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
- [X] 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
JACO OIL COMPANY 401K RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 06/02/1994

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)

JACO OIL COMPANY

3101 STATE ROAD
BAKERSFIELD, CA 93308-4931

2b Employer Identification Number (EIN)
95-2667602

2c Plan Sponsor's telephone number
661-393-7000

2d Business code (see instructions)
447100

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.	10/06/2017	BRIAN BUSACCA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/06/2017	CHARLES MCCAN
	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**	277
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)**	242
a(2) Total number of active participants at the end of the plan year	**6a(2)**	255
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	24
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	279
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	1
f Total. Add lines **6d** and **6e**.	**6f**	280
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	76
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 2G 2J 2K 3D

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

9a Plan funding arrangement (check all that apply)		**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)** [ ] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

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

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

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

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

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

11c Enter the Receipt Confirmation Code for the 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 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
JACO OIL COMPANY 401K RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
JACO OIL COMPANY

D Employer Identification Number (EIN)
95-2667602

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	16127	15812
(2) Participant contributions	1b(2)	23497	31309
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1024802	2127230
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	80215	69928
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	4424023	3724576
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	5568664	5968855
	Liabilities			
g	Benefit claims payable	1g	261377	188129
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j	52910	40289
k	Total liabilities (add all amounts in lines 1g through1j)	1k	314287	228418
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	5254377	5740437

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)	15812	
	(B) Participants	2a(1)(B)	375072	
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		390884
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	928	
	(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)	2494	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		3422
	(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)	136008	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		136008
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		93991
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		624305
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	84972	
(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)		84972
f Corrective distributions (see instructions)	2f		52012
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	1261	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		1261
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		138245
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		486060
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: DANIELLS, PHILLIPS, VAUGHAN & BOCK **(2)** EIN: 95-2972229

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		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		5385
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

JACO OIL COMPANY
401(k) Retirement Plan

Financial Statements and Supplemental Schedule
As of December 31, 2016 and 2015
Together with Auditors' Report

JACO OIL COMPANY
401(k) Retirement Plan

December 31, 2016 and 2015

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Supplemental Schedule:	
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	11

Note: All other schedules have been omitted since the information is either disclosed elsewhere in the financial statements or not required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974

DANIELLS PHILLIPS VAUGHAN & BOCK
CPAs and Advisors

An independently owned member RSM US Alliance

Member of AICPA Division for Firms
Private Companies Practice Section

PATRICK W. PAGGI

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
Jaco Oil Company 401(k) Retirement Plan
Bakersfield, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of **Jaco Oil Company 401(k) Retirement Plan** (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.

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, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified or provided by Fidelity Management Trust Company, the custodian of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the

300 New Stine Road – Bakersfield, CA 93303 – Tel. 661.834.7411 – Fax.661.834.4389 – www. dpvb.com

custodian held the Plan's assets and executed transactions. The Plan Administrator has obtained a certification from the custodian 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 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 supplemental Schedule of Assets (held at end of year) as of December 31, 2016, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes of additional analysis and are not a required part of the financial statements. This supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

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

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified or provided 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.

Daniells Phillips Vaughan & Bock

Bakersfield, California
September 18, 2017

JACO OIL COMPANY

401(k) Retirement Plan

Statements of Net Assets Available for Benefits

As of December 31, 2016 and 2015

	2016	2015
Assets		
Investments at Fair Value (see Notes 3 and 4)	$ 5,851,806	$ 5,448,825
Receivables:		
Participant contributions	31,309	23,497
Employer matching contributions	15,812	16,127
Notes receivable from participants	69,928	80,215
Total Receivables	117,049	119,839
Total Assets	5,968,855	5,568,664
Liabilities		
Excess contributions payable	40,289	52,910
Total Net Assets Available for Benefits	$ 5,928,566	$ 5,515,754

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

JACO OIL COMPANY

401(k) Retirement Plan

Statement of Changes in Net Assets Available for Benefits

For the Year Ended December 31, 2016

Additions:	
Investment income:	
Dividends and interest	$ 139,430
Net appreciation from fair value of investments	93,991
	233,421
Contributions:	
Participant	375,072
Employer	15,812
Total Contributions	390,884
Total Additions	624,305
Deductions:	
Benefits paid to participants	210,232
Administrative expenses	1,261
Total Deductions	211,493
Net Increase	412,812
Net Assets Available for Benefits:	
Beginning of year	5,515,754
End of year	$ 5,928,566

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

JACO OIL COMPANY

401(K) Retirement Plan

Notes to Financial Statements

1. Plan Description

The following description of the Jaco Oil Company 401(k) Retirement Plan (the “Plan”) of Jaco Oil Company (the “Company”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

a. General

The Plan, established June 2, 1994 as amended, is a defined contribution plan covering substantially all full-time employees of the Company who have completed one year of service, as defined in the Plan document, and attained the age of twenty-one. Employees covered by a collective bargaining agreement and leased employees are not eligible to participate in the Plan. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The purpose of the Plan is to provide eligible employees a qualified plan which meets the requirements of Section 401(a) and 401(k) of the Internal Revenue Code (the “Code”).

b. Trustee and Plan Administrator

Fidelity Management Trust Company (the “Trustee”) executes investment transactions for the Plan. The Company acts as Plan administrator (the “Plan Administrator”).

c. Contributions and Withdrawals

Participants may contribute from 1 to 60 percent of their compensation annually, subject to certain limitations of the Code. Participants may change these percentages quarterly on March 31, June 30, September 30 or December 31 of each year. The Company makes an employer matching contribution equal to ten percent of the employees’ contribution up to a maximum of $500. The Company may also make annual discretionary profit sharing contributions in an amount determined by the Company at the Plan year-end. A participant must be employed as of the last day of the Plan year to be eligible for any matching or profit sharing contribution made for that Plan year. Each participant’s account is credited with the participant's contributions and an allocation of (a) the Company’s matching contribution (b) the Company's discretionary profit sharing contribution and (c) Plan earnings and losses. Allocations of discretionary profit sharing contributions are based on participant compensation, as defined in the Plan document.

Participants may make hardship withdrawals from their deferral and any rollover contributions made, upon demonstrating immediate financial need, as defined in the Plan document.

d. Benefits

Upon termination of service, a participant, or his or her beneficiary, may elect to receive an amount equal to the value of the participant's vested interest in his or her account. The forms of payment are lump-sum distributions or annual installments.

e. Vesting

Participants are immediately vested in their contributions plus the actual earnings thereon. Participant's vest in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon based on years of continuous service. A participant vests 20 percent per year of service and is 100 percent vested after five years of service. Forfeited balances of terminated participants' non-vested accounts are used to reduce future contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

As of December 31, 2016 and 2015, forfeited non-vested accounts totaled $268,273 and $250,715, respectively.

f. Investment Options

The Plan provides for participant-directed investment options primarily offered by Fidelity Institutional Retirement Services Company, Inc. Participants may choose from thirty registered investment companies in which they may invest their account balances, with the ability to change their options daily.

g. Notes Receivable from Participants

Participants may borrow from their accounts an amount greater than $1,000 but less than 50 percent of the participant's vested account balance. In no event may the participant borrow more than $50,000. Loans bear interest at an agreed-upon percentage based on prevailing market rates. As of December 31, 2016 and 2015, loans aggregating $69,928 and $80,215, respectively were outstanding, with interest rates of 5 percent. Principal and interest is paid ratably through monthly payroll deductions. Participant loans that are held by terminated employees are immediately due and payable, and the participant is deemed to have received a taxable distribution.

h. Subsequent Events

Management has evaluated subsequent events through September 18, 2017, the date on which the financial statements were available to be issued. There are no subsequent events considered material by management that would require disclosure.

2. Summary of Significant Accounting Policies

a. Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting.

b. Use of Estimates

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

c. Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the 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 the net appreciation of fair value of investments.

The Company and the Plan paid administrative expenses of $6,999 for the year ended December 31, 2016.

d. Investment Valuation and Income Recognition

The Plan's investments are stated 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 Administrative Committee determines the Plan's valuation policies utilizing information provided by the investment advisors and custodians. See Note 4 for discussion of fair value measurements.

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

e. Net Appreciation in Fair Value of Investments

Net appreciation in fair value of investments is based on the market value of the assets at the beginning of the Plan year or at the time of purchase for assets purchased during the year and the related fair values on the day the investments are sold with respect to realized gains and losses, and on the last day of the Plan year with respect to unrealized gains and losses. Net realized and unrealized appreciation is recorded in the accompanying Statement of Changes in Net Assets Available for Benefits as net appreciation in fair value of investments.

f. 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 or 2015.

g. Excess Contributions Payable

Amounts payable to participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions. The Plan distributed the 2016 excess contributions to the applicable participants prior to March 15, 2017

h. Payment of Benefits

Benefits are recorded when paid.

3. Information Certified by the Plan's Trustee

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

- Investments and notes receivable from participants, as shown in the Statements of Net Assets Available for Plan Benefits as of December 31, 2016 and 2015
- Investment activity, as shown in the Statement of Changes in Net Assets Available for Plan Benefits for the year ended December 31, 2016
- Investments, as shown in the Schedule of Assets (Held at End of Year) as of December 31, 2016

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

4. Fair Value Measurements

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

Level 1 Inputs to the valuation methodology re unadjusted quoted prices for identical assets or liabilities in active market that the Plan has the ability 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 active 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.

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 preceding methods described 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.

All investments held at December 31, 2016 and 2015 were Level 1 investments.

5. Tax Status

The Plan received a favorable determination letter from the Internal Revenue Service (the "IRS") dated April 2, 1997, indicating that the Plan is designed in compliance with the qualification requirements of the Code. Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes that the Plan is designed and is currently operating in compliance with the applicable requirements of the Code.

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 taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

6. Plan Termination

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

7. 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 statement of net assets available for benefits.

8. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for Plan benefits pursuant to the financial statements as compared to the Form 5500 for the year ended December 31:

	2016	2015
Net assets available for plan benefits per the financial statements	5,928,566	$5,515,754
Amounts allocated to withdrawing participants	(188,129)	(261,377)
Net assets available for plan benefits per the Form 5500	$5,740,437	$5,254,377

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500 as of December 31:

	2016
Benefits paid to participants per the financial statements	$210,232
Amounts allocated to withdrawing participants at December 31, 2015	(261,377)
Amounts allocated to withdrawing participants at December 31, 2016	188,129
Benefits paid to participants per the Form 5500	$ 136,984

Amounts allocated to withdrawing participants are recorded on the Form 5500 for benefits claims that have been processed and approved for payment prior to December 31 but not yet paid as of that date.

9. Related Party Transactions

The Plan engages in certain transactions involving the Trustee, a party-in-interest as defined by ERISA. These transactions involve investing in mutual funds managed by a subsidiary of the Trustee.

JACO OIL COMPANY

401(k) Retirement Plan

EIN 95-2667602 Plan 001

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

As of December 31, 2016

Identity of Issuer	Description of Investment	Current Value
*Fidelity Institutional Retirement Services Company, Inc.	Fidelity Retirement Money Market Fund	$ 2,127,230
	Fidelity Blue Chip Growth Fund	488,287
	Fidelity Low-Priced Stock Fund	385,091
	Fidelity Puritan Fund	347,255
	Fidelity Real Estate Investment Fund	310,296
	Fidelity Contrafund Fund	265,710
	Brown Capital Management Small Company Institution	251,190
	Fidelity Magellan Fund	197,534
	Fidelity Asset Manager 50% Fund	190,648
	Fidelity Growth and Income Fund	174,013
	Fidelity Worldwide Fund	173,504
	Fidelity Investment Grade Bond Fund	151,676
	Mutual Global Discovery A	148,899
	Oakmark International I	141,005
	Invesco Diversified Dividend Fund	94,193
	Templeton Global Bond A	90,043
	Spartan 500 Index Fund	71,325
	Spartan Extended Market Index Fund	64,337
	Fidelity GNMA Fund	46,943
	Neuberger Berman Geneisis Fund	34,416
	PIMCO Commoditiy Real Return Strategy Fund	28,590
	PIMCO Total Return Admin	17,896
	Guggenheim Mid Cap Value Fund	14,558
	Manning & Napier Pro-Blend Maximum Term	13,106
	Manning & Napier Pro-Blend Conservative Term	11,444
	Wells Fargo Advantage Adjustable Rate Government Fund	4,672
	Harbor International Investment	4,253
	Ivy International Growth	3,692
		5,851,806
Participants	Loans (5% interest rates, maturities of 1-5 years)	69,928
	Total	$ 5,921,734

* Represents a party-in-interest.

The above information has been certified by Fidelity Management Trust Company, the Trustee, as complete and accurate.

JACO OIL COMPANY

401(k) Retirement Plan

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