Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 08/01/2000

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)
DRIFTWOOD HOSPITALITY MANAGEMENT, LLC

11770 US HIGHWAY ONE
SUITE 202
NORTH PALM BEACH, FL 33408

2b Employer Identification Number (EIN)
65-1006992

2c Plan Sponsor's telephone number
561-207-2761

2d Business code (see instructions)
721110

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.	01/31/2018	CHARLES OLIVER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Preparer's telephone number

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	1444
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	722
a(2) Total number of active participants at the end of the plan year	**6a(2)**	1604
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	209
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	1813
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	1813
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	1202
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	107
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 2J 2K 2F 2G 3D

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

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

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

a Pension Schedules

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

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [X] 1 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **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 A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance 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.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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
DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
DRIFTWOOD HOSPITALITY MANAGEMENT, LLC

D Employer Identification Number (EIN)
65-1006992

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
01-0233346	65838	118065	1271	01/01/2016	12/31/2016

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
35337	21789

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
MORGAN STANLEY INSURANCE SERVICES,

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
33008	134	OTHER ALLOWANCES	3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
JOHN HANCOCK LIFE INSURANCE COMPANY
P O BOX 600
BUFFALO, NY 14201-0600

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	18060	TPA FEES	5

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

DRIFTWOOD HOSPITALITY MANAGEMENT
11770 US HWY 1 STE 202 N
NORTH BEACH, FL 33408

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	
	3595	OTHER PAYMENTS	2

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

MERRILL LYNCH LIFE AGY

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	
2329			3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	**4**	25130
5	Current value of plan's interest under this contract in separate accounts at year end	**5**	14315155

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	**6b**	
c	Premiums due but unpaid at the end of the year	**6c**	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	**6d**	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year			**7b**	0
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**			
	(3) Interest credited during the year	**7c(3)**			
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below) ▶	**7c(5)**			
	(6) Total additions			**7c(6)**	0
d	Total of balance and additions (add lines **7b** and **7c(6)**)			**7d**	0
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**			
	(2) Administration charge made by carrier	**7e(2)**			
	(3) Transferred to separate account	**7e(3)**			
	(4) Other (specify below) ▶	**7e(4)**			
	(5) Total deductions			**7e(5)**	0
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- **a** ☐ Health (other than dental or vision)
- **b** ☐ Dental
- **c** ☐ Vision
- **d** ☐ Life insurance
- **e** ☐ Temporary disability (accident and sickness)
- **f** ☐ Long-term disability
- **g** ☐ Supplemental unemployment
- **h** ☐ Prescription drug
- **i** ☐ Stop loss (large deductible)
- **j** ☐ HMO contract
- **k** ☐ PPO contract
- **l** ☐ Indemnity contract
- **m** ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	0
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	0
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.			**10b**	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

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

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

A Name of plan DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN	**B** Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 DRIFTWOOD HOSPITALITY MANAGEMENT, LLC	**D** Employer Identification Number (EIN) 65-1006992

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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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)

JOHN HANCOCK LIFE INSURANCE COMPANY

P O BOX 600
BUFFALO, NY 14201-0600

01-0233346

(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 28 59 60 62 63 67 68	RECORD KEEPER	0	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

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

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
DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
DRIFTWOOD HOSPITALITY MANAGEMENT, LLC

D Employer Identification Number (EIN)
65-1006992

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)

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2060 MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.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)
01-0233346-000	P	489

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2055 MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.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)
01-0233346-000	P	341113

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2050 MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.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)
01-0233346-000	P	546124

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2045 MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.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)
01-0233346-000	P	560855

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2040 MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.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)
01-0233346-000	P	1176578

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2035 MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.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)
01-0233346-000	P	1640689

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2030 MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.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)
01-0233346-000	P	2427353

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2025 MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	2230939

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2020 MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	1364608

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET TO 2010 MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	0

a Name of MTIA, CCT, PSA, or 103-12 IE: JH RET INCOME MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	356868

a Name of MTIA, CCT, PSA, or 103-12 IE: JH LS AGG MANAGED PORTFOLIO

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	49822

a Name of MTIA, CCT, PSA, or 103-12 IE: JH LS GROW MANAGED PORT

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	84236

a Name of MTIA, CCT, PSA, or 103-12 IE: JH LS BAL MANAGED PORTFOLIO

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	53357

a Name of MTIA, CCT, PSA, or 103-12 IE: JH LS MOD MANAGED PORTFOLIO

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	39516

a Name of MTIA, CCT, PSA, or 103-12 IE: JH LS CON MANAGED PORTFOLIO

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	29809

a Name of MTIA, CCT, PSA, or 103-12 IE: ABERDEEN INTERNATIONAL EQUITY

b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY

c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	1804

a Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO SMALL CAP GROWTH		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 73967
a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP INDEX FUND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 110151
a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD MID-CAP GROWTH ETF		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 213971
a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD SMALL CAP VALUE INDEX		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 35167
a Name of MTIA, CCT, PSA, or 103-12 IE: 500 INDEX FUND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 364749
a Name of MTIA, CCT, PSA, or 103-12 IE: BLUE CHIP GROWTH FUND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 403095
a Name of MTIA, CCT, PSA, or 103-12 IE: CLEARBRIDGE AGGRESSIVE GROWTH		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 276187
a Name of MTIA, CCT, PSA, or 103-12 IE: EUROPACIFIC GROWTH FUND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 254716
a Name of MTIA, CCT, PSA, or 103-12 IE: JOHN HANCOCK DISCIPLINED VALUE		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 182935
a Name of MTIA, CCT, PSA, or 103-12 IE: MASSACHUSETTS INVESTORS FUND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 31663

a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP INDEX FUND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 150443
a Name of MTIA, CCT, PSA, or 103-12 IE: SMALLCAP WORLD FUND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 48675
a Name of MTIA, CCT, PSA, or 103-12 IE: TEMPLETON WORLD		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 115787
a Name of MTIA, CCT, PSA, or 103-12 IE: VALUE FUND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 170041
a Name of MTIA, CCT, PSA, or 103-12 IE: AMERICAN BALANCED FUND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 200973
a Name of MTIA, CCT, PSA, or 103-12 IE: ACTIVE BOND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 278654
a Name of MTIA, CCT, PSA, or 103-12 IE: FEDERATED HIGH YIELD BOND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 32327
a Name of MTIA, CCT, PSA, or 103-12 IE: TEMPLETON GLOBAL BOND FUND		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 40477
a Name of MTIA, CCT, PSA, or 103-12 IE: JOHN HANCOCK STABLE VAL		
b Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.)		
c EIN-PN 01-0233346-000	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 427017
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

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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)

Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

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

A Name of plan
DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
DRIFTWOOD HOSPITALITY MANAGEMENT, LLC

D Employer Identification Number (EIN)
65-1006992

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	9599	25130
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	4740	513
(2) Participant contributions	1b(2)	9827	853
(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)	337962	271017
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	12995102	14315155
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	13357230	14612668
	Liabilities			
g	Benefit claims payable	1g	57646	13069
h	Operating payables	1h	22500	22500
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	80146	35569
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	13277084	14577099

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)	671979	
	(B) Participants	2a(1)(B)	1658910	
	(C) Others (including rollovers)	2a(1)(C)	758225	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		3089114
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)	12340	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		12340
	(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)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		981834
(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)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		4083288
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2691091	
(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)		2691091
f Corrective distributions (see instructions)	2f		13069
g Certain deemed distributions of participant loans (see instructions)	2g		17696
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	61417	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		61417
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2783273
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1300015
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: CALER DONTEN LEVINE,COHEN,PORTE &V **(2)** EIN: 59-2831281

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a	X		9900
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	4n		X	
o	Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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

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

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

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

Part V Trust Information

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

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

A Name of plan
DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
DRIFTWOOD HOSPITALITY MANAGEMENT, LLC

D Employer Identification Number (EIN)
65-1006992

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** 0

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): 45-0404698 01-0233346

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

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

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part VII IRS Compliance Questions

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

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

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

Audited Financial Statements
and Supplementary Information

Driftwood Hospitality Management, Inc. 401(k) Plan

December 31, 2016 and 2015



CALER, DONTEN, LEVINE,
COHEN, PORTER & VEIL, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

DECEMBER 31, 2016 AND 2015

INDEPENDENT AUDITOR'S REPORT 1

AUDITED FINANCIAL STATEMENTS

Statements of Net Assets Available for Benefits 3
Statements of Changes in Net Assets Available for Benefits 4
Notes to Financial Statements 5

SUPPLEMENTARY INFORMATION

Schedule of Delinquent Participant Contributions 14
Schedule of Assets (Held at End of Year) 15
Schedule of Assets (Acquired and Disposed of Within Year) 16

CALER, DONTEN, LEVINE,
COHEN, PORTER & VEIL, P.A.

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MEMBERS
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FLORIDA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Plan Administrator
Driftwood Hospitality Management, Inc. 401(k) Plan
North Palm Beach, Florida

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Driftwood Hospitality Management, Inc. 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to 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 U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by John Hancock Life Insurance Company, the custodian of the Plan and Ascensus, Inc., as agent for Ascensus 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 John Hancock Life Insurance Company held the Plan's investment assets and executed investment transactions from April 25, 2015 to December 31, 2016 and that Ascensus, Inc., as agent for Ascensus Trust Company, held the Plan's investment assets and executed investment transactions for the period from January 1, 2015 to April 24, 2015. The Plan administrator has obtained certifications from the custodian and Ascensus, Inc., as agent for the trustee, as of and for the years ended December 31, 2016 and 2015, that the information provided to the Plan administrator by the custodian and agent for the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of delinquent participant contributions, assets (held at end of year), and assets (acquired and disposed of within year) as of and for the year ended December 31, 2016 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the 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 custodian and the agent on behalf of the trustee, have been audited by us in accordance with U.S. generally accepted auditing standards and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Cohen, Dunten, Levine, Cohen, Porter & Veil, P.A.

West Palm Beach, Florida
January 23, 2018

DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2016 and 2015

	2016	2015
ASSETS		
Investments at fair value		
Pooled separate accounts	$ 14,315,155	$ 12,995,102
Receivables		
Notes receivable from participants	271,017	337,962
Participants' contributions	853	9,827
Employer contribution	513	4,740
	272,383	352,529
Cash	25,130	9,599
TOTAL ASSETS	14,612,668	13,357,230
LIABILITIES		
Excess contributions payable	13,069	57,646
Accounts payable	22,500	22,500
TOTAL LIABILITIES	35,569	80,146
NET ASSETS AVAILABLE FOR BENEFITS	$ 14,577,099	$ 13,277,084

See notes to financial statements.

DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

STATEMENTS OF CHANGES IN NET
ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2016 and 2015

	2016	2015
ADDITIONS		
Investment earnings (loss)		
Net appreciation (depreciation) in fair value	$ 981,834	$ (255,351)
Dividends and interest	0	18,543
	981,834	(236,808)
Interest income on notes receivable from participants	12,340	11,065
Contributions		
Participants	1,645,841	1,777,210
Employer	671,979	796,091
Rollovers	758,225	462,024
	3,076,045	3,035,325
TOTAL ADDITIONS	4,070,219	2,809,582
DEDUCTIONS		
Benefits paid to participants	2,708,787	1,459,813
Administrative expenses	61,417	60,054
TOTAL DEDUCTIONS	2,770,204	1,519,867
NET INCREASE	1,300,015	1,289,715
Net assets available for benefits, beginning of year	13,277,084	11,987,369
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	$ 14,577,099	$ 13,277,084

See notes to financial statements.

DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2016 and 2015

NOTE A - PLAN DESCRIPTION

Driftwood Hospitality Management, Inc. 401(k) Plan (the "Plan") was established effective August 1, 2000. The Plan was established for eligible employees of Driftwood Hospitality Management, Inc. (the "Company") and is intended to comply with the Employee Retirement Income Security Act of 1974 ("ERISA") and Sections 401(a) and 501(a) of the Internal Revenue Code, as amended. The following description of the Plan provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan covering all full-time employees of the Company who have one year of service and are age twenty-one or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions: Each year, employees participating in the Plan may contribute up to 100% of pre-tax compensation to the Plan, subject to the limits set forth by the Internal Revenue Service. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. Participants who turn 50 during a Plan year can make additional pre-tax contributions pursuant to the Catch-Up Elective Contributions feature specified in the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"). Contributions received from participants for 2016 and 2015 are net of payments of $13,069 and $57,646, respectively, made to certain active participants subsequent to year-end to return to them excess deferral contributions as required to satisfy the relevant nondiscrimination provisions of the Plan. These amounts are also included in the Plan's statements of net assets available for benefits as excess contributions payable at December 31, 2016 and 2015.

The Company, at the option of the Board of Directors, may contribute additional amounts to the Plan as a discretionary match of participant contributions. The Company makes a matching contribution to the employee's account for up to 2% of the employee's contribution for the year. Company contributions are credited to individual participants' accounts at the time the contribution is made and are allocated to a participant's account based on the participant's elections. Company matching contributions for the years ended December 31, 2016 and 2015 were $671,979 and $796,091, respectively.

Participant Accounts: Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contribution, allocations of Company discretionary contributions and investment earnings, and charged with withdrawals and an allocation of investment losses and administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting: Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company contributions portion of participant accounts plus earnings thereon is based on years of continuous service, as follows: less than 1 year, 0%; 1 year, 20%; 2 years, 40%; 3 years, 60%; 4 years, 80%; and, 5 or more years, 100%.

NOTE A - PLAN DESCRIPTION (Continued)

Payment of Benefits: On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a ten-year period. For termination of service due to other reasons, a participant will receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeited Accounts: Forfeitures of non-vested accounts may be used to reduce Company contributions or pay the Plan's administrative expenses. Forfeited amounts available to reduce the Company's future contributions or pay administrative expenses were $25,130 and $9,599 at December 31, 2016 and 2015, respectively. During 2016 and 2015 no forfeited participant accounts were used to reduce the Company's contributions. During 2016 and 2015 forfeited participant accounts of $22,500 and $18,500, respectively, were used to pay certain administrative expenses of the Plan.

Notes Receivable from Participants: Participants may borrow from their investment fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance for a term of five years, or fifteen years for the purchase of a primary residence. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant notes receivable fund. The loans are secured by the balance in the participant's account and bear interest at a fixed rate commensurate with local prevailing rates established at the time of the loan by the Plan administrator. Principal and interest is paid monthly through employee payroll deductions. Interest income is recorded on the accrual basis. Interest rates on outstanding participant loans ranged from 4.25% to 4.50% for the years ended December 31, 2016 and December 31, 2015.

Investment Options: Upon enrollment in the Plan, a participant may direct employee contributions into any of the various investment options offered by the Plan. Participants may change their investment options and allocations daily. Effective April 25, 2015 the Plan provides participant-directed investments in a variety of pooled separate accounts with John Hancock Life Insurance Company, and from January 1, 2015 through April 24, 2015 the Plan provided participant-directed investments in mutual funds held by Ascensus Trust Company.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The accompanying financial statements have been prepared on the accrual basis of accounting. The Plan recognizes participant contributions received as additions to net assets in the period received from participants through payroll deductions. Company contributions are recognized in the year in which the Company becomes obligated to make such contributions. Expenses are recorded when incurred in accordance with the accrual basis of accounting. Benefit payments are recorded when paid.

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. See Note D for discussion of fair value measurements. Investments are not insured or collateralized. Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year. Certain management fees and operating

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

expenses related to the Plan's investments are reflected as a reduction of investment income in the accompanying statements of changes in net assets available for benefits. The Plan invested in mutual funds from January 1, 2015 to April 24, 2015 and in pooled separate accounts with an insurance company from April 25, 2015 to December 31, 2016. The pooled separate accounts consist of ownership of units in a pool of securities owned by the insurance company that are separate from the insurer's general investments. The pooled separate accounts are stated at fair value as determined by the issuer based on the fair value of the underlying investments.

All investment information included in the financial statements, notes and supplemental schedules was obtained from data that was prepared and certified as complete and accurate by John Hancock Life Insurance Company and Ascensus, Inc., as agent for Ascensus Trust Company, the custodian and trustee of the Plan's assets, respectively. No auditing procedures were performed by the independent certified public accountant with respect to the information certified as complete and accurate by the Plan's custodian and trustee.

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

Use of Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Subsequent Events: The Plan has evaluated subsequent events through January 23, 2018, which is the date the financial statements were available to be issued.

Adoption of New Accounting Standards: The Plan implemented the following new accounting standards during 2016:

- FASB ASU No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent).* The amendments in this ASU remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. The ASU also changes certain disclosure requirements. The ASU is effective retrospectively for fiscal years beginning after December 15, 2016 and interim periods within those fiscal years, with early adoption permitted. The Plan elected to early adopt ASU No. 2015-07 as of December 31, 2016 and has determined based on the expanded definition of Readily Determinable Fair Value, (RDFV) per ASU No. 2015-10, *Technical Corrections and Improvements*, that Net Asset Value of the pooled separate accounts does not qualify as a practical expedient and such investments should continue to be included in the fair value hierarchy. Adoption and application of ASU No. 2015-07 therefore had no effect on the Plan's financial statements and the related note disclosures as of December 31, 2016 and 2015.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- FASB ASU No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965) – (I) Fully Benefit-Responsive Investment Contracts, (II) Plan Investment Disclosures and (III) Measurement Date Practical Expedient*. This three-part standard simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts and plan investment disclosures, and provides for a measurement-date practical expedient. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts. Contract value is now the only required measurement for fully-benefit responsive investment contracts under ASU No. 2015-12. Part II eliminates the requirements to disclose individual investments that represent 5% or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value by no longer requiring disaggregation of investments by nature, characteristics and risks. The disclosure of information about fair value measurements is required by general type of plan assets. Part III of the ASU provides a practical expedient to permit plans to measure investments and investment-related accounts as of a month-end date. Parts I and II of the update are effective retrospectively for fiscal years beginning after December 15, 2015 with early application permitted. Part III of ASU No. 2015-12 is effective prospectively for fiscal years beginning after December 15, 2015. The Plan adopted Part II for the year ended December 31, 2016 and has applied the provisions retrospectively for the year ended December 31, 2015. Parts I and III are not applicable to the Plan. The adoption of Part II is reflected in the notes to the financial statements and certain disclosures that are no longer required have been removed. Adoption and application of ASU No. 2015-12 had no effect on the Plan's Statements of Net Assets Available for Benefits or the Statements of Changes in Net Assets Available for Benefits as of and for the years ended December 31, 2016 and 2015.

NOTE C-INVESTMENT INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN AND AGENT ON BEHALF OF TRUSTEE

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. We have been informed by the Plan administrator that John Hancock Life Insurance Company held the Plan's investment assets and executed transactions from April 25, 2015 to December 31, 2016, and that Ascensus Trust Company held the Plan's investment assets and executed investment transactions for the period from January 1, 2015 to April 24, 2015. Accordingly, John Hancock Life Insurance Company and Ascensus, Inc., as agent for Ascensus Trust Company, the custodian and trustee of the Plan, respectively, have certified that the following investment fair values and investment earnings included in the accompanying financial statements and supplemental schedules are complete and accurate.

NOTE C-INVESTMENT INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN AND AGENT ON BEHALF OF TRUSTEE (Continued)

	2016	2015
John Hancock Life Insurance Company		
Pooled Separate Accounts		
500 Index Fund	$ 364,749	$ 352,154
Aberdeen International Equity	1,804	346
Active Bond Fund	278,654	249,785
American Balanced Fund	200,973	123,432
Blue Chip Growth Fund	403,095	342,156
EuroPacific Growth Fund	254,716	234,227
Federated Institutional High Yield Bond	32,327	55,465
Invesco Small Cap Growth Fund	73,967	47,683
JH Lifestyle Aggressive - Managed Portfolio	49,822	65,073
JH Lifestyle Balanced - Managed Portfolio	53,357	10,587
JH Lifestyle Conservative - Managed Portfolio	29,809	18,297
JH Lifestyle Growth - Managed Portfolio	84,236	40,787
JH Lifestyle Moderate - Managed Portfolio	39,516	24,071
JH Retirement through 2010 - Managed Portfolio	0	167,399
JH Retirement through 2015 - Managed Portfolio	365,868	361,766
JH Retirement through 2020 - Managed Portfolio	1,364,608	1,385,894
JH Retirement through 2025 - Managed Portfolio	2,230,939	2,177,663
JH Retirement through 2030 - Managed Portfolio	2,427,353	1,865,281
JH Retirement through 2035 - Managed Portfolio	1,640,689	1,630,964
JH Retirement through 2040 - Managed Portfolio	1,176,578	935,454
JH Retirement through 2045 - Managed Portfolio	560,855	525,244
JH Retirement through 2050 - Managed Portfolio	546,124	525,497
JH Retirement through 2055 - Managed Portfolio	341,113	300,391
JH Retirement through 2060 - Managed Portfolio	489	0
John Hancock Disciplined Value Fund	182,935	222,958
John Hancock Stable Value Fund	427,017	300,413
Legg Mason ClearBridge Aggressive Growth Fund	276,187	297,468
Massachusetts Investors Fund	31,663	14,976
Mid Cap Index Fund	150,443	72,858
Small Cap Index Fund	110,151	32,228
SMALLCAP World Fund	48,675	28,848
Templeton Global Bond Fund	40,477	30,905
Templeton World Fund	115,787	98,840
Value Fund	170,041	139,316
Vanguard Mid Cap Growth ETF	213,971	263,243
Vanguard Small Cap Value Index Fund	35,167	53,433
Total Pooled Separate Accounts	14,315,155	12,995,102
Notes Receivable from Participants	271,017	337,962
Total Pooled Separate Accounts and Notes Receivable from Participants	$ 14,586,172	$ 13,333,064

NOTE C-INVESTMENT INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN AND AGENT ON BEHALF OF TRUSTEE (Continued)

Investment earnings for the years ended December 31, 2016 and 2015 are summarized as follows:

	2016	2015
Investment Earnings (Loss)		
Net appreciation (depreciation) in fair value of:		
Pooled separate accounts	$ 981,834	$ (619,321)
Mutual fund investments	0	363,970
Dividend and interest income	0	18,543
	981,834	(236,808)
Interest income on notes receivable from participants	12,340	11,065
Total Investment Earnings (Loss)	$ 994,174	$ (225,743)

NOTE D - FAIR VALUE MEASUREMENTS

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

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access at the measurement date.

Level 2: Inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the assets or liabilities.
- Inputs that are derived principally from or corroborated by observable market data, by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect the Plan's own estimates for assumptions that market participants would use in pricing the asset or liability. Valuation techniques would typically include discounted cash flow models and similar techniques, but may also include the use of market prices of assets or liabilities that are not directly comparable to the subject asset or liability.

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

NOTE D - FAIR VALUE MEASUREMENTS (Continued)

Items Measured at Fair Value on a Recurring Basis: The following methods and assumptions were used by the Plan in estimating the fair value of financial instruments that are measured at fair value on a recurring basis under FASB ASC 820:

Pooled separate accounts: Price/unit values for variable annuity investment options are calculated daily by the annuity provider based on the quoted net asset value (NAV) on a national exchange for the underlying mutual fund, adjusted for the expense factor disclosed in the annuity contract.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the methodologies used during the years ended December 31, 2016 and 2015.

Fair Value of Assets: The fair value of the Plan's financial assets measured at fair value on a recurring basis at December 31, 2016 and 2015, by level within the fair value hierarchy, are summarized as follows:

	Fair Value as of December 31, 2016			
	Level 1	Level 2	Level 3	Total
Pooled Separate Accounts	$ 0	$ 14,315,155	$ 0	$ 14,315,155

	Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Pooled Separate Accounts	$ 0	$ 12,995,102	$ 0	$ 12,995,102

NOTE E - ADMINISTRATION

The Company is the Plan's administrator. The Plan is administered by certain employees of the Company as appointed by the Board of Directors of the Company. John Hancock Life Insurance Company was the Plan custodian for the period April 25, 2015 to December 31, 2016. Ascensus Trust Company was the Plan trustee and custodian of the Plan's assets for the period January 1, 2015 to April 24, 2015.

Expenses such as trustee, custodial, audit and legal fees are payable out of Plan assets, except where the Company directly assumes such expenses. For the 2016 Plan year, the Plan paid John Hancock Life Insurance Company $38,917. For the 2015 plan year, the Plan paid John Hancock Life Insurance Company and Ascensus Trust Company $28,150. For the 2016 and 2015 Plan year, Plan management recorded audit fees of $22,500 as accounts payable of the Plan at December 31, 2016 and 2015. For the 2016 Plan year management will pay the accrued audit fees out of Plan forfeitures in the subsequent year. For the 2015 Plan year, management paid administrative expenses of $22,500 out of Plan forfeitures during the year ended December 31, 2016. For 2016 and 2015 all other administrative expenses were paid by the Company.

NOTE F - TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated March 31, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's legal counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

The Plan evaluates its uncertain tax positions in accordance with FASB ASC 740, *Income Taxes*, which states that management's determination of the taxable status of an entity, including its status as a tax-exempt entity, is a tax position subject to the standards required for accounting for uncertainty in income taxes. Management does not believe that the Plan has any significant uncertain tax positions that would be material to the financial statements. The Plan's tax returns for tax years 2014 to 2016 remain subject to examination by the Internal Revenue Service, generally for a period of three years after they are filed.

NOTE G - TERMINATION

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

NOTE H - RISKS AND UNCERTAINTIES

The Plan's investments are exposed to various risks, such as market risk, interest rate risk, and credit risk. In addition, certain investments of the Plan may be subject to additional risks including, foreign currency risk, derivatives risk, foreign and emerging markets risk, leveraging risk, liquidity risk, multi-manager risk, real estate risk and small company risk. Due to the various risks associated with the Plan's investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the participants' account balances and the amounts reported in the accompanying statement of net assets available for benefits.

The Plan's investments may also include certain securities with contractual cash flows, such as asset backed securities, collateralized mortgage obligations and commercial mortgage backed securities. The value, liquidity, and related income of these securities are sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

NOTE I - CONCENTRATIONS

As of December 31, 2016 and 2015, the Plan's investments included approximately 43% and 53% of the Plan's net assets held in three and four separate pooled accounts that each exceeded 10% of the Plan's net assets, respectively.

NOTE J - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 SCHEDULE H

As indicated in Note A, contributions received from participants are net of payments made to certain participants subsequent to year-end to return to them excess deferral contributions as required to satisfy the relevant nondiscrimination provisions of the Plan. The following is a reconciliation of the participant contributions reported in the financial statements to those reported on Form 5500 Schedule H:

	2016	2015
Participants contributions per the financial statements	$ 1,645,841	$ 1,777,210
Add: excess contributions reported on Form 5500 Schedule H, Part II, Line 2f, *Corrective distributions*	13,069	57,646
Participants contributions per Form 5500 Schedule H, Part II, Line 2a(1)(B)	$ 1,658,910	$ 1,834,856

NOTE K - PROHIBITED TRANSACTIONS

During 2016, the Plan Sponsor failed to transmit to the Plan $163 of withheld participant contributions within the time prescribed in the Code of Federal Regulations. Late payments result in a prohibited transaction inasmuch as a late remittance is deemed to create a loan to the Plan Sponsor. The Plan Sponsor made a contribution to the Plan in 2017 of $1 to compensate for lost earnings resulting from the late payments, which is included in the employer contribution receivable at December 31, 2016.

During 2015, the Plan Sponsor failed to transmit to the Plan $9,827 of withheld participant contributions within the time prescribed in the Code of Federal Regulations. The Plan Sponsor made a contribution to the Plan in 2016 of $458 to compensate for lost earnings resulting from the late payments, which is included in the employer contribution receivable at December 31, 2015.

SUPPLEMENTARY INFORMATION

Driftwood Hospitality Management, Inc. 401(k) Plan
Plan Number: 001
EIN: 65-1006992
Schedule H, Part IV, Line 4(a)
Schedule of Delinquent Participant Contributions
December 31, 2016

	Total that Constitute Non exempt Prohibited Transactions			
Participant Contributions Transferred Late to Plan	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
Check Here if Late Participant Loan Repayments are included: ☐				
$9,990	$163	$9,827	$0	$0

Driftwood Hospitality Management, Inc. 401(k) Plan
Plan Number: 001
EIN: 65-1006992
Schedule H, Part IV, Line 4(i)
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	(d) Cost	(e) Current Value
	Pooled Separate Accounts			
*	John Hancock Life Insurance Company	500 Index Fund		$ 364,749
*	John Hancock Life Insurance Company	Aberdeen International Equity		1,804
*	John Hancock Life Insurance Company	Active Bond Fund		278,654
*	John Hancock Life Insurance Company	American Balanced Fund		200,973
*	John Hancock Life Insurance Company	Blue Chip Growth Fund		403,095
*	John Hancock Life Insurance Company	EuroPacfic Growth Fund		254,716
*	John Hancock Life Insurance Company	Federated Institutional High Yield Bond		32,327
*	John Hancock Life Insurance Company	Invesco Small Cap Growth Fund		73,967
*	John Hancock Life Insurance Company	JH Lifestyle Aggressive - Managed Portfolio		49,822
*	John Hancock Life Insurance Company	JH Lifestyle Balanced - Managed Portfolio		53,357
*	John Hancock Life Insurance Company	JH Lifestyle Conservative - Managed Portfolio		29,809
*	John Hancock Life Insurance Company	JH Lifestyle Growth - Managed Portfolio		84,236
*	John Hancock Life Insurance Company	JH Lifestyle Moderate - Managed Portfolio		39,516
*	John Hancock Life Insurance Company	JH Retirement through 2015 - Managed Portfolio		356,868
*	John Hancock Life Insurance Company	JH Retirement through 2020 - Managed Portfolio		1,364,608
*	John Hancock Life Insurance Company	JH Retirement through 2025 - Managed Portfolio		2,230,939
*	John Hancock Life Insurance Company	JH Retirement through 2030 - Managed Portfolio		2,427,353
*	John Hancock Life Insurance Company	JH Retirement through 2035 - Managed Portfolio		1,640,689
*	John Hancock Life Insurance Company	JH Retirement through 2040 - Managed Portfolio		1,176,578
*	John Hancock Life Insurance Company	JH Retirement through 2045 - Managed Portfolio		560,855
*	John Hancock Life Insurance Company	JH Retirement through 2050 - Managed Portfolio		546,124
*	John Hancock Life Insurance Company	JH Retirement through 2055 - Managed Portfolio		341,113
*	John Hancock Life Insurance Company	JH Retirement through 2060 - Managed Portfolio		489
*	John Hancock Life Insurance Company	John Hancock Disciplined Value Fund		182,935
*	John Hancock Life Insurance Company	John Hancock Stable Value Fund		427,017
*	John Hancock Life Insurance Company	Legg Mason ClearBridge Aggressive Growth Fund		276,187
*	John Hancock Life Insurance Company	Massachuesetts Investors Fund		31,663
*	John Hancock Life Insurance Company	Mid Cap Index Fund		150,443
*	John Hancock Life Insurance Company	Small Cap Index Fund		110,151
*	John Hancock Life Insurance Company	SMALLCAP World Fund		48,675
*	John Hancock Life Insurance Company	Templeton Global Bond Fund		40,477
*	John Hancock Life Insurance Company	Templeton World Fund		115,787
*	John Hancock Life Insurance Company	Value Fund		170,041
*	John Hancock Life Insurance Company	Vanguard Mid Cap Growth ETF		213,971
*	John Hancock Life Insurance Company	Vanguard Small Cap Value Index Fund		35,167
		Total Pooled Separate Accounts		14,315,155
	Participant Loans	4.25% - 4.50%	$ 0	271,017
		Total	$ 0	$ 14,586,172

* Party-in-interest

Driftwood Hospitality Management, Inc. 401(k) Plan
Plan Number: 001
EIN: 65-1006992
Schedule H, Part IV, Line 4(i)
Schedule of Assets (Acquired and Disposed of Within Year)
December 31, 2016

(a) Identity of Issue, Borrower, Lessor, or Similar Party	(b) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(c) Cost of Acquisitions	(d) Proceeds of Dispositions
Participant Loans	4.25% - 4.50%	$ 0	$ 0

Audited Financial Statements
and Supplementary Information

Driftwood Hospitality Management, Inc. 401(k) Plan

December 31, 2016 and 2015



CALER, DONTEN, LEVINE,
COHEN, PORTER & VEIL, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

DECEMBER 31, 2016 AND 2015

INDEPENDENT AUDITOR'S REPORT 1

AUDITED FINANCIAL STATEMENTS

Statements of Net Assets Available for Benefits 3
Statements of Changes in Net Assets Available for Benefits 4
Notes to Financial Statements 5

SUPPLEMENTARY INFORMATION

Schedule of Delinquent Participant Contributions 14
Schedule of Assets (Held at End of Year) 15
Schedule of Assets (Acquired and Disposed of Within Year) 16

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Independent Auditor's Report

To the Plan Administrator
Driftwood Hospitality Management, Inc. 401(k) Plan
North Palm Beach, Florida

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Driftwood Hospitality Management, Inc. 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to 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 U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by John Hancock Life Insurance Company, the custodian of the Plan and Ascensus, Inc., as agent for Ascensus 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 John Hancock Life Insurance Company held the Plan's investment assets and executed investment transactions from April 25, 2015 to December 31, 2016 and that Ascensus, Inc., as agent for Ascensus Trust Company, held the Plan's investment assets and executed investment transactions for the period from January 1, 2015 to April 24, 2015. The Plan administrator has obtained certifications from the custodian and Ascensus, Inc., as agent for the trustee, as of and for the years ended December 31, 2016 and 2015, that the information provided to the Plan administrator by the custodian and agent for the trustee is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of delinquent participant contributions, assets (held at end of year), and assets (acquired and disposed of within year) as of and for the year ended December 31, 2016 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the 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 custodian and the agent on behalf of the trustee, have been audited by us in accordance with U.S. generally accepted auditing standards and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Cohen, Dunten, Levine, Cohen, Porter & Veil, P.A.

West Palm Beach, Florida
January 23, 2018

DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2016 and 2015

	2016	2015
ASSETS		
Investments at fair value		
Pooled separate accounts	$ 14,315,155	$ 12,995,102
Receivables		
Notes receivable from participants	271,017	337,962
Participants' contributions	853	9,827
Employer contribution	513	4,740
	272,383	352,529
Cash	25,130	9,599
TOTAL ASSETS	14,612,668	13,357,230
LIABILITIES		
Excess contributions payable	13,069	57,646
Accounts payable	22,500	22,500
TOTAL LIABILITIES	35,569	80,146
NET ASSETS AVAILABLE FOR BENEFITS	$ 14,577,099	$ 13,277,084

See notes to financial statements.

DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

STATEMENTS OF CHANGES IN NET
ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2016 and 2015

	2016	2015
ADDITIONS		
Investment earnings (loss)		
Net appreciation (depreciation) in fair value	$ 981,834	$ (255,351)
Dividends and interest	0	18,543
	981,834	(236,808)
Interest income on notes receivable from participants	12,340	11,065
Contributions		
Participants	1,645,841	1,777,210
Employer	671,979	796,091
Rollovers	758,225	462,024
	3,076,045	3,035,325
TOTAL ADDITIONS	4,070,219	2,809,582
DEDUCTIONS		
Benefits paid to participants	2,708,787	1,459,813
Administrative expenses	61,417	60,054
TOTAL DEDUCTIONS	2,770,204	1,519,867
NET INCREASE	1,300,015	1,289,715
Net assets available for benefits, beginning of year	13,277,084	11,987,369
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	$ 14,577,099	$ 13,277,084

See notes to financial statements.

DRIFTWOOD HOSPITALITY MANAGEMENT, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2016 and 2015

NOTE A - PLAN DESCRIPTION

Driftwood Hospitality Management, Inc. 401(k) Plan (the "Plan") was established effective August 1, 2000. The Plan was established for eligible employees of Driftwood Hospitality Management, Inc. (the "Company") and is intended to comply with the Employee Retirement Income Security Act of 1974 ("ERISA") and Sections 401(a) and 501(a) of the Internal Revenue Code, as amended. The following description of the Plan provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan covering all full-time employees of the Company who have one year of service and are age twenty-one or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions: Each year, employees participating in the Plan may contribute up to 100% of pre-tax compensation to the Plan, subject to the limits set forth by the Internal Revenue Service. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. Participants who turn 50 during a Plan year can make additional pre-tax contributions pursuant to the Catch-Up Elective Contributions feature specified in the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"). Contributions received from participants for 2016 and 2015 are net of payments of $13,069 and $57,646, respectively, made to certain active participants subsequent to year-end to return to them excess deferral contributions as required to satisfy the relevant nondiscrimination provisions of the Plan. These amounts are also included in the Plan's statements of net assets available for benefits as excess contributions payable at December 31, 2016 and 2015.

The Company, at the option of the Board of Directors, may contribute additional amounts to the Plan as a discretionary match of participant contributions. The Company makes a matching contribution to the employee's account for up to 2% of the employee's contribution for the year. Company contributions are credited to individual participants' accounts at the time the contribution is made and are allocated to a participant's account based on the participant's elections. Company matching contributions for the years ended December 31, 2016 and 2015 were $671,979 and $796,091, respectively.

Participant Accounts: Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contribution, allocations of Company discretionary contributions and investment earnings, and charged with withdrawals and an allocation of investment losses and administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting: Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company contributions portion of participant accounts plus earnings thereon is based on years of continuous service, as follows: less than 1 year, 0%; 1 year, 20%; 2 years, 40%; 3 years, 60%; 4 years, 80%; and, 5 or more years, 100%.

NOTE A - PLAN DESCRIPTION (Continued)

Payment of Benefits: On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a ten-year period. For termination of service due to other reasons, a participant will receive the value of the vested interest in his or her account as a lump-sum distribution.

Forfeited Accounts: Forfeitures of non-vested accounts may be used to reduce Company contributions or pay the Plan's administrative expenses. Forfeited amounts available to reduce the Company's future contributions or pay administrative expenses were $25,130 and $9,599 at December 31, 2016 and 2015, respectively. During 2016 and 2015 no forfeited participant accounts were used to reduce the Company's contributions. During 2016 and 2015 forfeited participant accounts of $22,500 and $18,500, respectively, were used to pay certain administrative expenses of the Plan.

Notes Receivable from Participants: Participants may borrow from their investment fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance for a term of five years, or fifteen years for the purchase of a primary residence. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant notes receivable fund. The loans are secured by the balance in the participant's account and bear interest at a fixed rate commensurate with local prevailing rates established at the time of the loan by the Plan administrator. Principal and interest is paid monthly through employee payroll deductions. Interest income is recorded on the accrual basis. Interest rates on outstanding participant loans ranged from 4.25% to 4.50% for the years ended December 31, 2016 and December 31, 2015.

Investment Options: Upon enrollment in the Plan, a participant may direct employee contributions into any of the various investment options offered by the Plan. Participants may change their investment options and allocations daily. Effective April 25, 2015 the Plan provides participant-directed investments in a variety of pooled separate accounts with John Hancock Life Insurance Company, and from January 1, 2015 through April 24, 2015 the Plan provided participant-directed investments in mutual funds held by Ascensus Trust Company.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The accompanying financial statements have been prepared on the accrual basis of accounting. The Plan recognizes participant contributions received as additions to net assets in the period received from participants through payroll deductions. Company contributions are recognized in the year in which the Company becomes obligated to make such contributions. Expenses are recorded when incurred in accordance with the accrual basis of accounting. Benefit payments are recorded when paid.

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. See Note D for discussion of fair value measurements. Investments are not insured or collateralized. Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year. Certain management fees and operating

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

expenses related to the Plan's investments are reflected as a reduction of investment income in the accompanying statements of changes in net assets available for benefits. The Plan invested in mutual funds from January 1, 2015 to April 24, 2015 and in pooled separate accounts with an insurance company from April 25, 2015 to December 31, 2016. The pooled separate accounts consist of ownership of units in a pool of securities owned by the insurance company that are separate from the insurer's general investments. The pooled separate accounts are stated at fair value as determined by the issuer based on the fair value of the underlying investments.

All investment information included in the financial statements, notes and supplemental schedules was obtained from data that was prepared and certified as complete and accurate by John Hancock Life Insurance Company and Ascensus, Inc., as agent for Ascensus Trust Company, the custodian and trustee of the Plan's assets, respectively. No auditing procedures were performed by the independent certified public accountant with respect to the information certified as complete and accurate by the Plan's custodian and trustee.

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

Use of Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Subsequent Events: The Plan has evaluated subsequent events through January 23, 2018, which is the date the financial statements were available to be issued.

Adoption of New Accounting Standards: The Plan implemented the following new accounting standards during 2016:

- FASB ASU No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent).* The amendments in this ASU remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. The ASU also changes certain disclosure requirements. The ASU is effective retrospectively for fiscal years beginning after December 15, 2016 and interim periods within those fiscal years, with early adoption permitted. The Plan elected to early adopt ASU No. 2015-07 as of December 31, 2016 and has determined based on the expanded definition of Readily Determinable Fair Value, (RDFV) per ASU No. 2015-10, *Technical Corrections and Improvements*, that Net Asset Value of the pooled separate accounts does not qualify as a practical expedient and such investments should continue to be included in the fair value hierarchy. Adoption and application of ASU No. 2015-07 therefore had no effect on the Plan's financial statements and the related note disclosures as of December 31, 2016 and 2015.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- FASB ASU No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965) – (I) Fully Benefit-Responsive Investment Contracts, (II) Plan Investment Disclosures and (III) Measurement Date Practical Expedient*. This three-part standard simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts and plan investment disclosures, and provides for a measurement-date practical expedient. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts. Contract value is now the only required measurement for fully-benefit responsive investment contracts under ASU No. 2015-12. Part II eliminates the requirements to disclose individual investments that represent 5% or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value by no longer requiring disaggregation of investments by nature, characteristics and risks. The disclosure of information about fair value measurements is required by general type of plan assets. Part III of the ASU provides a practical expedient to permit plans to measure investments and investment-related accounts as of a month-end date. Parts I and II of the update are effective retrospectively for fiscal years beginning after December 15, 2015 with early application permitted. Part III of ASU No. 2015-12 is effective prospectively for fiscal years beginning after December 15, 2015. The Plan adopted Part II for the year ended December 31, 2016 and has applied the provisions retrospectively for the year ended December 31, 2015. Parts I and III are not applicable to the Plan. The adoption of Part II is reflected in the notes to the financial statements and certain disclosures that are no longer required have been removed. Adoption and application of ASU No. 2015-12 had no effect on the Plan's Statements of Net Assets Available for Benefits or the Statements of Changes in Net Assets Available for Benefits as of and for the years ended December 31, 2016 and 2015.

NOTE C-INVESTMENT INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN AND AGENT ON BEHALF OF TRUSTEE

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. We have been informed by the Plan administrator that John Hancock Life Insurance Company held the Plan's investment assets and executed transactions from April 25, 2015 to December 31, 2016, and that Ascensus Trust Company held the Plan's investment assets and executed investment transactions for the period from January 1, 2015 to April 24, 2015. Accordingly, John Hancock Life Insurance Company and Ascensus, Inc., as agent for Ascensus Trust Company, the custodian and trustee of the Plan, respectively, have certified that the following investment fair values and investment earnings included in the accompanying financial statements and supplemental schedules are complete and accurate.

NOTE C-INVESTMENT INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN AND AGENT ON BEHALF OF TRUSTEE (Continued)

	2016	2015
John Hancock Life Insurance Company		
Pooled Separate Accounts		
500 Index Fund	$ 364,749	$ 352,154
Aberdeen International Equity	1,804	346
Active Bond Fund	278,654	249,785
American Balanced Fund	200,973	123,432
Blue Chip Growth Fund	403,095	342,156
EuroPacific Growth Fund	254,716	234,227
Federated Institutional High Yield Bond	32,327	55,465
Invesco Small Cap Growth Fund	73,967	47,683
JH Lifestyle Aggressive - Managed Portfolio	49,822	65,073
JH Lifestyle Balanced - Managed Portfolio	53,357	10,587
JH Lifestyle Conservative - Managed Portfolio	29,809	18,297
JH Lifestyle Growth - Managed Portfolio	84,236	40,787
JH Lifestyle Moderate - Managed Portfolio	39,516	24,071
JH Retirement through 2010 - Managed Portfolio	0	167,399
JH Retirement through 2015 - Managed Portfolio	365,868	361,766
JH Retirement through 2020 - Managed Portfolio	1,364,608	1,385,894
JH Retirement through 2025 - Managed Portfolio	2,230,939	2,177,663
JH Retirement through 2030 - Managed Portfolio	2,427,353	1,865,281
JH Retirement through 2035 - Managed Portfolio	1,640,689	1,630,964
JH Retirement through 2040 - Managed Portfolio	1,176,578	935,454
JH Retirement through 2045 - Managed Portfolio	560,855	525,244
JH Retirement through 2050 - Managed Portfolio	546,124	525,497
JH Retirement through 2055 - Managed Portfolio	341,113	300,391
JH Retirement through 2060 - Managed Portfolio	489	0
John Hancock Disciplined Value Fund	182,935	222,958
John Hancock Stable Value Fund	427,017	300,413
Legg Mason ClearBridge Aggressive Growth Fund	276,187	297,468
Massachusetts Investors Fund	31,663	14,976
Mid Cap Index Fund	150,443	72,858
Small Cap Index Fund	110,151	32,228
SMALLCAP World Fund	48,675	28,848
Templeton Global Bond Fund	40,477	30,905
Templeton World Fund	115,787	98,840
Value Fund	170,041	139,316
Vanguard Mid Cap Growth ETF	213,971	263,243
Vanguard Small Cap Value Index Fund	35,167	53,433
Total Pooled Separate Accounts	14,315,155	12,995,102
Notes Receivable from Participants	271,017	337,962
Total Pooled Separate Accounts and Notes Receivable from Participants	$ 14,586,172	$ 13,333,064

NOTE C-INVESTMENT INFORMATION PREPARED AND CERTIFIED BY CUSTODIAN AND AGENT ON BEHALF OF TRUSTEE (Continued)

Investment earnings for the years ended December 31, 2016 and 2015 are summarized as follows:

	2016	2015
Investment Earnings (Loss)		
Net appreciation (depreciation) in fair value of:		
Pooled separate accounts	$ 981,834	$ (619,321)
Mutual fund investments	0	363,970
Dividend and interest income	0	18,543
	981,834	(236,808)
Interest income on notes receivable from participants	12,340	11,065
Total Investment Earnings (Loss)	$ 994,174	$ (225,743)

NOTE D - FAIR VALUE MEASUREMENTS

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

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access at the measurement date.

Level 2: Inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the assets or liabilities.
- Inputs that are derived principally from or corroborated by observable market data, by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect the Plan's own estimates for assumptions that market participants would use in pricing the asset or liability. Valuation techniques would typically include discounted cash flow models and similar techniques, but may also include the use of market prices of assets or liabilities that are not directly comparable to the subject asset or liability.

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

NOTE D - FAIR VALUE MEASUREMENTS (Continued)

Items Measured at Fair Value on a Recurring Basis: The following methods and assumptions were used by the Plan in estimating the fair value of financial instruments that are measured at fair value on a recurring basis under FASB ASC 820:

Pooled separate accounts: Price/unit values for variable annuity investment options are calculated daily by the annuity provider based on the quoted net asset value (NAV) on a national exchange for the underlying mutual fund, adjusted for the expense factor disclosed in the annuity contract.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the methodologies used during the years ended December 31, 2016 and 2015.

Fair Value of Assets: The fair value of the Plan's financial assets measured at fair value on a recurring basis at December 31, 2016 and 2015, by level within the fair value hierarchy, are summarized as follows:

	Fair Value as of December 31, 2016			
	Level 1	Level 2	Level 3	Total
Pooled Separate Accounts	$ 0	$ 14,315,155	$ 0	$ 14,315,155

	Fair Value as of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Pooled Separate Accounts	$ 0	$ 12,995,102	$ 0	$ 12,995,102

NOTE E - ADMINISTRATION

The Company is the Plan's administrator. The Plan is administered by certain employees of the Company as appointed by the Board of Directors of the Company. John Hancock Life Insurance Company was the Plan custodian for the period April 25, 2015 to December 31, 2016. Ascensus Trust Company was the Plan trustee and custodian of the Plan's assets for the period January 1, 2015 to April 24, 2015.

Expenses such as trustee, custodial, audit and legal fees are payable out of Plan assets, except where the Company directly assumes such expenses. For the 2016 Plan year, the Plan paid John Hancock Life Insurance Company $38,917. For the 2015 plan year, the Plan paid John Hancock Life Insurance Company and Ascensus Trust Company $28,150. For the 2016 and 2015 Plan year, Plan management recorded audit fees of $22,500 as accounts payable of the Plan at December 31, 2016 and 2015. For the 2016 Plan year management will pay the accrued audit fees out of Plan forfeitures in the subsequent year. For the 2015 Plan year, management paid administrative expenses of $22,500 out of Plan forfeitures during the year ended December 31, 2016. For 2016 and 2015 all other administrative expenses were paid by the Company.

NOTE F - TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated March 31, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's legal counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

The Plan evaluates its uncertain tax positions in accordance with FASB ASC 740, *Income Taxes*, which states that management's determination of the taxable status of an entity, including its status as a tax-exempt entity, is a tax position subject to the standards required for accounting for uncertainty in income taxes. Management does not believe that the Plan has any significant uncertain tax positions that would be material to the financial statements. The Plan's tax returns for tax years 2014 to 2016 remain subject to examination by the Internal Revenue Service, generally for a period of three years after they are filed.

NOTE G - TERMINATION

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

NOTE H - RISKS AND UNCERTAINTIES

The Plan's investments are exposed to various risks, such as market risk, interest rate risk, and credit risk. In addition, certain investments of the Plan may be subject to additional risks including, foreign currency risk, derivatives risk, foreign and emerging markets risk, leveraging risk, liquidity risk, multi-manager risk, real estate risk and small company risk. Due to the various risks associated with the Plan's investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the participants' account balances and the amounts reported in the accompanying statement of net assets available for benefits.

The Plan's investments may also include certain securities with contractual cash flows, such as asset backed securities, collateralized mortgage obligations and commercial mortgage backed securities. The value, liquidity, and related income of these securities are sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

NOTE I - CONCENTRATIONS

As of December 31, 2016 and 2015, the Plan's investments included approximately 43% and 53% of the Plan's net assets held in three and four separate pooled accounts that each exceeded 10% of the Plan's net assets, respectively.

NOTE J - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 SCHEDULE H

As indicated in Note A, contributions received from participants are net of payments made to certain participants subsequent to year-end to return to them excess deferral contributions as required to satisfy the relevant nondiscrimination provisions of the Plan. The following is a reconciliation of the participant contributions reported in the financial statements to those reported on Form 5500 Schedule H:

	2016	2015
Participants contributions per the financial statements	$ 1,645,841	$ 1,777,210
Add: excess contributions reported on Form 5500 Schedule H, Part II, Line 2f, *Corrective distributions*	13,069	57,646
Participants contributions per Form 5500 Schedule H, Part II, Line 2a(1)(B)	$ 1,658,910	$ 1,834,856

NOTE K - PROHIBITED TRANSACTIONS

During 2016, the Plan Sponsor failed to transmit to the Plan $163 of withheld participant contributions within the time prescribed in the Code of Federal Regulations. Late payments result in a prohibited transaction inasmuch as a late remittance is deemed to create a loan to the Plan Sponsor. The Plan Sponsor made a contribution to the Plan in 2017 of $1 to compensate for lost earnings resulting from the late payments, which is included in the employer contribution receivable at December 31, 2016.

During 2015, the Plan Sponsor failed to transmit to the Plan $9,827 of withheld participant contributions within the time prescribed in the Code of Federal Regulations. The Plan Sponsor made a contribution to the Plan in 2016 of $458 to compensate for lost earnings resulting from the late payments, which is included in the employer contribution receivable at December 31, 2015.

SUPPLEMENTARY INFORMATION

Driftwood Hospitality Management, Inc. 401(k) Plan
Plan Number: 001
EIN: 65-1006992
Schedule H, Part IV, Line 4(a)
Schedule of Delinquent Participant Contributions
December 31, 2016

	Total that Constitute Non exempt Prohibited Transactions			
Participant Contributions Transferred Late to Plan	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
Check Here if Late Participant Loan Repayments are included: ☐				
$9,990	$163	$9,827	$0	$0

Driftwood Hospitality Management, Inc. 401(k) Plan
Plan Number: 001
EIN: 65-1006992
Schedule H, Part IV, Line 4(i)
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	(d) Cost	(e) Current Value
	Pooled Separate Accounts			
*	John Hancock Life Insurance Company	500 Index Fund		$ 364,749
*	John Hancock Life Insurance Company	Aberdeen International Equity		1,804
*	John Hancock Life Insurance Company	Active Bond Fund		278,654
*	John Hancock Life Insurance Company	American Balanced Fund		200,973
*	John Hancock Life Insurance Company	Blue Chip Growth Fund		403,095
*	John Hancock Life Insurance Company	EuroPacfic Growth Fund		254,716
*	John Hancock Life Insurance Company	Federated Institutional High Yield Bond		32,327
*	John Hancock Life Insurance Company	Invesco Small Cap Growth Fund		73,967
*	John Hancock Life Insurance Company	JH Lifestyle Aggressive - Managed Portfolio		49,822
*	John Hancock Life Insurance Company	JH Lifestyle Balanced - Managed Portfolio		53,357
*	John Hancock Life Insurance Company	JH Lifestyle Conservative - Managed Portfolio		29,809
*	John Hancock Life Insurance Company	JH Lifestyle Growth - Managed Portfolio		84,236
*	John Hancock Life Insurance Company	JH Lifestyle Moderate - Managed Portfolio		39,516
*	John Hancock Life Insurance Company	JH Retirement through 2015 - Managed Portfolio		356,868
*	John Hancock Life Insurance Company	JH Retirement through 2020 - Managed Portfolio		1,364,608
*	John Hancock Life Insurance Company	JH Retirement through 2025 - Managed Portfolio		2,230,939
*	John Hancock Life Insurance Company	JH Retirement through 2030 - Managed Portfolio		2,427,353
*	John Hancock Life Insurance Company	JH Retirement through 2035 - Managed Portfolio		1,640,689
*	John Hancock Life Insurance Company	JH Retirement through 2040 - Managed Portfolio		1,176,578
*	John Hancock Life Insurance Company	JH Retirement through 2045 - Managed Portfolio		560,855
*	John Hancock Life Insurance Company	JH Retirement through 2050 - Managed Portfolio		546,124
*	John Hancock Life Insurance Company	JH Retirement through 2055 - Managed Portfolio		341,113
*	John Hancock Life Insurance Company	JH Retirement through 2060 - Managed Portfolio		489
*	John Hancock Life Insurance Company	John Hancock Disciplined Value Fund		182,935
*	John Hancock Life Insurance Company	John Hancock Stable Value Fund		427,017
*	John Hancock Life Insurance Company	Legg Mason ClearBridge Aggressive Growth Fund		276,187
*	John Hancock Life Insurance Company	Massachuesetts Investors Fund		31,663
*	John Hancock Life Insurance Company	Mid Cap Index Fund		150,443
*	John Hancock Life Insurance Company	Small Cap Index Fund		110,151
*	John Hancock Life Insurance Company	SMALLCAP World Fund		48,675
*	John Hancock Life Insurance Company	Templeton Global Bond Fund		40,477
*	John Hancock Life Insurance Company	Templeton World Fund		115,787
*	John Hancock Life Insurance Company	Value Fund		170,041
*	John Hancock Life Insurance Company	Vanguard Mid Cap Growth ETF		213,971
*	John Hancock Life Insurance Company	Vanguard Small Cap Value Index Fund		35,167
		Total Pooled Separate Accounts		14,315,155
	Participant Loans	4.25% - 4.50%	$ 0	271,017
		Total	$ 0	$ 14,586,172

* Party-in-interest

Driftwood Hospitality Management, Inc. 401(k) Plan
Plan Number: 001
EIN: 65-1006992
Schedule H, Part IV, Line 4(i)
Schedule of Assets (Acquired and Disposed of Within Year)
December 31, 2016

(a) Identity of Issue, Borrower, Lessor, or Similar Party	(b) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(c) Cost of Acquisitions	(d) Proceeds of Dispositions
Participant Loans	4.25% - 4.50%	$ 0	$ 0