

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 ☐ special extension (enter description)	☐ automatic extension ☐ the DFVC program

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>HOUSTON COUNTRY CLUB 401(K) PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>002</u>
		1c	Effective date of plan <u>01/01/1999</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>HOUSTON COUNTRY CLUB</u> <u>ONE POTOMAC DR</u> <u>HOUSTON, TX 77057</u>	2b	Employer Identification Number (EIN) <u>74-0693540</u>
		2c	Plan Sponsor's telephone number <u>713-465-8381</u>
		2d	Business code (see instructions) <u>713900</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2017	GABE CHAVEZ
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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	5 340
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) 310 6a(2) 290 6b 1 6c 39 6d 330 6e 3 6f 333 6g 232 6h 9
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2A 2E 2F 2G 2J 2K 2T 3D b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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 HOUSTON COUNTRY CLUB 401(K) PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 HOUSTON COUNTRY CLUB	D Employer Identification Number (EIN) 74-0693540

Part I	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 FIDELITY INVESTMENTS INSTITUTIONAL
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04-2647786

(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)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	17635	Yes ☒ No ☐	Yes ☒ No ☐	0	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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
AB HIGH INCOME I - ALLIANCEBERNSTE 18, RUE EUGNE RUPPERT LUXEMBOURG, LU L-245 LU	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ABF BW LG CP VAL INS - BOSTON FINA 04-2526037	0.04%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
BARON PARTNERS INST - DST SYSTEMS 43-1581814	0.15%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
BARON REAL ESTATE IS - DST SYSTEMS 43-1581814	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
CAMBIAR INTL EQ INST - DST SYSTEMS 43-1581814	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
CBA LG CAP GR I - BNY MELLON INV S P.O. BOX 9793 PROVIDENCE, RI 02940	0.15%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
COL OVERSEAS VAL R5 - COLUMBIA MGT P.O. BOX 8081 BOSTON, MA 02266		0.10%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
DODGE & COX BALANCED - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266		0.10%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
HARBOR MDCP VAL INST - HARBOR SERV		0.10%
34-1953399		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
LS LT GOVT & AGCY Y - BOSTON FINAN P.O. BOX 8480 BOSTON, MA 02266		0.20%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
METWEST TOT RTN BD I - BNY MELLON P.O. BOX 9793 PROVIDENCE, RI 02940		0.10%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
NWD GNV SMCP GR IS - NATIONWIDE FU		0.15%
31-0900518		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OAKMARK FUND INV - BOSTON FINANCIA	P.O. BOX 8480 BOSTON, MA 02266	0.35%
(a) Enter service provider name as it appears on line 2		(b) Service Codes (see instructions)
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PUTN US GOV INC Y - PUTNAM INVESTO	04-2539562	0.20%
(a) Enter service provider name as it appears on line 2		(b) Service Codes (see instructions)
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
THOMPSON BOND - US BANCORP FUND SE	39-0281260	0.25%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
TOUCHSTN SC SEL GR Z - BNY MELLON P.O. BOX 9793 PROVIDENCE, RI 02940		0.40%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
TRP RETIRE BAL - T. ROWE PRICE SER 52-2269240		0.15%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
TRP RETIREMENT 2005 - T. ROWE PRIC 52-2269240		0.15%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2010 - T. ROWE PRIC	0.15%	
52-2269240		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2015 - T. ROWE PRIC	0.15%	
52-2269240		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2020 - T. ROWE PRIC	0.15%	
52-2269240		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2025 - T. ROWE PRIC	0.15%	
52-2269240		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2030 - T. ROWE PRIC	0.15%	
52-2269240		
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2035 - T. ROWE PRIC	0.15%	
52-2269240		

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2040 - T. ROWE PRIC 52-2269240	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2045 - T. ROWE PRIC 52-2269240	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2050 - T. ROWE PRIC 52-2269240	0.15%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2055 - T. ROWE PRIC 52-2269240	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP RETIREMENT 2060 - T. ROWE PRIC 52-2269240	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
VICTORY S ESTB VAL I - SUNGARD INV P.O. BOX 182593 COLUMBUS, OH 43218	0.10%	

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 D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan 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 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div> 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>HOUSTON COUNTRY CLUB 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>HOUSTON COUNTRY CLUB</u>	D Employer Identification Number (EIN) <u>74-0693540</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: MIP CL 1

b Name of sponsor of entity listed in (a): FIDELITY MANAGEMENT TRUST COMPANY

c EIN-PN <u>04-3022712-024</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1434004</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <hr/> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 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 HOUSTON COUNTRY CLUB 401(K) PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 HOUSTON COUNTRY CLUB	D Employer Identification Number (EIN) 74-0693540	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	189268	283375
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans.....	1c(8)	349575	341764
(9) Value of interest in common/collective trusts	1c(9)	744160	1434004
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	7901865	9826683
(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	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	9184868	11885826

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	9184868	11885826
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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)	587163	
(B) Participants	2a(1)(B)	563295	
(C) Others (including rollovers)	2a(1)(C)	1129155	
(2) Noncash contributions	2a(2)	0	2279613
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	116	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	25951	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		26067
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	270627
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	270627	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		270627
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	0
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	0
(B) Other	2b(5)(B)	0	
(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)		9821
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		401107
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		2987235

Expenses**e** Benefit payment and payments to provide benefits:

(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	268642	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		268642
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other	2i(4)	17635	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		17635
j Total expenses. Add all expense amounts in column (b) and enter total	2j		286277

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2700958
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

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

☒ Yes ☐ No

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

(1) Name: PANNELL KERR FORSTER OF TEXAS, PC

(2) EIN: 76-0356844

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

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

Part IV Compliance Questions

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

During the plan year:

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	
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		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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

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

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

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

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection.
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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>HOUSTON COUNTRY CLUB 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HOUSTON COUNTRY CLUB</u>	D Employer Identification Number (EIN) <u>74-0693540</u>

Part I	Distributions
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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>04-6568107</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 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

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

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Part VII	IRS Compliance Questions
-----------------	---------------------------------

20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	

**Houston Country Club
401(k) Plan**

**Financial Statements
and Supplemental Schedule**

December 31, 2016

Houston Country Club 401(k) Plan

December 31, 2016

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Schedules not included herein are omitted because of the absence of the conditions under which they are required.

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of
Houston Country Club 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Houston Country Club 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2016 and 2015, that the information provided to the Plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedule, Schedule H, line 4i, is required by the DOL's Rules and Regulations for reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

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

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with U.S. generally accepted auditing standards, and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Pannell Kerr Forster of Texas, P.C.

October 11, 2017

Houston Country Club 401(k) Plan

Statements of Net Assets Available for Benefits

	December 31,	
	2016	2015
Assets		
Investments at fair value		
Money market fund	\$ 283,375	\$ 189,268
Mutual funds	9,826,683	7,901,865
Common/collective trust	<u>1,434,004</u>	<u>739,112</u>
Total investments at fair value	<u>11,544,062</u>	<u>8,830,245</u>
Receivables		
Notes receivable from participants	356,921	356,481
Club contributions	<u>307,386</u>	<u>309,949</u>
Total receivables	<u>664,307</u>	<u>666,430</u>
Total assets	<u>12,208,369</u>	<u>9,496,675</u>
Liabilities		
Total liabilities	<u>-</u>	<u>-</u>
Net assets available for benefits	<u>\$ 12,208,369</u>	<u>\$ 9,496,675</u>

See notes to financial statements.

Houston Country Club 401(k) Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31,	
	2016	2015
Additions to net assets		
Contributions		
Participant contributions	\$ 563,295	\$ 533,029
Club contributions	584,600	526,610
Participant rollovers	<u>1,129,155</u>	<u>16,041</u>
Total contributions	<u>2,277,050</u>	<u>1,075,680</u>
Investment income		
Interest and dividends	281,957	278,021
Net appreciation in fair value of investments	<u>404,760</u>	<u>-</u>
Total investment income	<u>686,717</u>	<u>278,021</u>
Interest on notes receivable from participants	<u>26,494</u>	<u>23,733</u>
Total additions	<u>2,990,261</u>	<u>1,377,434</u>
Deductions from net assets		
Net depreciation in fair value of investments	-	353,983
Benefit payments to participants	260,932	294,734
Administrative expense	<u>17,635</u>	<u>15,960</u>
Total deductions	<u>278,567</u>	<u>664,677</u>
Net increase in net assets available for benefits	2,711,694	712,757
Net assets available for benefits, beginning of year	<u>9,496,675</u>	<u>8,783,918</u>
Net assets available for benefits, end of year	<u>\$ 12,208,369</u>	<u>\$ 9,496,675</u>

See notes to financial statements.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 1 - Description of the Plan and Summary of Significant Accounting Policies

The following description of the Houston Country Club 401(k) Plan (the "Plan"), provides only general information. Participants should refer to the *Plan Document* for a more complete description of the Plan's provisions.

General

The Plan commenced and was made effective on January 1, 1999 and was last amended March 19, 2015. The Plan is a defined contribution plan pursuant to the Sections 401(a) and 401(k) of the Internal Revenue Code (the "IRC"). The Plan covers all full-time and part-time employees of the Houston Country Club (the "Club"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Plan trustee

Fidelity Management Trust Company ("Fidelity" or "Trustee") is the Plan trustee.

Eligibility and contributions

The Plan's eligibility requirement allows participation upon obtaining the age of 21. Participants must have at least 1,000 hours of service before becoming eligible for the safe harbor matching and discretionary profit sharing contributions.

Participants can voluntarily contribute up to 60% of their eligible compensation (i.e., salary reduction) to the Plan up to the maximum limit allowed by the IRC regulations. Participants may also rollover amounts representing distributions from other qualified plans.

The Club adopted the Safe Harbor Provision of the IRC. The Club contributes and allocates to each eligible participant's account a safe harbor matching contribution equal to 100% of elective salary deferrals up to the first 4% of compensation. The Club may also make discretionary profit sharing contributions as described in the *Plan Document*. Discretionary profit sharing contributions for the years ended December 31, 2016 and 2015 were \$309,373 and \$317,756, respectively.

Participant accounts

Each participant's account is credited with the participant's contribution, an allocation of the Club's contribution, Plan earnings and losses and administrative expenses. Allocations are based on participant compensation and account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

Notes receivable from participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of 50% of the participant's vested account balance or \$50,000 reduced by the participant's highest outstanding note balance during the prior twelve-month period. Participants may have only one note outstanding at a time.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 1 - Description of the Plan and Summary of Significant Accounting Policies (Continued)Notes receivable from participants (continued)

Participant notes are secured by the participant's account balance, and bear interest at a reasonable rate of interest which shall remain fixed throughout the duration of the note. All notes require that repayment be amortized in level payments, not less than quarterly, over a period not extending beyond five years from the date of the note or ten years for notes to acquire a principal residence.

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as distributions, based upon terms of the *Plan Document*, upon liquidation of their account balance.

Vesting

Participants are 100% vested at all times in their voluntary contributions and Club safe harbor matching contributions. A participant's interest in the discretionary contributions the Club makes to the Plan becomes 100% vested upon attaining the Plan's normal retirement age or if employment is terminated due to death or disability. If employment is terminated prior to normal retirement age for any reason other than death or disability, the participant's interest in Club discretionary profit sharing contributions become vested in accordance with specific vesting schedules based on years of service as follows:

<u>Years of Employment</u>	<u>Vested Percentage</u>
Less than 2 years	0%
2 Years	20%
3 Years	40%
4 Years	60%
5 Years	80%
6 Years	100%

Forfeitures

Upon termination of service, a participant's vested balance will be distributed to the participant or directly rolled into other qualified plans depending on the status of the original contribution and participant direction. The unvested amount is forfeited and maintained in an account by the Trustee. The Plan provides that nonvested portions of Club contributions are forfeited by terminated participants and may be (i) reallocated to the remaining participants, (ii) applied to reasonable expenses of administering the Plan, or (iii) applied to any subsequent contributions made by the Club. Forfeitures of \$15,000 and \$15,200 were used to offset the Club match contribution in 2016 and 2015, respectively. As of December 31, 2016 and 2015, forfeited nonvested accounts totaled \$8,727 and \$9,272, respectively.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 1 - Description of the Plan and Summary of Significant Accounting Policies (Continued)Payment of benefits

Participants are eligible for distributions of their vested account balances upon the event of death, disability, retirement, termination of employment, or the attainment of age 59 1/2. If the value of the participant's account balance is less than \$1,000, the payment will be made in cash in a single lump sum without the participant's consent. If the value of the participant's account balance is greater than \$1,000, the participant may elect to receive either a lump-sum payment or installment payments equal to the value of the participant's vested interest in his or her account, or a life annuity as specified in the *Plan Document*. Any taxable distribution paid directly to the participant will be subject to mandatory federal income tax withholding of 20% of the requested distribution.

Basis of accounting

The accompanying financial statements of the Plan have been prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("GAAP").

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. See Note 2 for discussion of fair value measurements.

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

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

Use of estimates

The preparation of financial statements in conformity with GAAP requires the Plan administrator to make estimates and assumptions that affect certain reported amounts of assets and liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ materially from those estimates.

Administrative expenses

Certain expenses of the Plan are paid by the Club directly or through Club contributions. Transaction-related fees are paid by participants.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 1 - Description of the Plan and Summary of Significant Accounting Policies (Continued)Benefit payments

Benefit payments to participants are recorded upon distribution.

Plan termination

Although it has not expressed any intent to do so, the Club 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 termination of the Plan, participants will become fully vested and the net assets of the Plan are to be distributed to participants in accordance with priorities established in the Plan.

Risks and uncertainties

Financial instruments which potentially subject the Plan to credit risk include investments in a money market fund, mutual funds and a common/collective trust. 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 the amounts reported in the financial statements. Plan participants bear the risk of any Plan investment losses.

Note 2 - Fair Value Measurements

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

- Level 1 - quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of these assets or liabilities; or
- Level 3 - unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

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

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

- Money market fund and mutual funds - These investments are valued daily at the net asset value of shares or units held by the Plan based on the quoted market value of the underlying assets.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 2 - Fair Value Measurements (Continued)

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

The Plan's assets measured at fair value as of December 31, 2016 are as follows:

	<u>Level 1</u>	<u>Total</u>
Investments		
Money market	\$ 283,375	\$ 283,375
Mutual funds	<u>9,826,683</u>	<u>9,826,683</u>
Total assets in fair value hierarchy	<u>10,110,058</u>	<u>10,110,058</u>
Investments measured at net asset value (a)		<u>1,434,004</u>
Total investments	<u>\$ 10,110,058</u>	<u>\$ 11,544,062</u>

The Plan's assets measured at fair value as of December 31, 2015 are as follows:

	<u>Level 1</u>	<u>Total</u>
Investments		
Money market	\$ 189,268	\$ 189,268
Mutual funds	<u>7,901,865</u>	<u>7,901,865</u>
Total assets in fair value hierarchy	<u>8,091,133</u>	<u>8,091,133</u>
Investments measured at net asset value (a)		<u>739,112</u>
Total investments	<u>\$ 8,091,133</u>	<u>\$ 8,830,245</u>

- (a) The common/collective trust is measured at NAV. The NAV is calculated by the fund based on "net assets," which include fully benefit-responsive investment contracts. This NAV represents the Plan's fair value since this is the amount at which the Plan transacts with the fund. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value for the common/collective trust. The investment can be redeemed daily, has a daily redemption notice period, and has no unfunded commitments.

Note 3 - Tax Status

The volume submitter plan adopted by the Club received its latest favorable advisory letter dated March 31, 2014, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the advisory letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC and was tax-exempt as of December 31, 2016 and 2015. Therefore, no provision for income taxes has been recorded.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 3 - Tax Status (Continued)

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 4 - Information Certified by the Trustee (Unaudited)

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

Note 5 - Party-in-Interest Transactions

Certain Plan investments are shares in a money market fund, mutual funds or units in a common/collective trust managed by Fidelity. Therefore, these transactions qualify as party-in-interest transactions.

Note 6 - 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 as of December 31:

	2016	2015
Net assets available for benefits per the financial statements	\$ 12,208,369	\$ 9,496,675
Club contributions receivable	(307,386)	(309,949)
Deemed distributions	(15,157)	(6,906)
Adjustment from fair value to contract value for benefit responsive investment contracts	-	5,048
Net assets available for benefits per Form 5500	<u>\$ 11,885,826</u>	<u>\$ 9,184,868</u>

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 6 - Reconciliation of Financial Statements to Form 5500 (Continued)

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to net income per Form 5500 for the years ended December 31:

	<u>2016</u>	<u>2015</u>
Net increase in net assets available for benefits per the financial statements	\$ 2,711,694	\$ 712,757
Less:		
Club contributions receivable, end of year	(307,386)	(309,949)
Add:		
Club contributions receivable, beginning of year	309,949	307,913
Other club contributions receivable, beginning of year	-	111,760
Change in deemed distributions	(8,251)	(6,906)
Change in adjustment from fair value to contract value for benefit responsive contracts	<u>(5,048)</u>	<u>(5,303)</u>
Net income per Form 5500	<u>\$ 2,700,958</u>	<u>\$ 810,272</u>

Note 7 - Subsequent Events

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

Supplemental Schedule

**Houston Country Club 401(k) Plan
E.I.N. 74-0693540/002**

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

December 31, 2016

a	b	c	d	e
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current value
		Money Market Fund		
*	Fidelity Management Trust Company	Fidelity Retirement Money Market Fund	**	\$ 283,375
		Mutual Funds		
	American Beacon	American Beacon Bridgeway Large Cap Value Fund Institutional Class	**	573,907
	Dodge & Cox	Dodge & Cox Balanced Fund	**	19,492
*	Fidelity Management Trust Company	Fidelity Worldwide Fund	**	116,571
	JPMorgan	Undiscovered Managers Behavioral Value Fund Class R6	**	68,339
	Metropolitan West Funds	Metropolitan West Total Return Bond Fund Class Institutional	**	237,786
	Loomis Sayles	Loomis Sayles Limited Term Government and Agency Fund Class Y	**	524
	Oppenheimer Funds	Oppenheimer Developing Markets Fund Class I	**	37,262
	Oppenheimer Funds	Oppenheimer International Small Company Fund Class I	**	18,084
	Oppenheimer Funds	Oppenheimer International Growth I Fund	**	5,422
	T.Rowe Price	T. Rowe Price Retirement Balanced Fund	**	8,090
	T.Rowe Price	T. Rowe Price Retirement 2005 Fund	**	7,778
	T.Rowe Price	T. Rowe Price Retirement 2010 Fund	**	93,657
	T.Rowe Price	T. Rowe Price Retirement 2015 Fund	**	632,167
	T.Rowe Price	T. Rowe Price Retirement 2020 Fund	**	1,550,420
	T.Rowe Price	T. Rowe Price Retirement 2025 Fund	**	370,362
	T.Rowe Price	T. Rowe Price Retirement 2030 Fund	**	288,882
	T.Rowe Price	T. Rowe Price Retirement 2035 Fund	**	568,413
	T.Rowe Price	T. Rowe Price Retirement 2040 Fund	**	169,781
	T.Rowe Price	T. Rowe Price Retirement 2045 Fund	**	212,574
	T.Rowe Price	T. Rowe Price Retirement 2050 Fund	**	280,607
	T.Rowe Price	T. Rowe Price Retirement 2055 Fund	**	137,770
	T.Rowe Price	T. Rowe Price Retirement 2060 Fund	**	3,075
	Vanguard	Vanguard Strategic Equity Investors Fund	**	52,366
	Vanguard	Vanguard Strategic Equity Fund Investor Shares	**	135,623
	Vanguard	Vanguard Small Cap Index Fund Admiral	**	126,623
	Vanguard	Vanguard Mid-Cap Index Fund Admiral Shares	**	307,808
	Vanguard	Vanguard 500 Index Fund Admiral Class	**	1,098,766
	Vanguard	Vanguard GNMA Fund Admiral	**	12,265
	Vanguard	Vanguard Short-Term Investment Grade Fund Admiral	**	24,968
	Vanguard	Vanguard Dividend Growth Fund Investor	**	1,577,196
	Janus Henderson	Janus Henderson Enterprise Fund Class N	**	187,374
	Cohen & Steers	Cohen & Steers Real Estate Fund Securities Z	**	164,178
	Victory	Victory Sycamore Established Value Fund	**	103,504
	Pimco	PIMCO Income Fund Institutional Class	**	275,701
	Columbia	Columbia Overseas Value Fund Class R5	**	896
	Legg Mason	ClearBridge Large Cap Growth Portfolio I Fund	**	112,105
	Cambiar Funds	Cambiar International Equity Fund	**	234,182
	Nationwide	Nationwide GNV Small Cap Fund	**	12,165

		Common/ Collective Trust		
*	Fidelity Management Trust Company	Fidelity Managed Income Portfolio Fund	**	1,434,004
*	Participant Loans	Principal balances ranging up to \$37,986 at 8% per annum secured by participants' individual vested accrued benefits maturing through 2025.	-	356,921

* Party-in-interest as defined by ERISA.

** Cost omitted for participant-directed investments.

**Houston Country Club
401(k) Plan**

**Financial Statements
and Supplemental Schedule**

December 31, 2016

Houston Country Club 401(k) Plan

December 31, 2016

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Schedules not included herein are omitted because of the absence of the conditions under which they are required.

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of
Houston Country Club 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Houston Country Club 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2016 and 2015, that the information provided to the Plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedule, Schedule H, line 4i, is required by the DOL's Rules and Regulations for reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above.

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

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with U.S. generally accepted auditing standards, and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Pannell Kerr Forster of Texas, P.C.

October 11, 2017

Houston Country Club 401(k) Plan

Statements of Net Assets Available for Benefits

	December 31,	
	2016	2015
Assets		
Investments at fair value		
Money market fund	\$ 283,375	\$ 189,268
Mutual funds	9,826,683	7,901,865
Common/collective trust	<u>1,434,004</u>	<u>739,112</u>
Total investments at fair value	<u>11,544,062</u>	<u>8,830,245</u>
Receivables		
Notes receivable from participants	356,921	356,481
Club contributions	<u>307,386</u>	<u>309,949</u>
Total receivables	<u>664,307</u>	<u>666,430</u>
Total assets	<u>12,208,369</u>	<u>9,496,675</u>
Liabilities		
Total liabilities	<u>-</u>	<u>-</u>
Net assets available for benefits	<u>\$ 12,208,369</u>	<u>\$ 9,496,675</u>

See notes to financial statements.

Houston Country Club 401(k) Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31,	
	2016	2015
Additions to net assets		
Contributions		
Participant contributions	\$ 563,295	\$ 533,029
Club contributions	584,600	526,610
Participant rollovers	<u>1,129,155</u>	<u>16,041</u>
Total contributions	<u>2,277,050</u>	<u>1,075,680</u>
Investment income		
Interest and dividends	281,957	278,021
Net appreciation in fair value of investments	<u>404,760</u>	<u>-</u>
Total investment income	<u>686,717</u>	<u>278,021</u>
Interest on notes receivable from participants	<u>26,494</u>	<u>23,733</u>
Total additions	<u>2,990,261</u>	<u>1,377,434</u>
Deductions from net assets		
Net depreciation in fair value of investments	-	353,983
Benefit payments to participants	260,932	294,734
Administrative expense	<u>17,635</u>	<u>15,960</u>
Total deductions	<u>278,567</u>	<u>664,677</u>
Net increase in net assets available for benefits	2,711,694	712,757
Net assets available for benefits, beginning of year	<u>9,496,675</u>	<u>8,783,918</u>
Net assets available for benefits, end of year	<u>\$ 12,208,369</u>	<u>\$ 9,496,675</u>

See notes to financial statements.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 1 - Description of the Plan and Summary of Significant Accounting Policies

The following description of the Houston Country Club 401(k) Plan (the "Plan"), provides only general information. Participants should refer to the *Plan Document* for a more complete description of the Plan's provisions.

General

The Plan commenced and was made effective on January 1, 1999 and was last amended March 19, 2015. The Plan is a defined contribution plan pursuant to the Sections 401(a) and 401(k) of the Internal Revenue Code (the "IRC"). The Plan covers all full-time and part-time employees of the Houston Country Club (the "Club"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Plan trustee

Fidelity Management Trust Company ("Fidelity" or "Trustee") is the Plan trustee.

Eligibility and contributions

The Plan's eligibility requirement allows participation upon obtaining the age of 21. Participants must have at least 1,000 hours of service before becoming eligible for the safe harbor matching and discretionary profit sharing contributions.

Participants can voluntarily contribute up to 60% of their eligible compensation (i.e., salary reduction) to the Plan up to the maximum limit allowed by the IRC regulations. Participants may also rollover amounts representing distributions from other qualified plans.

The Club adopted the Safe Harbor Provision of the IRC. The Club contributes and allocates to each eligible participant's account a safe harbor matching contribution equal to 100% of elective salary deferrals up to the first 4% of compensation. The Club may also make discretionary profit sharing contributions as described in the *Plan Document*. Discretionary profit sharing contributions for the years ended December 31, 2016 and 2015 were \$309,373 and \$317,756, respectively.

Participant accounts

Each participant's account is credited with the participant's contribution, an allocation of the Club's contribution, Plan earnings and losses and administrative expenses. Allocations are based on participant compensation and account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

Notes receivable from participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of 50% of the participant's vested account balance or \$50,000 reduced by the participant's highest outstanding note balance during the prior twelve-month period. Participants may have only one note outstanding at a time.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 1 - Description of the Plan and Summary of Significant Accounting Policies (Continued)Notes receivable from participants (continued)

Participant notes are secured by the participant's account balance, and bear interest at a reasonable rate of interest which shall remain fixed throughout the duration of the note. All notes require that repayment be amortized in level payments, not less than quarterly, over a period not extending beyond five years from the date of the note or ten years for notes to acquire a principal residence.

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as distributions, based upon terms of the *Plan Document*, upon liquidation of their account balance.

Vesting

Participants are 100% vested at all times in their voluntary contributions and Club safe harbor matching contributions. A participant's interest in the discretionary contributions the Club makes to the Plan becomes 100% vested upon attaining the Plan's normal retirement age or if employment is terminated due to death or disability. If employment is terminated prior to normal retirement age for any reason other than death or disability, the participant's interest in Club discretionary profit sharing contributions become vested in accordance with specific vesting schedules based on years of service as follows:

<u>Years of Employment</u>	<u>Vested Percentage</u>
Less than 2 years	0%
2 Years	20%
3 Years	40%
4 Years	60%
5 Years	80%
6 Years	100%

Forfeitures

Upon termination of service, a participant's vested balance will be distributed to the participant or directly rolled into other qualified plans depending on the status of the original contribution and participant direction. The unvested amount is forfeited and maintained in an account by the Trustee. The Plan provides that nonvested portions of Club contributions are forfeited by terminated participants and may be (i) reallocated to the remaining participants, (ii) applied to reasonable expenses of administering the Plan, or (iii) applied to any subsequent contributions made by the Club. Forfeitures of \$15,000 and \$15,200 were used to offset the Club match contribution in 2016 and 2015, respectively. As of December 31, 2016 and 2015, forfeited nonvested accounts totaled \$8,727 and \$9,272, respectively.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 1 - Description of the Plan and Summary of Significant Accounting Policies (Continued)Payment of benefits

Participants are eligible for distributions of their vested account balances upon the event of death, disability, retirement, termination of employment, or the attainment of age 59 1/2. If the value of the participant's account balance is less than \$1,000, the payment will be made in cash in a single lump sum without the participant's consent. If the value of the participant's account balance is greater than \$1,000, the participant may elect to receive either a lump-sum payment or installment payments equal to the value of the participant's vested interest in his or her account, or a life annuity as specified in the *Plan Document*. Any taxable distribution paid directly to the participant will be subject to mandatory federal income tax withholding of 20% of the requested distribution.

Basis of accounting

The accompanying financial statements of the Plan have been prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("GAAP").

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. See Note 2 for discussion of fair value measurements.

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

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

Use of estimates

The preparation of financial statements in conformity with GAAP requires the Plan administrator to make estimates and assumptions that affect certain reported amounts of assets and liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ materially from those estimates.

Administrative expenses

Certain expenses of the Plan are paid by the Club directly or through Club contributions. Transaction-related fees are paid by participants.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 1 - Description of the Plan and Summary of Significant Accounting Policies (Continued)Benefit payments

Benefit payments to participants are recorded upon distribution.

Plan termination

Although it has not expressed any intent to do so, the Club 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 termination of the Plan, participants will become fully vested and the net assets of the Plan are to be distributed to participants in accordance with priorities established in the Plan.

Risks and uncertainties

Financial instruments which potentially subject the Plan to credit risk include investments in a money market fund, mutual funds and a common/collective trust. 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 the amounts reported in the financial statements. Plan participants bear the risk of any Plan investment losses.

Note 2 - Fair Value Measurements

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

- Level 1 - quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of these assets or liabilities; or
- Level 3 - unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

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

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

- Money market fund and mutual funds - These investments are valued daily at the net asset value of shares or units held by the Plan based on the quoted market value of the underlying assets.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 2 - Fair Value Measurements (Continued)

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

The Plan's assets measured at fair value as of December 31, 2016 are as follows:

	<u>Level 1</u>	<u>Total</u>
Investments		
Money market	\$ 283,375	\$ 283,375
Mutual funds	<u>9,826,683</u>	<u>9,826,683</u>
Total assets in fair value hierarchy	<u>10,110,058</u>	<u>10,110,058</u>
Investments measured at net asset value (a)		<u>1,434,004</u>
Total investments	<u>\$ 10,110,058</u>	<u>\$ 11,544,062</u>

The Plan's assets measured at fair value as of December 31, 2015 are as follows:

	<u>Level 1</u>	<u>Total</u>
Investments		
Money market	\$ 189,268	\$ 189,268
Mutual funds	<u>7,901,865</u>	<u>7,901,865</u>
Total assets in fair value hierarchy	<u>8,091,133</u>	<u>8,091,133</u>
Investments measured at net asset value (a)		<u>739,112</u>
Total investments	<u>\$ 8,091,133</u>	<u>\$ 8,830,245</u>

- (a) The common/collective trust is measured at NAV. The NAV is calculated by the fund based on "net assets," which include fully benefit-responsive investment contracts. This NAV represents the Plan's fair value since this is the amount at which the Plan transacts with the fund. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value for the common/collective trust. The investment can be redeemed daily, has a daily redemption notice period, and has no unfunded commitments.

Note 3 - Tax Status

The volume submitter plan adopted by the Club received its latest favorable advisory letter dated March 31, 2014, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the advisory letter. However, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC and was tax-exempt as of December 31, 2016 and 2015. Therefore, no provision for income taxes has been recorded.

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 3 - Tax Status (Continued)

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 4 - Information Certified by the Trustee (Unaudited)

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

Note 5 - Party-in-Interest Transactions

Certain Plan investments are shares in a money market fund, mutual funds or units in a common/collective trust managed by Fidelity. Therefore, these transactions qualify as party-in-interest transactions.

Note 6 - 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 as of December 31:

	2016	2015
Net assets available for benefits per the financial statements	\$ 12,208,369	\$ 9,496,675
Club contributions receivable	(307,386)	(309,949)
Deemed distributions	(15,157)	(6,906)
Adjustment from fair value to contract value for benefit responsive investment contracts	-	5,048
Net assets available for benefits per Form 5500	<u>\$ 11,885,826</u>	<u>\$ 9,184,868</u>

Houston Country Club 401(k) Plan

Notes to Financial Statements

December 31, 2016

Note 6 - Reconciliation of Financial Statements to Form 5500 (Continued)

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to net income per Form 5500 for the years ended December 31:

	<u>2016</u>	<u>2015</u>
Net increase in net assets available for benefits per the financial statements	\$ 2,711,694	\$ 712,757
Less:		
Club contributions receivable, end of year	(307,386)	(309,949)
Add:		
Club contributions receivable, beginning of year	309,949	307,913
Other club contributions receivable, beginning of year	-	111,760
Change in deemed distributions	(8,251)	(6,906)
Change in adjustment from fair value to contract value for benefit responsive contracts	<u>(5,048)</u>	<u>(5,303)</u>
Net income per Form 5500	<u>\$ 2,700,958</u>	<u>\$ 810,272</u>

Note 7 - Subsequent Events

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

Supplemental Schedule

**Houston Country Club 401(k) Plan
E.I.N. 74-0693540/002**

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

December 31, 2016

a	b	c	d	e
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current value
		Money Market Fund		
*	Fidelity Management Trust Company	Fidelity Retirement Money Market Fund	**	\$ 283,375
		Mutual Funds		
	American Beacon	American Beacon Bridgeway Large Cap Value Fund Institutional Class	**	573,907
	Dodge & Cox	Dodge & Cox Balanced Fund	**	19,492
*	Fidelity Management Trust Company	Fidelity Worldwide Fund	**	116,571
	JPMorgan	Undiscovered Managers Behavioral Value Fund Class R6	**	68,339
	Metropolitan West Funds	Metropolitan West Total Return Bond Fund Class Institutional	**	237,786
	Loomis Sayles	Loomis Sayles Limited Term Government and Agency Fund Class Y	**	524
	Oppenheimer Funds	Oppenheimer Developing Markets Fund Class I	**	37,262
	Oppenheimer Funds	Oppenheimer International Small Company Fund Class I	**	18,084
	Oppenheimer Funds	Oppenheimer International Growth I Fund	**	5,422
	T.Rowe Price	T. Rowe Price Retirement Balanced Fund	**	8,090
	T.Rowe Price	T. Rowe Price Retirement 2005 Fund	**	7,778
	T.Rowe Price	T. Rowe Price Retirement 2010 Fund	**	93,657
	T.Rowe Price	T. Rowe Price Retirement 2015 Fund	**	632,167
	T.Rowe Price	T. Rowe Price Retirement 2020 Fund	**	1,550,420
	T.Rowe Price	T. Rowe Price Retirement 2025 Fund	**	370,362
	T.Rowe Price	T. Rowe Price Retirement 2030 Fund	**	288,882
	T.Rowe Price	T. Rowe Price Retirement 2035 Fund	**	568,413
	T.Rowe Price	T. Rowe Price Retirement 2040 Fund	**	169,781
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	Vanguard	Vanguard Strategic Equity Investors Fund	**	52,366
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	Vanguard	Vanguard 500 Index Fund Admiral Class	**	1,098,766
	Vanguard	Vanguard GNMA Fund Admiral	**	12,265
	Vanguard	Vanguard Short-Term Investment Grade Fund Admiral	**	24,968
	Vanguard	Vanguard Dividend Growth Fund Investor	**	1,577,196
	Janus Henderson	Janus Henderson Enterprise Fund Class N	**	187,374
	Cohen & Steers	Cohen & Steers Real Estate Fund Securities Z	**	164,178
	Victory	Victory Sycamore Established Value Fund	**	103,504
	Pimco	PIMCO Income Fund Institutional Class	**	275,701
	Columbia	Columbia Overseas Value Fund Class R5	**	896
	Legg Mason	ClearBridge Large Cap Growth Portfolio I Fund	**	112,105
	Cambiar Funds	Cambiar International Equity Fund	**	234,182
	Nationwide	Nationwide GNV Small Cap Fund	**	12,165
		Common/ Collective Trust		
*	Fidelity Management Trust Company	Fidelity Managed Income Portfolio Fund	**	1,434,004
*	Participant Loans	Principal balances ranging up to \$37,986 at 8% per annum secured by participants' individual vested accrued benefits maturing through 2025.	-	356,921

* Party-in-interest as defined by ERISA.

** Cost omitted for participant-directed investments.