemental schedule. The Plan administrator has obtained a certification from the Trustee that the information provided to the Plan administrator by the Trustee as of December 31, 2016 and 2015 and for the year ended December 31, 2016, is complete and accurate. Such information includes all investments, notes receivable from participants, investment income and the information in the supplemental schedule of assets (held at end of year).

Note D – Financial Instruments

Certain financial instruments potentially subject the Plan to concentrations of credit risk. These financial instruments consist of mutual funds and common collective trusts. The Plan limits its credit risk by monitoring its accounts with what management believes to be high quality financial institutions.

Note E– Party-In-Interest Transactions

Certain plan investments are held and managed by the Trustee. Transactions related to these investments qualify as party-in-interest transactions. Fees paid by the Plan to the Trustee totaled $2,294 for the year ended December 31, 2016. The Plan sponsor only pays fees associated with the annual Plan audit.

Note F – Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated March 31, 2014, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code and, therefore, the related trust is exempt from taxation under Section 401 of the Internal Revenue Code. The Plan Administrator and its qualified tax counsel do not anticipate that changes in the Plan after the date of the amendments covered by the Internal Revenue Service determination letter will affect the qualified and tax-exempt status of the Plan.

The Plan Administrator evaluated the Plan's tax positions and concluded that the Plan had maintained its tax-exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the accompanying financial statements. The Plan is no longer subject to examination by taxing authorities for years prior to 2014.

Note G – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event the Plan is terminated, participants would become 100 percent vested in their accounts.

Note H – Risks and Uncertainties

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

Note I – Reconciliation of Financial Statements to Form 5500

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

	2016	2015
Net assets available for benefits per the financial statements	$3,196,645	$2,773,281
Adjustment for variances between cash and accrual basis	(18,043)	(18,293)
Net assets available for benefits per the Form 5500	$3,178,602	$2,754,988

The following is a reconciliation of additions per the financial statements for the year ended December 31, 2016 to the Form 5500:

	2016
Additions per financial statements	$ 557,509
Adjustment for variance between cash and accrual basis	250
Total additions per the Form 5500	$ 557,759

Note J – Subsequent Events

Subsequent events have been evaluated through June 23, 2017, which is the date the financial statements were available to be issued.

Supplemental Schedule

Checkers Drive-In Restaurants, Inc. 401(k) Plan (EIN): 58-1654960 Plan# 001

Schedule H, Line 4i- Supplemental Schedule of Assets (Held at End of Year)

As of December 31, 2016

(a)	(b) Identity of issuer/ (c) Description of investment	(e) Current value
	(i)Money market fund:	
*	Fidelity Government Money Market Fund Daily Money Class	$ 14,903
	(ii)Mutual funds:	
*	Fidelity Advisor Freedom 2025 Fund Class T	685,894
*	Fidelity Advisor Freedom 2035 Fund Class T	672,813
*	Fidelity Advisor Freedom 2030 Fund Class T	447,100
*	Fidelity Advisor Freedom 2040 Fund Class T	319,810
*	Fidelity Advisor Freedom 2015 Fund Class T	193,435
*	Fidelity Advisor Freedom 2020 Fund Class T	163,837
	Janus Enterprise Fund Class S	137,752
*	Fidelity Advisor Freedom 2045 Fund Class T	123,834
	JPMorgan Equity Income Fund Class A	37,815
	Dreyfus S&P 500 Index Fund	36,942
*	Fidelity Advisor Freedom 2050 Fund Class T	33,253
	PIMCO StocksPLUS Small Fund Class A	32,895
*	Fidelity Advisor Freedom 2010 Fund Class T	28,011
	American Century Disciplined Growth Fund Class A	23,801
	BlackRock High Yield Bond Portfolio Investor A Shares	23,076
*	Fidelity Advisor Freedom 2055 Fund Class T	11,821
*	Fidelity Advisor Diversified Stock Fund Class A	7,979
*	Fidelity Advisor Small Cap Growth Fund Class A	4,941
*	Fidelity Advisor Freedom 2060 Fund Class T	2,722
	PIMCO StocksPlUS International Fund (Unhedged) Administrative Class	2,569
	BlackRock International Index Fund Investor A Shares	2,548
*	Fidelity Advisor Freedom 2005 Fund Class T	1,808
	Columbia Mid Cap Index Fund Class A	1,521
	Western Asset Core Bond Fund Class A	1,317
	PIMCO Global Bond (Unhedged) Fund Administrative Class	1,113
*	Fidelity Advisor Freedom Income Fund Class T	184
	Total mutual funds	2,998,791
*	(iii) Notes receivable from participants (4.25%-4.5%)	164,908
	Total investments and notes receivables	$ 3,178,602

* Managed by Fidelity Management Trust Company, the Trustee, a party-in-interest.

See Accountant's Opinion