

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
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Part I	Annual Report Identification Information For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) ____
B	This return/report is: ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information	
1a	Name of plan <u>NATIONAL RESTAURANTS MANAGEMEN 401(K) PROFIT SHARING PLAN & TRUST</u>	1b Three-digit plan number (PN) ► <u>001</u>
		1c Effective date of plan <u>01/01/1994</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>NATIONAL RESTAURANTS MANAGEMEN</u> <u>560 FIFTH AVE</u> <u>NEW YORK, NY 10036</u>	2b Employer Identification Number (EIN) <u>13-1964041</u> 2c Plan Sponsor's telephone number <u>212-560-1658</u> 2d Business code (see instructions) <u>551112</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/05/2017	ANN MARTINEZ
	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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2016)
v. 160205

3a Plan administrator's name and address ☒ 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: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 879
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..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 546 6a(2) 562 6b 0 6c 52 6d 614 6e 0 6f 614 6g 104 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 2T 3D 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ 0 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information 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.	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 NATIONAL RESTAURANTS MANAGEMEN 401(K) PROFIT SHARING PLAN & TRUST	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL RESTAURANTS MANAGEMEN	D Employer Identification Number (EIN) 13-1964041

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
PAYCHEX SECURITIES CORPORATION	225 KENNETH DRIVE ROCHESTER, NY 14623

16-1486352

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

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

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

(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 ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>		
A Name of plan <u>NATIONAL RESTAURANTS MANAGEMEN 401(K) PROFIT SHARING PLAN & TRUST</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NATIONAL RESTAURANTS MANAGEMEN</u>	D Employer Identification Number (EIN) <u>13-1964041</u>	

Part I	Asset and Liability Statement
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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	
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)	1093410	1011917
(2) U.S. Government securities	1c(2)	0	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	
(B) All other.....	1c(3)(B)	0	
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	
(B) Common.....	1c(4)(B)	0	
(5) Partnership/joint venture interests	1c(5)	0	
(6) Real estate (other than employer real property).....	1c(6)	0	
(7) Loans (other than to participants)	1c(7)	0	
(8) Participant loans.....	1c(8)	124677	98811
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(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)	2376191	2469729
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	
(2) Employer real property	1d(2)	0	
e Buildings and other property used in plan operation	1e	0	
f Total assets (add all amounts in lines 1a through 1e)	1f	3594278	3580457

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	3594278	3580457
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	8532	
(B) Participants	2a(1)(B)	170498	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		179030
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1246	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	4195	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		5441
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	82843	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		82843
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		124984
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		392298

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	391883	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		391883
f Corrective distributions (see instructions)	2f		9689
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	4000	
(4) Other	2i(4)	547	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		4547
j Total expenses. Add all expense amounts in column (b) and enter total	2j		406119

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-13821
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: **MARCUM LLP**

(2) EIN: **11-1986323**

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:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a	X		81518
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		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			
o 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.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>NATIONAL RESTAURANTS MANAGEMEN 401(K) PROFIT SHARING PLAN & TRUST</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NATIONAL RESTAURANTS MANAGEMEN</u>	D Employer Identification Number (EIN) <u>13-1964041</u>

Part I	Distributions
---------------	----------------------

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>16-1470238</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

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

18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment	☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)	
	a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%	
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more	
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____	

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? 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 / / .	

**NATIONAL RESTAURANTS MANAGEMENT
401(k) PROFIT SHARING PLAN AND TRUST**

FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

**AS OF DECEMBER 31, 2016 AND 2015 AND
FOR THE YEAR ENDED DECEMBER 31, 2016**

**NATIONAL RESTAURANTS MANAGEMENT
401(k) PROFIT SHARING PLAN AND TRUST**

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrators of
**National Restaurants Management
401(k) Profit Sharing Plan and Trust**

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of National Restaurants Management 401(k) Profit Sharing Plan and Trust (the "Plan"), which comprise the statements of net assets available for benefits 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 related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the 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, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Counsel Trust Company (d/b/a Mid Atlantic Trust Company), the custodian of the Plan, except for comparing the information

with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the year ended December 31, 2016, that the information provided to the plan administrator by the custodian 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 supplementary Schedule H, Line 4(a) – Schedule of Delinquent Participant Contributions for the year ended December 31, 2016, and Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2016 are required by the Department of Labor's 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 the supplementary schedules.

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 supplementary schedules, other than that derived from the information certified by the custodian, 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.

Marcum LLP

Melville, NY
October 4, 2017

**NATIONAL RESTAURANTS MANAGEMENT
401(k) PROFIT SHARING PLAN AND TRUST**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Assets		
Investments		
Investments at fair value	\$ 3,481,646	\$ 3,469,601
Receivables		
Participant contribution receivable	7,342	3,423
Employer contribution receivable	142	171
Notes receivable from participants	<u>98,811</u>	<u>124,677</u>
Total Receivables	<u>106,295</u>	<u>128,271</u>
Total Assets	3,587,941	3,597,872
Liabilities		
Refund of excess participant contributions payable	<u>15,181</u>	<u>9,883</u>
Net Assets Available for Benefits	<u>\$ 3,572,760</u>	<u>\$ 3,587,989</u>

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

**NATIONAL RESTAURANTS MANAGEMENT
401(k) PROFIT SHARING PLAN AND TRUST**

**STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS**

FOR THE YEAR ENDED DECEMBER 31, 2016

Additions to Net Assets Attributed to:

Investment Income

Registered investment company dividends	\$ 82,843
Net appreciation in fair value of investments	<u>126,230</u>

Total Investment Income \$ 209,073

Interest Income on Notes Receivable from Participants 4,195

Contributions

Participant salary deferrals	159,430
Employer contributions	<u>8,503</u>

Total Contributions 167,933

Total Additions 381,201

Deductions From Net Assets

Benefits paid to participants	391,883
Administrative expenses	<u>4,547</u>

Total Deductions 396,430

Net Decrease (15,229)

Net Assets Available for Benefits - Beginning 3,587,989

Net Assets Available for Benefits - Ending \$ 3,572,760

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

NATIONAL RESTAURANTS MANAGEMEN 401(k) PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 1 - DESCRIPTION OF PLAN

The following description of the National Restaurants Management 401(k) Profit Sharing Plan and Trust (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

GENERAL

The Plan, adopted on January 1, 1994, is a participant-directed contribution plan covering all nonunion employees of National Restaurants Management, Inc. ("Employer") with one year of service (1,000 hours) and have reached the age of twenty-one except for employees who nonresidential aliens, and an employee as the result of an acquisition or disposition. The Plan was amended effective May 9, 2013 to invest with Counsel Trust Company (d/b/a Mid Atlantic Trust Company), a custodian. The Plan was amended effective January 1, 2014 to comply with changes in the Pension Protection Act. The Plan was amended November 19, 2015 to allow hardship withdrawals. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). Participants direct the investment of their contributions into various investment options offered by the Plan.

CONTRIBUTIONS

Participants may elect to contribute a percent of pretax annual compensation, as defined in the Plan, up to a maximum of \$18,000 for 2016. Participants who have reached age 50 are allowed an additional "catch up" contribution of up to \$6,000 for 2016 as per Internal Revenue Service Regulations. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover).

The Employer makes a matching contribution of five percent of participant contributions. Additional non-elective Employer contributions may also be contributed at the discretion of the Employer. Participants must be credited with at least 1,000 hours of service during the Plan year and are employed on the last day of the Plan year. There were no profit sharing contributions made by the Employer in 2016.

The Plan currently offers investments in mutual funds and a common and collective trust as investments options for participants. All contributions are subject to certain Internal Revenue Service ("IRS") limitations.

**NATIONAL RESTAURANTS MANAGEMENT
401(k) PROFIT SHARING PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

PARTICIPANTS' ACCOUNTS

Each participant's account is credited with the participant's contributions and allocations of the Employer's contribution, Plan earnings, and charged with an allocation of investment and administrative expenses. Allocations are based on participants' earnings, account balances or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. All investments are participant directed.

VESTING

Participants are immediately vested in their contributions plus actual earnings thereon.

Vesting in the Employer's matching contributions plus actual earnings thereon is based on years of continuous service as follows:

Years of Credit Service	Vesting Percent
Less than 1	25%
1 but less than 2	50%
2 or more	100%

Vesting in the Employer's profit sharing contributions plus actual earnings thereon is based on years of continuous service as follows:

Years of Credit Service	Vesting Percent
2 but less than 3	20%
3 but less than 4	40%
4 but less than 5	60%
5 but less than 6	80%
6 or more	100%

NOTES RECEIVABLE FROM PARTICIPANTS

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum amount equal to the lesser of \$50,000 or 50 percent of their account balance. The loans are secured by the balance in the participant's account and bear interest at rates ranging from 4.25 to 4.50 percent. Principal and interest is paid ratably through payroll deductions.

**NATIONAL RESTAURANTS MANAGEMENT
401(k) PROFIT SHARING PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

PAYMENT OF BENEFITS

On termination of service due to death, disability, retirement, or termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump sum distribution.

HARDSHIP WITHDRAWALS

The Plan provides for hardship withdrawals, as set forth in accordance with applicable sections of the Internal Revenue Code, not to exceed a participant's actual contributions to the Plan, which must result from an immediate and heavy financial need of the participant as determined on a non-discriminatory basis by the Plan Administrator.

FORFEITURES

Forfeitures represent non-vested employer contributions of terminated participants as a result of terminated participants failing to meet vesting requirements. Forfeitures may be utilized for payment of Plan administrative expenses. Forfeitures not used to pay Plan administrative expenses may be used to reduce Employer contributions. At December 31, 2016 and 2015, there were no forfeited non-vested accounts. For the year ended December 31, 2016, no forfeited non-vested amounts were used to reduce administrative expenses or employer contributions.

ADMINISTRATIVE EXPENSES

Administrative expenses can be paid by the Employer or the Plan as provided in the Plan document. Expenses that are paid by the Employer are excluded from these financial statements. For the year ended December 31, 2016, expenses for the general administration and recordkeeping of the Plan were paid out of the net assets available for benefits. These amounts were allocated among accounts of all participants in the Plan, in a fair manner, or, where applicable, allocated to a specific participant based on transactions requested under the Plan. Fees related to administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

**NATIONAL RESTAURANTS MANAGEMENT
401(k) PROFIT SHARING PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

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

INVESTMENT VALUATION AND INCOME RECOGNITION

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's investment committee determines the Plan's valuation policies utilizing information from the Plan's custodian. See Note 4 for discussion of fair value measurements.

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

NOTES RECEIVABLE FROM PARTICIPANTS

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2016 and 2015. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the loan balance is reduced and a benefit payment is recorded based upon terms of the Plan document.

USE OF ESTIMATES

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

PAYMENT OF BENEFITS

Benefit payments are recorded when paid.

**NATIONAL RESTAURANTS MANAGEMENT
401(k) PROFIT SHARING PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

EXCESS CONTRIBUTIONS PAYABLE

For the years ended December 31, 2016 and 2015, the Employer failed the Actual Deferral Percentage test and the Actual Contribution Percentage test and refunded excess contributions totaling \$15,181 and \$9,883, respectively, to affected participants. The amounts were paid in February 2017 and 2016 for the years ended December 31, 2016 and 2015, respectively, and were accounted for as a liability in the accompanying statements of net assets available for benefits.

NOTE 3 - INFORMATION CERTIFIED BY THE CUSTODIAN

The Plan Administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan Administrator instructed the Plan's independent auditors not to perform, and they did not perform, any auditing procedures with respect to the following information certified by Counsel Trust Company (d/b/a Mid Atlantic Trust Company), (the "Custodian"), except for comparing such information certified by the Custodian to information included in the Plan's financial statements and supplementary schedule of assets. The information certified by the Plan's Custodian as of December 31, 2016 and 2015 and for the year ended December 31, 2016 is as follows:

	As of December 31,	
	2016	2015
Investments:		
Mutual funds, at fair value	\$2,469,729	\$2,376,191
Common and collective trust, at net asset value	<u>1,011,917</u>	<u>1,093,410</u>
Total Investments	<u>\$3,481,646</u>	<u>\$3,469,601</u>
	For the Year Ended December 31, 2016	
Investment Income:		
Registered investment company dividends		\$ 82,843
Net appreciation in fair value of investments		<u>126,230</u>
Total Investment Income		<u>\$209,073</u>

NATIONAL RESTAURANTS MANAGEMENT 401(k) PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 4 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (“FASB”) *Accounting Standards Codification* (“ASC”) 820, “*Fair Value Measurement and Disclosures*”, establishes a framework for measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described 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.

NATIONAL RESTAURANTS MANAGEMENT 401(k) PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

The 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 net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

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:

Assets at Fair Value as of December 31, 2016

Description	Total	Level 1	Level 2	Level 3
Mutual funds	<u>\$2,469,729</u>	<u>\$2,469,729</u>	<u>\$ --</u>	<u>\$ --</u>
Total Assets in the Fair Value Hierarchy	2,469,729	<u>\$2,469,729</u>	<u>\$ --</u>	<u>\$ --</u>
Investments measured at net asset value ^(a)	<u>1,011,917</u>			
Investments at Fair Value	<u>\$3,481,646</u>			

Assets at Fair Value as of December 31, 2015

Description	Total	Level 1	Level 2	Level 3
Mutual funds	<u>\$2,376,191</u>	<u>\$2,376,191</u>	<u>\$ --</u>	<u>\$ --</u>
Total Assets in the Fair Value Hierarchy	2,376,191	<u>\$2,376,191</u>	<u>\$ --</u>	<u>\$ --</u>
Investments measured at net asset value ^(a)	<u>1,093,410</u>			
Investments at Fair Value	<u>\$3,469,601</u>			

- (a) In accordance with Accounting Standards Codification Subtopic 820-10, certain investments measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the Statements of Net Assets Available for Benefits.

NATIONAL RESTAURANTS MANAGEMENT 401(k) PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 4 - FAIR VALUE MEASUREMENTS (CONTINUED)

INVESTMENTS MEASURED USING THE NET ASSET VALUE PER SHARE PRACTICAL EXPEDIENT

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2016 and 2015, respectively. There are no participant redemption restrictions for these investments, the redemption notice period is applicable only to the Plan.

		Unfunded	Redemption	Redemption
	Fair Value	Commitments	Frequency (if currently eligible)	Notice Period
December 31, 2016				
Common and collective trust	\$1,011,917	n/a	Daily	None
	Fair Value	Unfunded	Redemption	Redemption
	Fair Value	Commitments	Frequency (if currently eligible)	Notice Period
December 31, 2015				
Common and collective trust	\$1,093,410	n/a	Daily	None

NOTE 5 - PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed by the Custodian, therefore, these transactions qualify as party-in-interest transactions. Additionally, the Plan extends loans to participants, who are considered parties-in-interest, therefore, these transactions qualify as party-in-interest transactions.

NOTE 6 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Employer 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 of Plan termination, participants would become 100% vested in any employer contributions.

**NATIONAL RESTAURANTS MANAGEMENT
401(k) PROFIT SHARING PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 7 - TAX STATUS

The Plan has a prototype plan designed to be qualified under applicable provisions of the Internal Revenue Code and is not subject to Federal and State income taxes. The prototype plan obtained an opinion letter on April 10, 2014, in which the Internal Revenue Service stated that the prototype plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the opinion letter. However, the Plan administrator and tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by tax jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 8 - VOLUNTARY FIDUCIARY CORRECTION PROGRAM

The Plan Sponsor determined that it was likely certain remittances of employee deferrals and/or loan repayments for the year ended December 31, 2016 were not made timely in accordance with DOL guidelines. The Plan Sponsor ultimately decided to categorize the remittances in question as prohibited transactions. The Plan sponsor intends to file with the DOL's Voluntary Fiduciary Correction Program ("VFCP") to formally correct the violations for 2016. All remittances that the Plan Sponsor intends to correct are included on the schedule of delinquent participant contributions in the supplementary schedules to the financial statements.

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

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

	2016	2015
Net assets available for benefits per financial statements	\$3,572,760	\$3,587,989
Less: participant contribution receivable	(7,342)	(3,423)
Less: employer contribution receivable	(142)	(171)
Add: refund of excess participant contributions payable	<u>15,181</u>	<u>9,883</u>
Net Assets Available for Benefits Per The Form 5500	<u>\$3,580,457</u>	<u>\$3,594,278</u>

**NATIONAL RESTAURANTS MANAGEMENT
401(k) PROFIT SHARING PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (CONTINUED)

The following is a reconciliation of the net decrease in net assets available for benefits per the financial statements to Form 5500 for the year ended December 31, 2016:

	For the year ended December 31, 2016
Net decrease in net assets available for benefits per financial statements	\$(15,229)
Less: 2016 refund of excess participant contribution payable	15,181
Add: 2016 participant contribution receivable	(7,342)
Add: 2016 employer contribution receivable	(142)
Less: 2015 participant contribution receivable	3,423
Less: 2015 employer contribution receivable	171
Add: 2015 refund of excess participant contributions payable	<u>(9,883)</u>
Net Decrease in Net Assets Available for Benefits Per Form 5500	<u>\$(13,821)</u>

NOTE 10 - 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 11 - SUBSEQUENT EVENTS

The Plan's management evaluated events through October 4, 2017, the date the financial statements were available to be issued.

NATIONAL RESTAURANTS MANAGEMEN
401(k) PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4a -
SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

EIN: 13-1964041
PLAN NUMBER: 001

DECEMBER 31, 2016

Participant Contributions Transferred Late to Plan	Check Here if Late Participant Loan Repayments are Included	Contributions Not Corrected	Contributions Corrected Outside VFCP*	Contributions Pending Correction In VFCP*	Total Fully Corrected Under VFCP* and PTE 2002-51
1/7/2016	√	\$ 12,654	\$ --	\$ --	\$ --
1/14/2016	√	5,438	--	--	--
1/21/2016	√	4,774			
1/28/2016	√	4,309			
2/4/2016	√	4,354			
2/11/2016	√	4,409			
2/18/2016	√	5,237			
2/25/2016	√	4,293			
2/26/2016		65			
4/1/2016	√	129			
4/7/2016	√	2,522			
5/12/2016	√	4,586			
5/19/2016	√	4,706			
6/30/2016	√	4,739			
9/1/2016	√	3,864			
11/4/2016	√	3,812			
12/8/2016	√	3,638			
12/29/2016	√	3,484			
12/31/2016		4,505	--	--	--
Total		<u>\$ 81,518</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

* Voluntary Fiduciary Correction Program (DOL)

See independent auditors' report.

NATIONAL RESTAURANTS MANAGEMEN 401(k) PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

**EIN: 13-1964041
PLAN NUMBER: 001**

DECEMBER 31, 2016

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Payor, Maturity Value	** (d) Cost	(e) Current Value
	Columbia Contrarian Core Fund Class A	Mutual Fund	\$	386,969
	MFS International Value Fund Class R3	Mutual Fund		12,460
	Ariel Appreciation Fund Investor Class	Mutual Fund		147,538
	Baron Partners Fund Retail Shares	Mutual Fund		140,737
	Delaware Small Cap Core Fund Class A	Mutual Fund		64,816
	Deutsche Global Infrastructure Fund Class A	Mutual Fund		208,206
	Harbor Mid Cap Value Fund Administrative Class	Mutual Fund		48,033
	ClearBridge Aggressive Growth Fund Class A	Mutual Fund		133,267
	Prudential Total Return Bond Fund Class A	Mutual Fund		71,113
	American Funds American Balanced Fund Class R4	Mutual Fund		890,691
	BlackRock High Yield Bond Portfolio Investor A	Mutual Fund		12,970
	Invesco Diversified Dividend Fund Class A	Mutual Fund		280,515
	PNC Multiple Factor Small Cap Core Fund Class A	Mutual Fund		41
	RBC Microcap Value Fund Class A	Mutual Fund		43
	Lazard International Equity Portfolio Open Shares	Mutual Fund		35
	American Funds New World Fund Class R-4	Mutual Fund		54
	Oppenheimer International Growth Fund Class A	Mutual Fund		35
	Delaware Corporate Bond Fund Class A	Mutual Fund		72
	Goldman Sachs Inflation Protected Securities Fund Class A	Mutual Fund		107
		Forward	\$	<u>2,397,702</u>

The above information has been certified as complete and accurate by the Plan's Custodian.

* Party-in-interest to the Plan.

** Cost information is not required for participant directed transactions.

See independent auditors' report.

NATIONAL RESTAURANTS MANAGEMEN 401(k) PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

**EIN: 13-1964041
PLAN NUMBER: 001**

DECEMBER 31, 2016

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Payor, Maturity Value	** (d) Cost	(e) Current Value
	Columbia Contrarian Core Fund Class A	Mutual Fund	\$	386,969
	MFS International Value Fund Class R3	Mutual Fund		12,460
	Ariel Appreciation Fund Investor Class	Mutual Fund		147,538
	Baron Partners Fund Retail Shares	Mutual Fund		140,737
	Delaware Small Cap Core Fund Class A	Mutual Fund		64,816
	Deutsche Global Infrastructure Fund Class A	Mutual Fund		208,206
	Harbor Mid Cap Value Fund Administrative Class	Mutual Fund		48,033
	ClearBridge Aggressive Growth Fund Class A	Mutual Fund		133,267
	Prudential Total Return Bond Fund Class A	Mutual Fund		71,113
	American Funds American Balanced Fund Class R4	Mutual Fund		890,691
	BlackRock High Yield Bond Portfolio Investor A	Mutual Fund		12,970
	Invesco Diversified Dividend Fund Class A	Mutual Fund		280,515
	PNC Multiple Factor Small Cap Core Fund Class A	Mutual Fund		41
	RBC Microcap Value Fund Class A	Mutual Fund		43
	Lazard International Equity Portfolio Open Shares	Mutual Fund		35
	American Funds New World Fund Class R-4	Mutual Fund		54
	Oppenheimer International Growth Fund Class A	Mutual Fund		35
	Delaware Corporate Bond Fund Class A	Mutual Fund		72
	Goldman Sachs Inflation Protected Securities Fund Class A	Mutual Fund		107
		Forward	\$	<u>2,397,702</u>

The above information has been certified as complete and accurate by the Plan's Custodian.

* Party-in-interest to the Plan.

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NATIONAL RESTAURANTS MANAGEMEN 401(k) PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (CONTINUED)

**EIN: 13-1964041
PLAN NUMBER: 001**

DECEMBER 31, 2016

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Payor, Maturity Value	** (d) Cost	(e) Current Value
		Forward	\$	2,397,702
	Loomis Sayles Strategic Income Fund Class A	Mutual Fund		92
	Invesco Equity and Income Fund Class A	Mutual Fund		40
	American Funds 2055 Target Date Retirement Fund Class R-4	Mutual Fund		56
	American Funds 2050 Target Date Retirement Fund Class R-4	Mutual Fund		37
	American Funds 2045 Target Date Retirement Fund Class R-4	Mutual Fund		37
	American Funds 2010 Target Date Retirement Fund Class R-4	Mutual Fund		37
	American Funds 2040 Target Date Retirement Fund Class R-4	Mutual Fund		37
	American Funds 2035 Target Date Retirement Fund Class R-4	Mutual Fund		37
	American Funds 2030 Target Date Retirement Fund Class R-4	Mutual Fund		59,011
	American Funds 2025 Target Date Retirement Fund Class R-4	Mutual Fund		37
	American Funds 2020 Target Date Retirement Fund Class R-4	Mutual Fund		12,256
	American Funds 2015 Target Date Retirement Fund Class R-4	Mutual Fund		37
	American Funds 2060 Target Date Retirement Fund Class R-4	Mutual Fund		37
	First Eagle Global Fund Class A	Mutual Fund		37
	The Hartford Balanced Income Fund Class R4	Mutual Fund		38
	JPMorgan SmartRetirement Income A	Mutual Fund		201
	Mutual Funds at Fair Value			<u>2,469,729</u>
	Vanguard Federal Money Market Fund Investor Shares	Common and Collective Trust		1,011,917
	Common and Collective Trust at Fair Value			<u>1,011,917</u>
*	Participant Loans	Participant loans with interest rates ranging from 4.25% to 4.50% maturing through June 2021	\$ --	98,811
	Total		<u>\$ --</u>	<u>\$ 3,580,457</u>

The above information has been certified as complete and accurate by the Plan's Custodian.

* Party-in-interest to the Plan.

** Cost information is not required for participant directed transactions.

See independent auditors' report.