

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>			
A	This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____	
B	This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ☐		
D	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)	

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>WHITE CASTLE 401(K) RETIREMENT SAVINGS PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>003</u>
		1c	Effective date of plan <u>09/20/2015</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>WHITE CASTLE SYSTEM, INC.</u> <u>555 W. GOODALE STREET</u> <u>COLUMBUS, OH 43216-1498</u>	2b	Employer Identification Number (EIN) <u>31-4340520</u>
		2c	Plan Sponsor's telephone number <u>614-228-5781</u>
		2d	Business code (see instructions) <u>722513</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.	10/16/2017	JOHN F. KELLEY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

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

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 1696
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) 1679 6a(2) 1834 6b 0 6c 116 6d 1950 6e 0 6f 1950 6g 1917 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 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 WHITE CASTLE 401(K) RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 WHITE CASTLE SYSTEM, INC.	D Employer Identification Number (EIN) 31-4340520

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 THE VANGUARD GROUP, INC.
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23-2186884

(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)

THE VANGUARD GROUP, INC.

23-1945930

(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?
15 16 25 37 52	NONE	22708	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
THE VANGUARD GROUP, INC.	99	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 FUNDS 04-3276558	7 BPS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE 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>WHITE CASTLE 401(K) RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>WHITE CASTLE SYSTEM, INC.</u>	D Employer Identification Number (EIN) <u>31-4340520</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: VANGUARD RETIREMENT SAVINGS TRT III

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN <u>23-2186884-024</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>163778</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
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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
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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
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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> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<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 <u>01/01/2016</u> and ending <u>12/31/2016</u>		
A Name of plan <u>WHITE CASTLE 401(K) RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WHITE CASTLE SYSTEM, INC.</u>	D Employer Identification Number (EIN) <u>31-4340520</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	103492	152627
(2) Participant contributions.....	1b(2)	81961	84143
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	0	157388
(9) Value of interest in common/collective trusts	1c(9)	20768	163778
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	2037665	10246340
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	2243886	10804276

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
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	2243886	10804276
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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)	3157363	
(B) Participants	2a(1)(B)	4856269	
(C) Others (including rollovers)	2a(1)(C)	60814	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		8074446
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	1334	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1334
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	208071	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		208071
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		2584
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		439406
c Other income.....	2c		3342
d Total income. Add all income amounts in column (b) and enter total.....	2d		8729183

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	152135	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		152135
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	16658	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		16658
j Total expenses. Add all expense amounts in column (b) and enter total	2j		168793

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		8560390
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

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

☒ Yes ☐ No

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

(1) Name: **GBQ PARTNERS**

(2) EIN: **20-2122306**

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		4000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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

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

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

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

Part V Trust Information

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>WHITE CASTLE 401(K) RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WHITE CASTLE SYSTEM, INC.</u>	D Employer Identification Number (EIN) <u>31-4340520</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>23-2186884</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.)
----------------	---

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

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

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

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

• **Financial Statements**
• with Supplementary Information

• **White Castle 401(k)**
• **Retirement Savings Plan**

• December 31, 2016 and 2015



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To the Trustees
White Castle 401K Retirement Savings Plan
Columbus, Ohio

Independent Auditor's Report

We were engaged to audit the accompanying financial statements of White Castle 401K Retirement Savings 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 year ended December 31, 2016 and the period from September 20, 2015 (date of commencement) to December 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (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 the notes to the financial statements, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the 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 periods ended December 31, 2016 and 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

To the Plan Trustees
White Castle 401K Retirement Savings Plan
Page 2

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 – Supplemental Schedules

The supplemental schedules, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2016 and 2015 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

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

GBQ Partners LLC

Columbus, Ohio
October 12, 2017

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Statements of Net Assets Available for Benefits

December 31, 2016 and 2015

	2016	2015
ASSETS		
Investments at fair value:		
Mutual funds	\$ 10,246,340	\$ 2,037,665
Common collective trust	163,778	20,768
	10,410,118	2,058,433
Receivables:		
Employer	152,627	103,492
Participants	84,143	81,961
Notes receivable from participants	157,388	-
	394,158	185,453
NET ASSETS AVAILABLE FOR BENEFITS	\$ 10,804,276	\$ 2,243,886

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

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Statements of Changes in Net Assets Available for Benefits

For the Periods Ended December 31, 2016 and 2015

	2016	2015
Additions to Net Assets Attributed to:		
Investment income:		
Interest and dividends	\$ 213,997	\$ 21,851
Net appreciation in fair value of investments	439,406	-
Total investment income	653,403	21,851
Interest income on notes receivable from participants	1,334	-
Contributions:		
Employer	3,157,363	801,928
Participants	4,856,269	1,458,363
Rollovers	60,814	-
Total contributions	8,074,446	2,260,291
Total additions	8,729,183	2,282,142
Deductions from Net Assets Attributed to:		
Net depreciation in fair value of investments	-	37,325
Distributions to participants	152,135	931
Administrative expense	16,658	-
Total deductions	168,793	38,256
Net increase	8,560,390	2,243,886
Net Assets Available for Benefits:		
Beginning of year	2,243,886	-
End of year	\$ 10,804,276	\$ 2,243,886

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

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Plan Description

The following brief description of the White Castle 401K Retirement Savings Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan agreement for more complete information. Copies of this document are available from the plan administrator. The Plan commenced operations on September 20, 2015.

General

The Plan is a defined contribution plan covering substantially all employees of White Castle System, Inc. and Subsidiaries (the Corporation and Plan Sponsor), who meet certain eligibility requirements set forth in the plan agreement. Employees who are age 21 or older and have completed 60 uninterrupted days of service may enroll in the Plan on the first day of the next month after attaining eligibility. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Vanguard Fiduciary Trust Company (Vanguard) is the record keeper and trustee of the Plan.

Contributions

The Plan allows for participants to defer up to 100% of their compensation up to the maximum allowable amount, including both after-tax Roth and pre-tax elective deferral contributions, as stated by the Internal Revenue Service (IRS). Participants may also contribute amounts representing rollovers from other qualified defined benefit or contribution plans. The Plan allows catch-up contributions from eligible employees who have attained the age of 50.

The Plan includes a safe harbor matching contribution and allows for an annual profit sharing contribution by the Corporation. The employer matching contributions are made on eligible participant's elective deferrals at a rate of 100% up to 3% of eligible compensation and 50% between 3% and 5% of eligible compensation. The amount of the profit sharing contribution is determined by the Board of Directors of the Corporation and is allocated to the participants in the same proportion the participant's compensation bears to the total compensation paid to all eligible participants. Employees must have completed one year of service in order to be eligible for employer contributions. There were no profit sharing contributions made in 2016 or 2015.

All contributions are invested as directed by each participant into the various investment options offered by the Plan. Contributions are subject to certain limitations.

Participant Accounts

Each participant's account is credited with the participant's contributions and allocations of (a) the Corporation's contributions, (b) Plan earnings and (c) administrative expenses. Allocations are based on participant earnings or account balances, as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Plan Description (continued)

Vesting

Participants are vested immediately in their contributions and the employer safe harbor matching contributions plus actual earnings thereon. Vesting in the employer profit sharing contribution portion of their accounts plus earnings thereon is based upon years of continuous service and is subject to the following vesting percentage provisions:

Years of Service	Vesting Percentage
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5 or more	100%

Notes Receivable from Participants

The plan agreement allows participants to borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of the participant's vested account balance, whichever is less. Loans must be repaid within five years unless the loan is granted to allow the participant to purchase his or her principal residence. The loans are secured by the balance in the participant's account and bear interest commensurate with local prevailing rates and range from 4.50% to 4.75%. Principal and interest are paid ratably primarily through payroll deductions.

Payment of Benefits

Upon termination of employment for any reason, including death or disability, a participant may receive a lump-sum amount equal to the value of the participant's vested interest in his or her account. A participant is also eligible to receive a distribution from their account upon reaching normal retirement age, which is 65 years of age. The Plan also provides for in-service distributions if certain financial hardship conditions are met or upon reaching age 59½ while employed by the Corporation. In the case of termination of employment, the plan includes mandatory cashout provisions for account balances less than \$5,000.

Forfeited Accounts

At December 31, 2016 and 2015, forfeited non-vested accounts totaled \$2,974 and \$931, respectively. These accounts will be first used to pay administrative expenses, and then may be used to reduce future employer contributions. Forfeitures used to pay administrative expenses were \$16,208 during 2016. No forfeitures were used in 2015.

Basis of Accounting

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

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Summary of Significant Accounting Policies

Use of Estimates

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

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For additional disclosure regarding fair value of investments, see the *Fair Value Measurements* footnote herein.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowances for credit losses have been recorded as of December 31, 2016 or 2015. If a participant ceases to make loan payments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

The Plan's administrative expenses are paid by the Plan to the extent not paid by forfeited non-vested accounts or by the Corporation, as provided by the Plan agreement.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Information Prepared and Certified by the Trustee

The following information included in the accompanying financial statements and supplemental schedules was obtained from data that has been prepared and certified to as complete and accurate by the Plan's trustee.

	2016	2015
Mutual Funds	\$ 10,246,340	\$ 2,037,665
Common Collective Trust	163,778	20,768
Notes Receivable from Participants	<u>157,388</u>	<u>-</u>
Total	<u>\$ 10,567,506</u>	<u>\$ 2,058,433</u>

The trustee also certified the completeness and accuracy of the following related to the aforementioned assets for the periods ended December 31:

	2016	2015
Net appreciation (depreciation) in fair value of investments	\$ 439,406	\$ (37,325)
Interest and dividends income	213,997	21,851
Interest income on notes receivable from participants	1,334	-

Fair Value Measurements

GAAP established a fair value hierarchy that prioritizes the inputs to measure the fair value of the assets or liabilities being measured. Fair value is defined as the exchange value that would be received on the measurement date to sell an asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Level 1 inputs provide the most reliable measure of fair value as of the measurement date.
- Level 2 Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.
- Level 3 Inputs are significant unobservable inputs for the asset or liability.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Fair Value Measurements (continued)

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

Mutual Funds: Valued at the quoted market prices of shares held by the Plan at year-end.

*Common
Collective
Trust:*

Valued at the net asset value (NAV) provided by the administrator of the fund. Issues and redemptions of units are recorded upon receipt of unit holder's instructions based on the determined NAV per unit, which is determined daily. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. The practical expedient is not used when it is for an amount different than the reported NAV. For this fund, there are no unfunded commitments, redemption restrictions and participants can transact daily.

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

The following tables set forth by level, within the fair value hierarchy, the Plan's net assets at fair value as of December 31, 2016 and 2015. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

Assets at Fair Value as of December 31, 2016				
	Level 1	Level 2	Level 3	Total
Mutual funds in the fair value hierarchy	\$10,246,340	\$ -	\$ -	\$ 10,246,340
Investments measured at net asset value *	-	-	-	163,778
Total assets at fair value	\$10,246,340	\$ -	\$ -	\$10,410,118

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Fair Value Measurements (continued)

	Assets at Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Mutual funds in the fair value hierarchy	\$ 2,037,665	\$ -	\$ -	\$ 2,037,665
Investments measured at net asset value *	-	-	-	20,768
Total assets at fair value	\$ 2,037,665	\$ -	\$ -	\$2,058,433

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Plan Termination

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

Tax Status

The Company adopted a prototype non-standardized profit sharing plan with a cash or deferred arrangement, which received a favorable opinion letter from the IRS on May 28, 2014, that stated that the Plan and related trust were designed in accordance with the applicable sections of the Internal Revenue Code (IRC). Therefore, no provision for income taxes has been included in the Plan's financial statements.

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

Party-in-Interest Transactions

Certain plan investments are managed by Vanguard. Vanguard is the trustee as defined by the Plan; and, therefore, these transactions qualify as party-in-interest transactions. Administrative expenses totaled \$16,658 and \$0 during 2016 and 2015, respectively.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015



Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the 2016 statement of net assets available for benefits.

Subsequent Events – Date of Management's Evaluation

The Plan has evaluated subsequent events through the date of the Independent Auditor's Report, the date the financial statements were available to be issued.

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SUPPLEMENTARY INFORMATION

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

EIN: #31-4340520

PLAN: 003

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

December 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(e) Current Value
	<i>Mutual Funds:</i>		
	Artisan International	Artisan International Fund; Institutional Shares	\$ 20,730
	Brookfield Global	Brookfield Global Listed Real Estate Fund; Class Y	28,779
	DFA	DFA Emerging Markets Core Equity Port: Inst'l Cl Shr	20,763
	Dodge & Cox	Dodge & Cox Stock Fund	245,353
	Metropolitan West	Metropolitan West Total Return Bond Fund: Class I Shares	93,129
	Oakmark	Oakmark International Fund; I Shares	110,713
	PRIMECAP	PRIMECAP Odyssey Growth Fund	116,048
	Royce	Royce Opportunity - Institutional	87,646
*	Vanguard	Vanguard Federal Money Market Fund	2,974
*	Vanguard	Vanguard Inflation-Protected Securities Fund: Adm Shares	32,394
*	Vanguard	Vanguard Institutional Index Fund	185,709
*	Vanguard	Vanguard Institutional Target Retirement 2010 Fund	68,839
*	Vanguard	Vanguard Institutional Target Retirement 2015 Fund	150,984
*	Vanguard	Vanguard Institutional Target Retirement 2020 Fund	1,191,816
*	Vanguard	Vanguard Institutional Target Retirement 2025 Fund	1,524,153
*	Vanguard	Vanguard Institutional Target Retirement 2030 Fund	1,689,747
*	Vanguard	Vanguard Institutional Target Retirement 2035 Fund	1,226,718
*	Vanguard	Vanguard Institutional Target Retirement 2040 Fund	762,043
*	Vanguard	Vanguard Institutional Target Retirement 2045 Fund	745,534
*	Vanguard	Vanguard Institutional Target Retirement 2050 Fund	438,773
*	Vanguard	Vanguard Institutional Target Retirement 2055 Fund	358,091
*	Vanguard	Vanguard Institutional Target Retirement 2060 Fund	128,027
*	Vanguard	Vanguard Institutional Target Retirement Income Fund	799,232
*	Vanguard	Vanguard Mid-Cap Index Fund Admiral Shares	106,322
*	Vanguard	Vanguard Selected Value Fund	68,654
*	Vanguard	Vanguard Small-Cap Growth Index Fund Admiral	43,169
	<i>Common Collective Trust:</i>		
*	Vanguard	Vanguard Retirement Savings Trust III	163,778
	<i>Loans</i>		
*	Loans to Plan participants	Varying maturity dates with interest rates ranging from 4.50% to 4.75%	157,388
			\$ 10,567,506

* Denotes party-in-interest

See Independent Auditor's Report.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

EIN: #31-4340520

PLAN: 003

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

December 31, 2015

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(e) Current Value
	<i>Mutual Funds:</i>		
	Artisan International	Artisan International Fund; Institutional Shares	\$ 6,964
	Brookfield Global	Brookfield Global Listed Real Estate Fund; Class Y	5,759
	DFA	DFA Emerging Markets Core Equity Port: Inst'l Cl Shr	5,806
	Dodge & Cox	Dodge & Cox Stock Fund	36,762
	Metropolitan West	Metropolitan West Total Return Bond Fund: Class I Shares	24,038
	Morgan Stanley	Small Company Growth Portfolio; Class I	10,495
	Oakmark	Oakmark International Fund; I Shares	27,293
	PRIMECAP	PRIMECAP Odyssey Growth Fund	51,915
	Royce	Royce Opportunity - Institutional	16,455
*	Vanguard	Vanguard Federal Money Market Fund	931
*	Vanguard	Vanguard Inflation-Protected Securities Fund: Adm Shares	7,016
*	Vanguard	Vanguard Institutional Index Fund	38,235
*	Vanguard	Vanguard Institutional Target Retirement 2010 Fund	15,662
*	Vanguard	Vanguard Institutional Target Retirement 2015 Fund	33,591
*	Vanguard	Vanguard Institutional Target Retirement 2020 Fund	240,614
*	Vanguard	Vanguard Institutional Target Retirement 2025 Fund	283,097
*	Vanguard	Vanguard Institutional Target Retirement 2030 Fund	325,422
*	Vanguard	Vanguard Institutional Target Retirement 2035 Fund	245,674
*	Vanguard	Vanguard Institutional Target Retirement 2040 Fund	135,847
*	Vanguard	Vanguard Institutional Target Retirement 2045 Fund	137,115
*	Vanguard	Vanguard Institutional Target Retirement 2050 Fund	73,055
*	Vanguard	Vanguard Institutional Target Retirement 2055 Fund	74,702
*	Vanguard	Vanguard Institutional Target Retirement 2060 Fund	20,942
*	Vanguard	Vanguard Institutional Target Retirement Income Fund	180,574
*	Vanguard	Vanguard Mid-Cap Index Fund Admiral Shares	24,519
*	Vanguard	Vanguard Selected Value Fund	15,182
	<i>Common Collective Trust:</i>		
*	Vanguard	Vanguard Retirement Savings Trust III	20,768
			<u>\$ 2,058,433</u>

* Denotes party-in-interest

See Independent Auditor's Report.

• **Financial Statements**
• with Supplementary Information

• **White Castle 401(k)**
• **Retirement Savings Plan**

• December 31, 2016 and 2015



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To the Trustees
White Castle 401K Retirement Savings Plan
Columbus, Ohio

Independent Auditor's Report

We were engaged to audit the accompanying financial statements of White Castle 401K Retirement Savings 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 year ended December 31, 2016 and the period from September 20, 2015 (date of commencement) to December 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (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 the notes to the financial statements, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the 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 periods ended December 31, 2016 and 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

To the Plan Trustees
White Castle 401K Retirement Savings Plan
Page 2

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 – Supplemental Schedules

The supplemental schedules, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2016 and 2015 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

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

GBQ Partners LLC

Columbus, Ohio
October 12, 2017

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Statements of Net Assets Available for Benefits

December 31, 2016 and 2015

	2016	2015
ASSETS		
Investments at fair value:		
Mutual funds	\$ 10,246,340	\$ 2,037,665
Common collective trust	163,778	20,768
	10,410,118	2,058,433
Receivables:		
Employer	152,627	103,492
Participants	84,143	81,961
Notes receivable from participants	157,388	-
	394,158	185,453
NET ASSETS AVAILABLE FOR BENEFITS	\$ 10,804,276	\$ 2,243,886

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

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Statements of Changes in Net Assets Available for Benefits

For the Periods Ended December 31, 2016 and 2015

	2016	2015
Additions to Net Assets Attributed to:		
Investment income:		
Interest and dividends	\$ 213,997	\$ 21,851
Net appreciation in fair value of investments	439,406	-
Total investment income	653,403	21,851
Interest income on notes receivable from participants	1,334	-
Contributions:		
Employer	3,157,363	801,928
Participants	4,856,269	1,458,363
Rollovers	60,814	-
Total contributions	8,074,446	2,260,291
Total additions	8,729,183	2,282,142
Deductions from Net Assets Attributed to:		
Net depreciation in fair value of investments	-	37,325
Distributions to participants	152,135	931
Administrative expense	16,658	-
Total deductions	168,793	38,256
Net increase	8,560,390	2,243,886
Net Assets Available for Benefits:		
Beginning of year	2,243,886	-
End of year	\$ 10,804,276	\$ 2,243,886

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

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Plan Description

The following brief description of the White Castle 401K Retirement Savings Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan agreement for more complete information. Copies of this document are available from the plan administrator. The Plan commenced operations on September 20, 2015.

General

The Plan is a defined contribution plan covering substantially all employees of White Castle System, Inc. and Subsidiaries (the Corporation and Plan Sponsor), who meet certain eligibility requirements set forth in the plan agreement. Employees who are age 21 or older and have completed 60 uninterrupted days of service may enroll in the Plan on the first day of the next month after attaining eligibility. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Vanguard Fiduciary Trust Company (Vanguard) is the record keeper and trustee of the Plan.

Contributions

The Plan allows for participants to defer up to 100% of their compensation up to the maximum allowable amount, including both after-tax Roth and pre-tax elective deferral contributions, as stated by the Internal Revenue Service (IRS). Participants may also contribute amounts representing rollovers from other qualified defined benefit or contribution plans. The Plan allows catch-up contributions from eligible employees who have attained the age of 50.

The Plan includes a safe harbor matching contribution and allows for an annual profit sharing contribution by the Corporation. The employer matching contributions are made on eligible participant's elective deferrals at a rate of 100% up to 3% of eligible compensation and 50% between 3% and 5% of eligible compensation. The amount of the profit sharing contribution is determined by the Board of Directors of the Corporation and is allocated to the participants in the same proportion the participant's compensation bears to the total compensation paid to all eligible participants. Employees must have completed one year of service in order to be eligible for employer contributions. There were no profit sharing contributions made in 2016 or 2015.

All contributions are invested as directed by each participant into the various investment options offered by the Plan. Contributions are subject to certain limitations.

Participant Accounts

Each participant's account is credited with the participant's contributions and allocations of (a) the Corporation's contributions, (b) Plan earnings and (c) administrative expenses. Allocations are based on participant earnings or account balances, as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Plan Description (continued)

Vesting

Participants are vested immediately in their contributions and the employer safe harbor matching contributions plus actual earnings thereon. Vesting in the employer profit sharing contribution portion of their accounts plus earnings thereon is based upon years of continuous service and is subject to the following vesting percentage provisions:

Years of Service	Vesting Percentage
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5 or more	100%

Notes Receivable from Participants

The plan agreement allows participants to borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of the participant's vested account balance, whichever is less. Loans must be repaid within five years unless the loan is granted to allow the participant to purchase his or her principal residence. The loans are secured by the balance in the participant's account and bear interest commensurate with local prevailing rates and range from 4.50% to 4.75%. Principal and interest are paid ratably primarily through payroll deductions.

Payment of Benefits

Upon termination of employment for any reason, including death or disability, a participant may receive a lump-sum amount equal to the value of the participant's vested interest in his or her account. A participant is also eligible to receive a distribution from their account upon reaching normal retirement age, which is 65 years of age. The Plan also provides for in-service distributions if certain financial hardship conditions are met or upon reaching age 59½ while employed by the Corporation. In the case of termination of employment, the plan includes mandatory cashout provisions for account balances less than \$5,000.

Forfeited Accounts

At December 31, 2016 and 2015, forfeited non-vested accounts totaled \$2,974 and \$931, respectively. These accounts will be first used to pay administrative expenses, and then may be used to reduce future employer contributions. Forfeitures used to pay administrative expenses were \$16,208 during 2016. No forfeitures were used in 2015.

Basis of Accounting

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

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Summary of Significant Accounting Policies

Use of Estimates

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

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For additional disclosure regarding fair value of investments, see the *Fair Value Measurements* footnote herein.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowances for credit losses have been recorded as of December 31, 2016 or 2015. If a participant ceases to make loan payments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

The Plan's administrative expenses are paid by the Plan to the extent not paid by forfeited non-vested accounts or by the Corporation, as provided by the Plan agreement.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Information Prepared and Certified by the Trustee

The following information included in the accompanying financial statements and supplemental schedules was obtained from data that has been prepared and certified to as complete and accurate by the Plan's trustee.

	2016	2015
Mutual Funds	\$ 10,246,340	\$ 2,037,665
Common Collective Trust	163,778	20,768
Notes Receivable from Participants	<u>157,388</u>	<u>-</u>
Total	<u>\$ 10,567,506</u>	<u>\$ 2,058,433</u>

The trustee also certified the completeness and accuracy of the following related to the aforementioned assets for the periods ended December 31:

	2016	2015
Net appreciation (depreciation) in fair value of investments	\$ 439,406	\$ (37,325)
Interest and dividends income	213,997	21,851
Interest income on notes receivable from participants	1,334	-

Fair Value Measurements

GAAP established a fair value hierarchy that prioritizes the inputs to measure the fair value of the assets or liabilities being measured. Fair value is defined as the exchange value that would be received on the measurement date to sell an asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Level 1 inputs provide the most reliable measure of fair value as of the measurement date.
- Level 2 Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.
- Level 3 Inputs are significant unobservable inputs for the asset or liability.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Fair Value Measurements (continued)

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

Mutual Funds: Valued at the quoted market prices of shares held by the Plan at year-end.

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Collective
Trust:*

Valued at the net asset value (NAV) provided by the administrator of the fund. Issues and redemptions of units are recorded upon receipt of unit holder's instructions based on the determined NAV per unit, which is determined daily. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. The practical expedient is not used when it is for an amount different than the reported NAV. For this fund, there are no unfunded commitments, redemption restrictions and participants can transact daily.

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

The following tables set forth by level, within the fair value hierarchy, the Plan's net assets at fair value as of December 31, 2016 and 2015. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

Assets at Fair Value as of December 31, 2016				
	Level 1	Level 2	Level 3	Total
Mutual funds in the fair value hierarchy	\$10,246,340	\$ -	\$ -	\$ 10,246,340
Investments measured at net asset value *	-	-	-	163,778
Total assets at fair value	\$10,246,340	\$ -	\$ -	\$10,410,118

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Fair Value Measurements (continued)

	Assets at Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Mutual funds in the fair value hierarchy	\$ 2,037,665	\$ -	\$ -	\$ 2,037,665
Investments measured at net asset value *	-	-	-	20,768
Total assets at fair value	\$ 2,037,665	\$ -	\$ -	\$2,058,433

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Plan Termination

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

Tax Status

The Company adopted a prototype non-standardized profit sharing plan with a cash or deferred arrangement, which received a favorable opinion letter from the IRS on May 28, 2014, that stated that the Plan and related trust were designed in accordance with the applicable sections of the Internal Revenue Code (IRC). Therefore, no provision for income taxes has been included in the Plan's financial statements.

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

Party-in-Interest Transactions

Certain plan investments are managed by Vanguard. Vanguard is the trustee as defined by the Plan; and, therefore, these transactions qualify as party-in-interest transactions. Administrative expenses totaled \$16,658 and \$0 during 2016 and 2015, respectively.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the 2016 statement of net assets available for benefits.

Subsequent Events – Date of Management's Evaluation

The Plan has evaluated subsequent events through the date of the Independent Auditor's Report, the date the financial statements were available to be issued.

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SUPPLEMENTARY INFORMATION

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

EIN: #31-4340520

PLAN: 003

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

December 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(e) Current Value
	<i>Mutual Funds:</i>		
	Artisan International	Artisan International Fund; Institutional Shares	\$ 20,730
	Brookfield Global	Brookfield Global Listed Real Estate Fund; Class Y	28,779
	DFA	DFA Emerging Markets Core Equity Port: Inst'l Cl Shr	20,763
	Dodge & Cox	Dodge & Cox Stock Fund	245,353
	Metropolitan West	Metropolitan West Total Return Bond Fund: Class I Shares	93,129
	Oakmark	Oakmark International Fund; I Shares	110,713
	PRIMECAP	PRIMECAP Odyssey Growth Fund	116,048
	Royce	Royce Opportunity - Institutional	87,646
*	Vanguard	Vanguard Federal Money Market Fund	2,974
*	Vanguard	Vanguard Inflation-Protected Securities Fund: Adm Shares	32,394
*	Vanguard	Vanguard Institutional Index Fund	185,709
*	Vanguard	Vanguard Institutional Target Retirement 2010 Fund	68,839
*	Vanguard	Vanguard Institutional Target Retirement 2015 Fund	150,984
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*	Vanguard	Vanguard Institutional Target Retirement 2025 Fund	1,524,153
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*	Vanguard	Vanguard Institutional Target Retirement 2055 Fund	358,091
*	Vanguard	Vanguard Institutional Target Retirement 2060 Fund	128,027
*	Vanguard	Vanguard Institutional Target Retirement Income Fund	799,232
*	Vanguard	Vanguard Mid-Cap Index Fund Admiral Shares	106,322
*	Vanguard	Vanguard Selected Value Fund	68,654
*	Vanguard	Vanguard Small-Cap Growth Index Fund Admiral	43,169
	<i>Common Collective Trust:</i>		
*	Vanguard	Vanguard Retirement Savings Trust III	163,778
	<i>Loans</i>		
*	Loans to Plan participants	Varying maturity dates with interest rates ranging from 4.50% to 4.75%	157,388
			\$ 10,567,506

* Denotes party-in-interest

See Independent Auditor's Report.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

EIN: #31-4340520

PLAN: 003

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

December 31, 2015

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	<i>Mutual Funds:</i>		
	Artisan International	Artisan International Fund; Institutional Shares	\$ 6,964
	Brookfield Global	Brookfield Global Listed Real Estate Fund; Class Y	5,759
	DFA	DFA Emerging Markets Core Equity Port: Inst'l Cl Shr	5,806
	Dodge & Cox	Dodge & Cox Stock Fund	36,762
	Metropolitan West	Metropolitan West Total Return Bond Fund: Class I Shares	24,038
	Morgan Stanley	Small Company Growth Portfolio; Class I	10,495
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*	Vanguard	Vanguard Institutional Target Retirement 2060 Fund	20,942
*	Vanguard	Vanguard Institutional Target Retirement Income Fund	180,574
*	Vanguard	Vanguard Mid-Cap Index Fund Admiral Shares	24,519
*	Vanguard	Vanguard Selected Value Fund	15,182
	<i>Common Collective Trust:</i>		
*	Vanguard	Vanguard Retirement Savings Trust III	20,768
			<u>\$ 2,058,433</u>

* Denotes party-in-interest

See Independent Auditor's Report.

• **Financial Statements**
• with Supplementary Information

• **White Castle 401(k)**
• **Retirement Savings Plan**

• December 31, 2016 and 2015



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To the Trustees
White Castle 401K Retirement Savings Plan
Columbus, Ohio

Independent Auditor's Report

We were engaged to audit the accompanying financial statements of White Castle 401K Retirement Savings 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 year ended December 31, 2016 and the period from September 20, 2015 (date of commencement) to December 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (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 the notes to the financial statements, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the 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 periods ended December 31, 2016 and 2015, that the information provided to the plan administrator by the trustee is complete and accurate.

To the Plan Trustees
White Castle 401K Retirement Savings Plan
Page 2

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 – Supplemental Schedules

The supplemental schedules, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2016 and 2015 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

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

GBQ Partners LLC

Columbus, Ohio
October 12, 2017

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Statements of Net Assets Available for Benefits

December 31, 2016 and 2015

	2016	2015
ASSETS		
Investments at fair value:		
Mutual funds	\$ 10,246,340	\$ 2,037,665
Common collective trust	163,778	20,768
	10,410,118	2,058,433
Receivables:		
Employer	152,627	103,492
Participants	84,143	81,961
Notes receivable from participants	157,388	-
	394,158	185,453
NET ASSETS AVAILABLE FOR BENEFITS	\$ 10,804,276	\$ 2,243,886

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

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Statements of Changes in Net Assets Available for Benefits

For the Periods Ended December 31, 2016 and 2015

	2016	2015
Additions to Net Assets Attributed to:		
Investment income:		
Interest and dividends	\$ 213,997	\$ 21,851
Net appreciation in fair value of investments	439,406	-
Total investment income	653,403	21,851
Interest income on notes receivable from participants	1,334	-
Contributions:		
Employer	3,157,363	801,928
Participants	4,856,269	1,458,363
Rollovers	60,814	-
Total contributions	8,074,446	2,260,291
Total additions	8,729,183	2,282,142
Deductions from Net Assets Attributed to:		
Net depreciation in fair value of investments	-	37,325
Distributions to participants	152,135	931
Administrative expense	16,658	-
Total deductions	168,793	38,256
Net increase	8,560,390	2,243,886
Net Assets Available for Benefits:		
Beginning of year	2,243,886	-
End of year	\$ 10,804,276	\$ 2,243,886

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

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Plan Description

The following brief description of the White Castle 401K Retirement Savings Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan agreement for more complete information. Copies of this document are available from the plan administrator. The Plan commenced operations on September 20, 2015.

General

The Plan is a defined contribution plan covering substantially all employees of White Castle System, Inc. and Subsidiaries (the Corporation and Plan Sponsor), who meet certain eligibility requirements set forth in the plan agreement. Employees who are age 21 or older and have completed 60 uninterrupted days of service may enroll in the Plan on the first day of the next month after attaining eligibility. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Vanguard Fiduciary Trust Company (Vanguard) is the record keeper and trustee of the Plan.

Contributions

The Plan allows for participants to defer up to 100% of their compensation up to the maximum allowable amount, including both after-tax Roth and pre-tax elective deferral contributions, as stated by the Internal Revenue Service (IRS). Participants may also contribute amounts representing rollovers from other qualified defined benefit or contribution plans. The Plan allows catch-up contributions from eligible employees who have attained the age of 50.

The Plan includes a safe harbor matching contribution and allows for an annual profit sharing contribution by the Corporation. The employer matching contributions are made on eligible participant's elective deferrals at a rate of 100% up to 3% of eligible compensation and 50% between 3% and 5% of eligible compensation. The amount of the profit sharing contribution is determined by the Board of Directors of the Corporation and is allocated to the participants in the same proportion the participant's compensation bears to the total compensation paid to all eligible participants. Employees must have completed one year of service in order to be eligible for employer contributions. There were no profit sharing contributions made in 2016 or 2015.

All contributions are invested as directed by each participant into the various investment options offered by the Plan. Contributions are subject to certain limitations.

Participant Accounts

Each participant's account is credited with the participant's contributions and allocations of (a) the Corporation's contributions, (b) Plan earnings and (c) administrative expenses. Allocations are based on participant earnings or account balances, as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Plan Description (continued)

Vesting

Participants are vested immediately in their contributions and the employer safe harbor matching contributions plus actual earnings thereon. Vesting in the employer profit sharing contribution portion of their accounts plus earnings thereon is based upon years of continuous service and is subject to the following vesting percentage provisions:

Years of Service	Vesting Percentage
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5 or more	100%

Notes Receivable from Participants

The plan agreement allows participants to borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of the participant's vested account balance, whichever is less. Loans must be repaid within five years unless the loan is granted to allow the participant to purchase his or her principal residence. The loans are secured by the balance in the participant's account and bear interest commensurate with local prevailing rates and range from 4.50% to 4.75%. Principal and interest are paid ratably primarily through payroll deductions.

Payment of Benefits

Upon termination of employment for any reason, including death or disability, a participant may receive a lump-sum amount equal to the value of the participant's vested interest in his or her account. A participant is also eligible to receive a distribution from their account upon reaching normal retirement age, which is 65 years of age. The Plan also provides for in-service distributions if certain financial hardship conditions are met or upon reaching age 59½ while employed by the Corporation. In the case of termination of employment, the plan includes mandatory cashout provisions for account balances less than \$5,000.

Forfeited Accounts

At December 31, 2016 and 2015, forfeited non-vested accounts totaled \$2,974 and \$931, respectively. These accounts will be first used to pay administrative expenses, and then may be used to reduce future employer contributions. Forfeitures used to pay administrative expenses were \$16,208 during 2016. No forfeitures were used in 2015.

Basis of Accounting

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

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Summary of Significant Accounting Policies

Use of Estimates

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

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For additional disclosure regarding fair value of investments, see the *Fair Value Measurements* footnote herein.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowances for credit losses have been recorded as of December 31, 2016 or 2015. If a participant ceases to make loan payments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

The Plan's administrative expenses are paid by the Plan to the extent not paid by forfeited non-vested accounts or by the Corporation, as provided by the Plan agreement.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Information Prepared and Certified by the Trustee

The following information included in the accompanying financial statements and supplemental schedules was obtained from data that has been prepared and certified to as complete and accurate by the Plan's trustee.

	2016	2015
Mutual Funds	\$ 10,246,340	\$ 2,037,665
Common Collective Trust	163,778	20,768
Notes Receivable from Participants	<u>157,388</u>	<u>-</u>
Total	<u>\$ 10,567,506</u>	<u>\$ 2,058,433</u>

The trustee also certified the completeness and accuracy of the following related to the aforementioned assets for the periods ended December 31:

	2016	2015
Net appreciation (depreciation) in fair value of investments	\$ 439,406	\$ (37,325)
Interest and dividends income	213,997	21,851
Interest income on notes receivable from participants	1,334	-

Fair Value Measurements

GAAP established a fair value hierarchy that prioritizes the inputs to measure the fair value of the assets or liabilities being measured. Fair value is defined as the exchange value that would be received on the measurement date to sell an asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Level 1 inputs provide the most reliable measure of fair value as of the measurement date.
- Level 2 Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.
- Level 3 Inputs are significant unobservable inputs for the asset or liability.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Fair Value Measurements (continued)

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

Mutual Funds: Valued at the quoted market prices of shares held by the Plan at year-end.

*Common
Collective
Trust:*

Valued at the net asset value (NAV) provided by the administrator of the fund. Issues and redemptions of units are recorded upon receipt of unit holder's instructions based on the determined NAV per unit, which is determined daily. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. The practical expedient is not used when it is for an amount different than the reported NAV. For this fund, there are no unfunded commitments, redemption restrictions and participants can transact daily.

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

The following tables set forth by level, within the fair value hierarchy, the Plan's net assets at fair value as of December 31, 2016 and 2015. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

Assets at Fair Value as of December 31, 2016				
	Level 1	Level 2	Level 3	Total
Mutual funds in the fair value hierarchy	\$10,246,340	\$ -	\$ -	\$ 10,246,340
Investments measured at net asset value *	-	-	-	163,778
Total assets at fair value	\$10,246,340	\$ -	\$ -	\$10,410,118

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Fair Value Measurements (continued)

	Assets at Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Mutual funds in the fair value hierarchy	\$ 2,037,665	\$ -	\$ -	\$ 2,037,665
Investments measured at net asset value *	-	-	-	20,768
Total assets at fair value	\$ 2,037,665	\$ -	\$ -	\$2,058,433

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Plan Termination

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

Tax Status

The Company adopted a prototype non-standardized profit sharing plan with a cash or deferred arrangement, which received a favorable opinion letter from the IRS on May 28, 2014, that stated that the Plan and related trust were designed in accordance with the applicable sections of the Internal Revenue Code (IRC). Therefore, no provision for income taxes has been included in the Plan's financial statements.

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

Party-in-Interest Transactions

Certain plan investments are managed by Vanguard. Vanguard is the trustee as defined by the Plan; and, therefore, these transactions qualify as party-in-interest transactions. Administrative expenses totaled \$16,658 and \$0 during 2016 and 2015, respectively.

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2016 and 2015

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the 2016 statement of net assets available for benefits.

Subsequent Events – Date of Management's Evaluation

The Plan has evaluated subsequent events through the date of the Independent Auditor's Report, the date the financial statements were available to be issued.

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SUPPLEMENTARY INFORMATION

WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

EIN: #31-4340520

PLAN: 003

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

December 31, 2016

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WHITE CASTLE 401K RETIREMENT SAVINGS PLAN

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December 31, 2015

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