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

2017

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

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:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
ZMC HOTELS, LLC 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1988

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)

ZMC HOTELS, LLC

1855 OLYMPIC BLVD SUITE 300
WALNUT CREEK, CA 94596

2b Employer Identification Number (EIN)
47-4191838

2c Plan Sponsor's telephone number
218-529-7733

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.	08/16/2018	JOANN MATTSON
	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

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 or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:
a Sponsor's name
c Plan Name

4b EIN

4d PN

5 Total number of participants at the beginning of the plan year	**5**	696
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)**	647
a(2) Total number of active participants at the end of the plan year	**6a(2)**	707
b Retired or separated participants receiving benefits	**6b**	1
c Other retired or separated participants entitled to future benefits	**6c**	55
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	763
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	2
f Total. Add lines **6d** and **6e**.	**6f**	765
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	205
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2G 2J 2K 2T 3D 3H

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

9a Plan funding arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

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

a Pension Schedules

- **(1)** [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)** [ ] 0 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2017 Form M-1 annual report. If the plan was not required to file the 2017 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE C (Form 5500)	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.**	**2017** **This Form is Open to Public Inspection.**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
ZMC HOTELS, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ZMC HOTELS, LLC

D Employer Identification Number (EIN)
47-4191838

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).. . . . . [X] Yes [ ] No

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

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

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

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

INFINITY FINANCIAL SERVICES

6602 OWENS DR STE 200
PLEASANTON, CA 94588

(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?
27	ADVISOR	21833	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	20196	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

RSM US LLP

42-0714325

(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?
10	ACCOUNTANT/AUDITOR	14700	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation		**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
BLKRK GLOBAL ALLOC I - BNY MELLON	P.O. BOX 9793 PROVIDENCE, RI 02940	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation		**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
C&S REAL ESTATE I - BOSTON FINANCI	P.O. BOX 8480 BOSTON, MA 02266	0.10%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation		**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
IVY SCIENCE & TECH I - WI SERVICES	P.O. BOX 29217 SHAWNEE MISSION, KS 66201	0.10%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
J H ENTERPRISE I - JANUS SERVICES 43-1804048	0.10%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JPM STRAT INC OPP R5 - BOSTON FINA P.O. BOX 8480 BOSTON, MA 02266	0.10%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
LD ABT SH DRTN INC I - DST SYSTEMS 43-1581814	0.10%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
LOOMIS BOND R - DST ASSET MANAGER P.O. BOX 8406 BOSTON, MA 02266	0.35%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MFS INTL VALUE R4 - MFS SERVICE CE 04-2865649	0.15%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OPP DEVELOPING MKT Y - OFI GLOBAL 225 LIBERTY STREET NEW YORK, NY 10281	0.25%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OPPHMR INTL GRTH Y - OFI GLOBAL AS 225 LIBERTY STREET NEW YORK, NY 10281	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PRU GLOBAL RE Z - PRUDENTIAL MUTUA 22-3703799	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PRU HIGH YIELD Z - PRUDENTIAL MUTU 22-3703799	0.25%

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
TMPL GLOBAL BOND A - FRANKLIN TEMP 94-3167260	0.40%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
TMPL GLOBAL BOND ADV - FRANKLIN TE 94-3167260	0.15%

(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

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

(complete as many entries as needed)

a Name: RSM US LLP
b EIN: 42-0714325
c Position: ACCOUNTANT
d Address: 227 W 1ST ST., SUITE 700
DULUTH, MN 55802
e Telephone: 218-727-5025

Explanation: TRANSITIONING TO AN AUDIT FIRM IN CLOSER PROXIMITY TO THE COMPANY'S HEADQUARTERS.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
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

2017

This Form is Open to Public Inspection

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
ZMC HOTELS, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ZMC HOTELS, LLC

D Employer Identification Number (EIN)
47-4191838

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	48150	12628
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	173580	154951
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	6941868	8301473
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	**1d(1)**	0	0
	(2) Employer real property	**1d(2)**	0	0
e	Buildings and other property used in plan operation	**1e**	0	0
f	Total assets (add all amounts in lines 1a through 1e)	**1f**	7163598	8469052
	Liabilities			
g	Benefit claims payable	**1g**	0	0
h	Operating payables	**1h**	0	0
i	Acquisition indebtedness	**1i**	0	0
j	Other liabilities	**1j**	0	0
k	Total liabilities (add all amounts in lines 1g through1j)	**1k**	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	**1l**	7163598	8469052

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)**	0	
	(B) Participants	**2a(1)(B)**	572750	
	(C) Others (including rollovers)	**2a(1)(C)**	101940	
	(2) Noncash contributions	**2a(2)**	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	**2a(3)**		674690
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	**2b(1)(A)**	154	
	(B) U.S. Government securities	**2b(1)(B)**	0	
	(C) Corporate debt instruments	**2b(1)(C)**	0	
	(D) Loans (other than to participants)	**2b(1)(D)**	0	
	(E) Participant loans	**2b(1)(E)**	8591	
	(F) Other	**2b(1)(F)**	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	**2b(1)(G)**		8745
	(2) Dividends: **(A)** Preferred stock	**2b(2)(A)**	0	
	(B) Common stock	**2b(2)(B)**	0	
	(C) Registered investment company shares (e.g. mutual funds)	**2b(2)(C)**	359354	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	**2b(2)(D)**		359354
	(3) Rents	**2b(3)**		0
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	**2b(4)(A)**	0	
	(B) Aggregate carrying amount (see instructions)	**2b(4)(B)**	0	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	**2b(4)(C)**		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	**2b(5)(A)**	0	
	(B) Other	**2b(5)(B)**	0	
	(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)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		904205
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		1946994
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	570053	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		570053
f Corrective distributions (see instructions)	2f		14693
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	56794	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		56794
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		641540
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1305454
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

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

(1) Name: FRANK, RIMERMAN CO. LLP **(2)** EIN: 94-1341042

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		60126
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
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			

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

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.)

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

2017

This Form is Open to Public Inspection.

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
ZMC HOTELS, LLC 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ZMC HOTELS, LLC

D Employer Identification Number (EIN)
47-4191838

Part I Distributions

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

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

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

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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): _____

---

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):

ZMC Hotels, LLC 401(k) Plan

Financial Statements and Supplemental Schedules with Independent Auditors' Report

December 31, 2017 and 2016

Frank, Rimerman + Co. LLP

T A B L E O F C O N T E N T S

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Frank, Rimerman + Co. LLP

Plan Administrator
ZMC Hotels, LLC 401(k) Plan
Walnut Creek, California

Certified
Public
Accountants

Palo Alto
San Francisco
San Jose
St. Helena

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the ZMC Hotels, LLC 401(k) Plan (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2017, and the related statement of changes in net assets available for benefits for the year 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company (Fidelity), the Plan's trustee, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that Fidelity holds Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from Fidelity as of December 31, 2017 and 2016, and for the year ended December 31, 2017, that the information provided to the Plan administrator by Fidelity 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.

Report on the Supplemental Schedules

The supplemental schedules as of and for the year ended December 31, 2017, listed in the accompanying table of contents, are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules.

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 Fidelity, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Other Matter – 2016 Financial Statement

The Plan's statement of net assets available for benefits as of December 31, 2016 was audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by Fidelity, the Plan's trustee. Their report, dated October 11, 2017, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and, accordingly, they did not express an opinion on the financial statement and (b) the form and content of the information included in the financial statement, other than that derived from the information certified by Fidelity, was presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.



San Jose, California
August 10, 2018

ZMC Hotels, LLC 401(k) Plan
Statements of Net Assets Available for Benefits

	December 31, 2017	December 31, 2016
Assets		
Investments, at fair value:		
Mutual funds	$ 8,301,473	$ 6,941,868
Money market fund	12,628	48,150
Total investments, at fair value	8,314,101	6,990,018
Notes receivable from participants	154,951	203,109
Total assets	8,469,052	7,193,127
Liabilities		
Liability for corrective distributions	(58,217)	(14,693)
Net Assets Available for Benefits	$ 8,410,835	$ 7,178,434

See Independent Auditors' Report and Notes to Financial Statements

ZMC Hotels, LLC 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2017

Additions to Net Assets	
Investment income:	
Net appreciation in fair value of investments	$ 904,205
Interest and dividends	359,508
Net investment income	1,263,713
Interest income on notes receivable from participants	9,902
Net income	1,273,615
Contributions:	
Participant	514,533
Participant rollovers	101,940
Total contributions	616,473
Total additions	1,890,088
Deductions from Net Assets	
Benefits paid to participants	600,893
Administrative expenses	56,794
Total deductions	657,687
Net Increase	1,232,401
Net Assets Available for Benefits	
Beginning of year	7,178,434
End of year	$ 8,410,835

1. Description of Plan

The ZMC Hotels, LLC 401(k) Plan (the Plan) was established by ZMC Hotels, LLC (the Company) to provide participants with a method to fund their retirement on a tax-deferred basis. The Plan has since been amended and restated most recently as of May 15, 2016. The Plan, as amended and restated, provides retirement benefits to eligible employees of the Company and Hall Equities Group (collectively, the Employer). 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 with a 401(k) salary deferral arrangement qualified under appropriate provisions of the Internal Revenue Code (the Code) and applicable state laws. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Company is the Plan sponsor and Plan administrator. The Plan is administered by Company employees. Fidelity Management Trust Company (Fidelity) serves as the Plan's trustee and record keeper. Fidelity holds, invests and reinvests trust assets in the interest and at the direction of participants and their beneficiaries.

Eligible Participants:

Eligible employees, as defined by the Plan, age 21 or older, may participate in the Plan after six months of service.

Contributions:

Participants may make contributions to the Plan through pre-tax salary reduction up to 90% of annual compensation, as defined, subject to certain limitations under the Code. Participants who have reached the age of 50 may elect to withhold additional catch-up contributions under the Code. Participants may also contribute after-tax contributions and amounts representing distributions from other qualified defined benefit or contribution plans (rollovers), subject to Code regulations.

The Employer may also make discretionary matching and non-elective contributions. No Employer matching or non-elective contributions were made to the Plan in 2017.

Contributions are subject to certain limitations under the Code.

1. Description of Plan (continued)

Participant Accounts:

Each participant's account is credited with the participant's contributions and an allocation of Employer contributions, if any, plus earnings (less any losses) thereon. Allocations are based on participant earnings or account balances, in accordance with Plan provisions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participants may elect to invest their accounts in a variety of participant directed investment fund options offered by the Plan that are designed to provide the participants with a wide range of investment options. A participant may authorize transfers among investment options at any time.

Vesting and Forfeitures:

Participants are immediately vested in their salary deferral, after-tax and rollover contributions, plus earnings (less any losses) thereon. Vesting in Employer matching and non-elective contributions, if any, plus allocated earnings (less any losses) thereon, is based on continuous years of service. A participant becomes 20% vested in Employer matching and non-elective contributions after one year of service and is fully vested after five years, or upon retirement, disability, or death.

Forfeited non-vested accounts may be used to reduce Plan expenses and then to reduce Employer contributions. At December 31, 2017 and 2016, forfeited non-vested accounts outstanding were approximately $1,060 and $17,100, respectively.

Notes Receivable from Participants:

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant notes are reclassified as distributions based upon the terms of the Plan document.

Participants may borrow up to one-half of their vested account balance, not to exceed $50,000, for a period not to exceed five years, except for notes used to purchase a primary residence for which longer terms may be granted. The notes are evidenced by a written note, secured by the vested balance in the participant's account and bear interest at a rate that is commensurate with local prevailing rates, as determined by the Plan administrator, under the Plan's note policy. A participant may only have one note outstanding at any time. Interest rates on notes outstanding as of December 31, 2017 range from 4.25% to 6.25%. Repayment of principal and interest is generally made through payroll deductions.

1. Description of Plan (continued)

Liability for Corrective Distributions:

The liability for corrective distributions represents contributions made by certain participants that must be refunded in order for the Plan to be in compliance with applicable non-discrimination tests. The December 31, 2017 liability of $58,217 was refunded in 2018 (December 31, 2016 liability of $14,693 was refunded in 2017).

Payment of Benefits:

Upon termination of service, participants may elect to leave their account balance in the Plan, or receive their total benefits in a lump sum amount equal to the value of the participant's vested interest in their account, as defined in the Plan. Benefits are recorded when paid.

Vested account balances between $1,000 and $5,000 for participants no longer employed by the Employer may be automatically distributed to an Individual Retirement Account without participant approval. Vested account balances of $1,000 or less for participants no longer employed by the Company may be distributed directly to participants without their consent.

Administrative Expenses:

Several of the investment fund options are subject to investment fees based on a percentage of invested assets, as disclosed in the fund's prospectus. All such fees are charged directly against the fund's investment performance and, thus, are not separately disclosed in the accompanying financial statements. Participant's accounts are assessed a separate fee for the administration of notes receivable and certain third-party administration fees. All other expenses to administer the Plan are paid by the Employer and are not reflected in the Plan's financial statements.

Risks and Uncertainties:

The Plan offers a variety of investment options to participants. Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in risk in the near term could materially affect participant account balances and the amounts reported in the accompanying financial statements.

1. Description of Plan (continued)

Plan Termination:

Although it has not expressed any intent to do so, the Plan sponsor has the right under the Plan to terminate the Plan at any time, subject to provisions of ERISA. In the event of Plan termination, participants will become fully vested in their accounts and distributions will be made to participants as described in the Plan agreement.

2. Summary of Significant Accounting Policies

Basis of Accounting:

The Plan prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investments:

Investments consist of mutual funds and a money market fund. These funds are reported at the net asset value (NAV) of shares held by the Plan at year end, as quoted in active markets. It is not probable that these funds will be sold at amounts that differ materially from the NAV of shares held.

Fair Value Measurements:

The Plan uses a three-level hierarchy for fair value measurements based on the nature of inputs used in the valuation of an asset or liability as of the measurement date. The three-level hierarchy prioritizes within the measurement of fair value, the use of market-based information over entity-specific information. Fair value focuses on an exit price and is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements: (continued)

The three-level hierarchy for fair value measurements is defined as follows:

Level I: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level II: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level III: Inputs to the valuation methodology, which are significant to the fair value measurement, are unobservable.

A financial instrument's categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The Plan's mutual funds and the money market fund are recorded at fair value and classified as Level I within the fair value hierarchy at December 31, 2017 and 2016.

Income Recognition:

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 includes the Plan's gains and losses on investments bought, sold or held during the year.

Subsequent Events:

Subsequent events have been evaluated through the date of the independent auditors' report, which is the date the financial statements were approved by the Plan and available to be issued.

3. Information Prepared and Certified by Fidelity

Fidelity, as the Plan's trustee, has certified the value of the following assets held at December 31, 2017 and 2016, and the net income for the year ended December 31, 2017, which were used in the preparation of the accompanying financial statements and supplemental schedules.

The following table summarizes the certified information at December 31:

	2017	2016
Investments, at fair value	$ 8,314,101	$ 6,990,018
Notes receivable from participants	154,951	203,109
Total certified assets	$ 8,469,052	$ 7,193,127
Certified net income for the year ended December 31, 2017	$ 1,273,615	

4. Tax Status

The Plan has adopted a volume submitter plan offered by Fidelity, which received an opinion letter from the Internal Revenue Service (IRS) stating that form of the plan submitted for review qualified under provisions of the Code. The Plan has been amended since receipt of the letter; however, the Plan Sponsor believes the Plan is being operated in compliance with the applicable requirements of the Code and related state statutes, and that the trust, which forms a part of the Plan, is exempt from federal and state income taxes.

Accounting principles generally accepted in the United States of America require Plan management to evaluate income tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the income tax positions taken by the Plan, and has concluded that as of December 31, 2017 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for the years prior to 2014.

5. Party-In-Interest Transactions

Certain of the Plan's investments are offered by Fidelity, the Plan's trustee. Purchases and sales of these investments qualify as party-in-interest transactions. Notes receivable transactions with participants also qualify as party-in-interest transactions. These transactions are exempt from the prohibited transaction rules under ERISA.

During 2017, participant contributions and note repayments totaling $60,126 were not remitted to the Plan on a timely basis as required by the DOL. These late remittances are considered nonexempt prohibited party-in-interest transactions. In 2018, the Plan sponsor contributed $84 representing lost earnings and participant accounts were credited with the estimated amount of investment income that would have been earned had the contributions and note repayments been remitted on a timely basis.

6. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500 as of December 31:

	2017	2016
Net assets available for benefits per the financial statements	$ 8,410,835	$ 7,178,434
Deemed distribution of notes receivable from participants	-	(29,529)
Liability for corrective distributions	58,217	14,693
Net assets available for benefits per Form 5500	$ 8,469,052	$ 7,163,598

The following is a reconciliation of the change in net assets available for benefits per the financial statements to Schedule H of Form 5500 for the year ended December 31, 2017:

Net increase in net assets available for benefits per the financial statements	$ 1,232,401
Deemed distribution of notes receivable from participants	29,529
Change in liability for corrective distributions	43,524
Net increase in net assets available for benefits per Form 5500	$ 1,305,454

ZMC Hotels, LLC 401(k) Plan
(Employer Identification Number 47-4191838)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2017

(a)	(b) Identity of issuer, 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
	Fidelity Management Trust Company		
	American Funds Balanced Fund Class R6	**	$ 492,735
	American Funds Capital Income Builder Fund Class R6	**	291,950
	American Funds Capital World Growth & Income Fund Class R6	**	1,117,250
	American Funds Growth Fund Of America Class R6	**	124,431
	American Funds Income Fund Of America Class R6	**	1,328,128
	American Funds New World Fund Class R6	**	72,628
	American Funds Small Cap World Fund Class R6	**	79,530
	American Funds Washington Mutual Investors Fund Class R6	**	127,845
	Blackrock Global Allocation Fund	**	68,992
	C&S Real Estate Securities Fund	**	56,858
	DFA U.S. Target Value Portfolio	**	14,703
*	Fidelity Contrafund Fund	**	232,220
*	Fidelity Government Cash Reserves Fund	**	12,628
*	Fidelity International Discovery Fund	**	71,478
*	Fidelity Small Cap Growth Fund	**	158,888
*	Fidelity Small Cap Index Fund	**	44,163
	Janus Henderson Enterprise Fund Class I	**	45,908
	JPMorgan Strategic Income Opportunities Fund Class R5	**	666
	Lord Abbett Short Duration Income Fund Class I	**	81,145
	MFS International Value Fund Class R4	**	129,416
	MFS Technology Fund Class R6	**	75,170
	Oppenheimer Developing Markets Fund Class Y	**	64,823
	Oppenheimer International Growth Fund Class Y	**	94,165
	PIMCO Commodity Real Return Strategy Fund	**	82
	PIMCO Real Return Fund	**	35,123
	Pioneer Bond Fund Class K	**	92,699
	Prudential Global Real Estate Fund Class Z	**	10,952
	Prudential High-Yield Fund Class Z	**	80,460
	Templeton Global Bond Fund	**	42,685
	Vanguard 2015 Target Retirement Fund	**	363,429
	Vanguard 2020 Target Retirement Fund	**	155,422
	Vanguard 2025 Target Retirement Fund	**	144,982
	Vanguard 2030 Target Retirement Fund	**	639,315
	Vanguard 2035 Target Retirement Fund	**	297,041
	Vanguard 2040 Target Retirement Fund	**	107,562
	Vanguard 2045 Target Retirement Fund	**	245,535
	Vanguard 2050 Target Retirement Fund	**	84,813
	Vanguard 2055 Target Retirement Fund	**	105,883
	Vanguard 2060 Target Retirement Fund	**	3,133

(continued)

ZMC Hotels, LLC 401(k) Plan
(Employer Identification Number 47-4191838)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4i - Schedule of Assets (Held at End of Year) (continued)
December 31, 2017

	Fidelity Management Trust Company (continued)		
	Vanguard Intermediate Term Bond Index Fund	**	37,406
	Vanguard Mid Cap Index Fund	**	305,821
	Vanguard Target Retirement Income Fund	**	64
	Vanguard Total Stock Market Index Fund	**	232,984
	Vanguard Wellington Fund	**	541,875
	Victory Sycamore Established Value R6	**	1,115
	Participant notes receivable - 22 notes outstanding		
*	with interest rates from 4.25% to 6.25%	-	154,951
	Total assets held at end of year		$ 8,469,052

* An asterisk in colum (a) denotes a transaction with a party-in-interest to the Plan.
** Cost information is not required as all investments are participant directed.

ZMC Hotels, LLC 401(k) Plan
(Employer Identification Number 47-4191838)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4a - Schedule of Delinquent Participant Contributions
Year Ended December 31, 2017

	Total Constituting Nonexempt Prohibited Transactions			
Contributions and Loan Repayments Transferred Late to Plan	Contributions and Loan Repayments not Corrected	Contributions and Loan Repayments Corrected Outside VFCP	Contributions and Loan Repayments Pending Correction in VFCP	Total Fully Corrected under VFCP & PTE 2002-51
$ 60,126	$ -	$ 60,126	$ -	$ -

During 2017, participant contributions and note repayments totaling $60,126 were not remitted on a timely basis as required by the DOL. In 2018, the Plan sponsor contributed $84 representing lost earnings.

ZMC Hotels, LLC 401(k) Plan

Financial Statements and Supplemental Schedules with Independent Auditors' Report

December 31, 2017 and 2016

Frank, Rimerman + Co. LLP

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Frank, Rimerman + Co. LLP

Plan Administrator
ZMC Hotels, LLC 401(k) Plan
Walnut Creek, California

Certified
Public
Accountants

Palo Alto
San Francisco
San Jose
St. Helena

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the ZMC Hotels, LLC 401(k) Plan (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2017, and the related statement of changes in net assets available for benefits for the year 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company (Fidelity), the Plan's trustee, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that Fidelity holds Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from Fidelity as of December 31, 2017 and 2016, and for the year ended December 31, 2017, that the information provided to the Plan administrator by Fidelity 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.

Report on the Supplemental Schedules

The supplemental schedules as of and for the year ended December 31, 2017, listed in the accompanying table of contents, are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules.

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 Fidelity, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Other Matter – 2016 Financial Statement

The Plan's statement of net assets available for benefits as of December 31, 2016 was audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by Fidelity, the Plan's trustee. Their report, dated October 11, 2017, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and, accordingly, they did not express an opinion on the financial statement and (b) the form and content of the information included in the financial statement, other than that derived from the information certified by Fidelity, was presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.



San Jose, California
August 10, 2018

ZMC Hotels, LLC 401(k) Plan
Statements of Net Assets Available for Benefits

	December 31, 2017	December 31, 2016
Assets		
Investments, at fair value:		
Mutual funds	$ 8,301,473	$ 6,941,868
Money market fund	12,628	48,150
Total investments, at fair value	8,314,101	6,990,018
Notes receivable from participants	154,951	203,109
Total assets	8,469,052	7,193,127
Liabilities		
Liability for corrective distributions	(58,217)	(14,693)
Net Assets Available for Benefits	$ 8,410,835	$ 7,178,434

See Independent Auditors' Report and Notes to Financial Statements

ZMC Hotels, LLC 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2017

Additions to Net Assets	
Investment income:	
Net appreciation in fair value of investments	$ 904,205
Interest and dividends	359,508
Net investment income	1,263,713
Interest income on notes receivable from participants	9,902
Net income	1,273,615
Contributions:	
Participant	514,533
Participant rollovers	101,940
Total contributions	616,473
Total additions	1,890,088
Deductions from Net Assets	
Benefits paid to participants	600,893
Administrative expenses	56,794
Total deductions	657,687
Net Increase	1,232,401
Net Assets Available for Benefits	
Beginning of year	7,178,434
End of year	$ 8,410,835

1. Description of Plan

The ZMC Hotels, LLC 401(k) Plan (the Plan) was established by ZMC Hotels, LLC (the Company) to provide participants with a method to fund their retirement on a tax-deferred basis. The Plan has since been amended and restated most recently as of May 15, 2016. The Plan, as amended and restated, provides retirement benefits to eligible employees of the Company and Hall Equities Group (collectively, the Employer). 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 with a 401(k) salary deferral arrangement qualified under appropriate provisions of the Internal Revenue Code (the Code) and applicable state laws. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Company is the Plan sponsor and Plan administrator. The Plan is administered by Company employees. Fidelity Management Trust Company (Fidelity) serves as the Plan's trustee and record keeper. Fidelity holds, invests and reinvests trust assets in the interest and at the direction of participants and their beneficiaries.

Eligible Participants:

Eligible employees, as defined by the Plan, age 21 or older, may participate in the Plan after six months of service.

Contributions:

Participants may make contributions to the Plan through pre-tax salary reduction up to 90% of annual compensation, as defined, subject to certain limitations under the Code. Participants who have reached the age of 50 may elect to withhold additional catch-up contributions under the Code. Participants may also contribute after-tax contributions and amounts representing distributions from other qualified defined benefit or contribution plans (rollovers), subject to Code regulations.

The Employer may also make discretionary matching and non-elective contributions. No Employer matching or non-elective contributions were made to the Plan in 2017.

Contributions are subject to certain limitations under the Code.

1. Description of Plan (continued)

Participant Accounts:

Each participant's account is credited with the participant's contributions and an allocation of Employer contributions, if any, plus earnings (less any losses) thereon. Allocations are based on participant earnings or account balances, in accordance with Plan provisions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participants may elect to invest their accounts in a variety of participant directed investment fund options offered by the Plan that are designed to provide the participants with a wide range of investment options. A participant may authorize transfers among investment options at any time.

Vesting and Forfeitures:

Participants are immediately vested in their salary deferral, after-tax and rollover contributions, plus earnings (less any losses) thereon. Vesting in Employer matching and non-elective contributions, if any, plus allocated earnings (less any losses) thereon, is based on continuous years of service. A participant becomes 20% vested in Employer matching and non-elective contributions after one year of service and is fully vested after five years, or upon retirement, disability, or death.

Forfeited non-vested accounts may be used to reduce Plan expenses and then to reduce Employer contributions. At December 31, 2017 and 2016, forfeited non-vested accounts outstanding were approximately $1,060 and $17,100, respectively.

Notes Receivable from Participants:

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant notes are reclassified as distributions based upon the terms of the Plan document.

Participants may borrow up to one-half of their vested account balance, not to exceed $50,000, for a period not to exceed five years, except for notes used to purchase a primary residence for which longer terms may be granted. The notes are evidenced by a written note, secured by the vested balance in the participant's account and bear interest at a rate that is commensurate with local prevailing rates, as determined by the Plan administrator, under the Plan's note policy. A participant may only have one note outstanding at any time. Interest rates on notes outstanding as of December 31, 2017 range from 4.25% to 6.25%. Repayment of principal and interest is generally made through payroll deductions.

1. Description of Plan (continued)

Liability for Corrective Distributions:

The liability for corrective distributions represents contributions made by certain participants that must be refunded in order for the Plan to be in compliance with applicable non-discrimination tests. The December 31, 2017 liability of $58,217 was refunded in 2018 (December 31, 2016 liability of $14,693 was refunded in 2017).

Payment of Benefits:

Upon termination of service, participants may elect to leave their account balance in the Plan, or receive their total benefits in a lump sum amount equal to the value of the participant's vested interest in their account, as defined in the Plan. Benefits are recorded when paid.

Vested account balances between $1,000 and $5,000 for participants no longer employed by the Employer may be automatically distributed to an Individual Retirement Account without participant approval. Vested account balances of $1,000 or less for participants no longer employed by the Company may be distributed directly to participants without their consent.

Administrative Expenses:

Several of the investment fund options are subject to investment fees based on a percentage of invested assets, as disclosed in the fund's prospectus. All such fees are charged directly against the fund's investment performance and, thus, are not separately disclosed in the accompanying financial statements. Participant's accounts are assessed a separate fee for the administration of notes receivable and certain third-party administration fees. All other expenses to administer the Plan are paid by the Employer and are not reflected in the Plan's financial statements.

Risks and Uncertainties:

The Plan offers a variety of investment options to participants. Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in risk in the near term could materially affect participant account balances and the amounts reported in the accompanying financial statements.

1. Description of Plan (continued)

Plan Termination:

Although it has not expressed any intent to do so, the Plan sponsor has the right under the Plan to terminate the Plan at any time, subject to provisions of ERISA. In the event of Plan termination, participants will become fully vested in their accounts and distributions will be made to participants as described in the Plan agreement.

2. Summary of Significant Accounting Policies

Basis of Accounting:

The Plan prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investments:

Investments consist of mutual funds and a money market fund. These funds are reported at the net asset value (NAV) of shares held by the Plan at year end, as quoted in active markets. It is not probable that these funds will be sold at amounts that differ materially from the NAV of shares held.

Fair Value Measurements:

The Plan uses a three-level hierarchy for fair value measurements based on the nature of inputs used in the valuation of an asset or liability as of the measurement date. The three-level hierarchy prioritizes within the measurement of fair value, the use of market-based information over entity-specific information. Fair value focuses on an exit price and is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements: (continued)

The three-level hierarchy for fair value measurements is defined as follows:

Level I: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level II: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level III: Inputs to the valuation methodology, which are significant to the fair value measurement, are unobservable.

A financial instrument's categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The Plan's mutual funds and the money market fund are recorded at fair value and classified as Level I within the fair value hierarchy at December 31, 2017 and 2016.

Income Recognition:

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 includes the Plan's gains and losses on investments bought, sold or held during the year.

Subsequent Events:

Subsequent events have been evaluated through the date of the independent auditors' report, which is the date the financial statements were approved by the Plan and available to be issued.

3. Information Prepared and Certified by Fidelity

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The following table summarizes the certified information at December 31:

	2017	2016
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Notes receivable from participants	154,951	203,109
Total certified assets	$ 8,469,052	$ 7,193,127
Certified net income for the year ended December 31, 2017	$ 1,273,615	

4. Tax Status

The Plan has adopted a volume submitter plan offered by Fidelity, which received an opinion letter from the Internal Revenue Service (IRS) stating that form of the plan submitted for review qualified under provisions of the Code. The Plan has been amended since receipt of the letter; however, the Plan Sponsor believes the Plan is being operated in compliance with the applicable requirements of the Code and related state statutes, and that the trust, which forms a part of the Plan, is exempt from federal and state income taxes.

Accounting principles generally accepted in the United States of America require Plan management to evaluate income tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the income tax positions taken by the Plan, and has concluded that as of December 31, 2017 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for the years prior to 2014.

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6. Reconciliation of Financial Statements to Form 5500

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ZMC Hotels, LLC 401(k) Plan
(Employer Identification Number 47-4191838)
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Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2017

(a)	(b) Identity of issuer, 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
	Fidelity Management Trust Company		
	American Funds Balanced Fund Class R6	**	$ 492,735
	American Funds Capital Income Builder Fund Class R6	**	291,950
	American Funds Capital World Growth & Income Fund Class R6	**	1,117,250
	American Funds Growth Fund Of America Class R6	**	124,431
	American Funds Income Fund Of America Class R6	**	1,328,128
	American Funds New World Fund Class R6	**	72,628
	American Funds Small Cap World Fund Class R6	**	79,530
	American Funds Washington Mutual Investors Fund Class R6	**	127,845
	Blackrock Global Allocation Fund	**	68,992
	C&S Real Estate Securities Fund	**	56,858
	DFA U.S. Target Value Portfolio	**	14,703
*	Fidelity Contrafund Fund	**	232,220
*	Fidelity Government Cash Reserves Fund	**	12,628
*	Fidelity International Discovery Fund	**	71,478
*	Fidelity Small Cap Growth Fund	**	158,888
*	Fidelity Small Cap Index Fund	**	44,163
	Janus Henderson Enterprise Fund Class I	**	45,908
	JPMorgan Strategic Income Opportunities Fund Class R5	**	666
	Lord Abbett Short Duration Income Fund Class I	**	81,145
	MFS International Value Fund Class R4	**	129,416
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	PIMCO Real Return Fund	**	35,123
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	Prudential Global Real Estate Fund Class Z	**	10,952
	Prudential High-Yield Fund Class Z	**	80,460
	Templeton Global Bond Fund	**	42,685
	Vanguard 2015 Target Retirement Fund	**	363,429
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	Vanguard 2035 Target Retirement Fund	**	297,041
	Vanguard 2040 Target Retirement Fund	**	107,562
	Vanguard 2045 Target Retirement Fund	**	245,535
	Vanguard 2050 Target Retirement Fund	**	84,813
	Vanguard 2055 Target Retirement Fund	**	105,883
	Vanguard 2060 Target Retirement Fund	**	3,133

(continued)

ZMC Hotels, LLC 401(k) Plan
(Employer Identification Number 47-4191838)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4i - Schedule of Assets (Held at End of Year) (continued)
December 31, 2017

	Fidelity Management Trust Company (continued)		
	Vanguard Intermediate Term Bond Index Fund	**	37,406
	Vanguard Mid Cap Index Fund	**	305,821
	Vanguard Target Retirement Income Fund	**	64
	Vanguard Total Stock Market Index Fund	**	232,984
	Vanguard Wellington Fund	**	541,875
	Victory Sycamore Established Value R6	**	1,115
	Participant notes receivable - 22 notes outstanding		
*	with interest rates from 4.25% to 6.25%	-	154,951
	Total assets held at end of year		$ 8,469,052

* An asterisk in colum (a) denotes a transaction with a party-in-interest to the Plan.
** Cost information is not required as all investments are participant directed.

ZMC Hotels, LLC 401(k) Plan
(Employer Identification Number 47-4191838)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4a - Schedule of Delinquent Participant Contributions
Year Ended December 31, 2017

	Total Constituting Nonexempt Prohibited Transactions			
Contributions and Loan Repayments Transferred Late to Plan	Contributions and Loan Repayments not Corrected	Contributions and Loan Repayments Corrected Outside VFCP	Contributions and Loan Repayments Pending Correction in VFCP	Total Fully Corrected under VFCP & PTE 2002-51
$ 60,126	$ -	$ 60,126	$ -	$ -

During 2017, participant contributions and note repayments totaling $60,126 were not remitted on a timely basis as required by the DOL. In 2018, the Plan sponsor contributed $84 representing lost earnings.

ZMC Hotels, LLC 401(k) Plan

Financial Statements and Supplemental Schedules with Independent Auditors' Report

December 31, 2017 and 2016

Frank, Rimerman + Co. LLP

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Frank, Rimerman + Co. LLP

Plan Administrator
ZMC Hotels, LLC 401(k) Plan
Walnut Creek, California

Certified
Public
Accountants

Palo Alto
San Francisco
San Jose
St. Helena

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the ZMC Hotels, LLC 401(k) Plan (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2017, and the related statement of changes in net assets available for benefits for the year 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Fidelity Management Trust Company (Fidelity), the Plan's trustee, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that Fidelity holds Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from Fidelity as of December 31, 2017 and 2016, and for the year ended December 31, 2017, that the information provided to the Plan administrator by Fidelity 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.

Report on the Supplemental Schedules

The supplemental schedules as of and for the year ended December 31, 2017, listed in the accompanying table of contents, are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules.

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 Fidelity, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Other Matter – 2016 Financial Statement

The Plan's statement of net assets available for benefits as of December 31, 2016 was audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by Fidelity, the Plan's trustee. Their report, dated October 11, 2017, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and, accordingly, they did not express an opinion on the financial statement and (b) the form and content of the information included in the financial statement, other than that derived from the information certified by Fidelity, was presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.



San Jose, California
August 10, 2018

ZMC Hotels, LLC 401(k) Plan
Statements of Net Assets Available for Benefits

	December 31, 2017	December 31, 2016
Assets		
Investments, at fair value:		
Mutual funds	$ 8,301,473	$ 6,941,868
Money market fund	12,628	48,150
Total investments, at fair value	8,314,101	6,990,018
Notes receivable from participants	154,951	203,109
Total assets	8,469,052	7,193,127
Liabilities		
Liability for corrective distributions	(58,217)	(14,693)
Net Assets Available for Benefits	$ 8,410,835	$ 7,178,434

See Independent Auditors' Report and Notes to Financial Statements

ZMC Hotels, LLC 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2017

Additions to Net Assets	
Investment income:	
Net appreciation in fair value of investments	$ 904,205
Interest and dividends	359,508
Net investment income	1,263,713
Interest income on notes receivable from participants	9,902
Net income	1,273,615
Contributions:	
Participant	514,533
Participant rollovers	101,940
Total contributions	616,473
Total additions	1,890,088
Deductions from Net Assets	
Benefits paid to participants	600,893
Administrative expenses	56,794
Total deductions	657,687
Net Increase	1,232,401
Net Assets Available for Benefits	
Beginning of year	7,178,434
End of year	$ 8,410,835

1. Description of Plan

The ZMC Hotels, LLC 401(k) Plan (the Plan) was established by ZMC Hotels, LLC (the Company) to provide participants with a method to fund their retirement on a tax-deferred basis. The Plan has since been amended and restated most recently as of May 15, 2016. The Plan, as amended and restated, provides retirement benefits to eligible employees of the Company and Hall Equities Group (collectively, the Employer). 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 with a 401(k) salary deferral arrangement qualified under appropriate provisions of the Internal Revenue Code (the Code) and applicable state laws. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Company is the Plan sponsor and Plan administrator. The Plan is administered by Company employees. Fidelity Management Trust Company (Fidelity) serves as the Plan's trustee and record keeper. Fidelity holds, invests and reinvests trust assets in the interest and at the direction of participants and their beneficiaries.

Eligible Participants:

Eligible employees, as defined by the Plan, age 21 or older, may participate in the Plan after six months of service.

Contributions:

Participants may make contributions to the Plan through pre-tax salary reduction up to 90% of annual compensation, as defined, subject to certain limitations under the Code. Participants who have reached the age of 50 may elect to withhold additional catch-up contributions under the Code. Participants may also contribute after-tax contributions and amounts representing distributions from other qualified defined benefit or contribution plans (rollovers), subject to Code regulations.

The Employer may also make discretionary matching and non-elective contributions. No Employer matching or non-elective contributions were made to the Plan in 2017.

Contributions are subject to certain limitations under the Code.

1. Description of Plan (continued)

Participant Accounts:

Each participant's account is credited with the participant's contributions and an allocation of Employer contributions, if any, plus earnings (less any losses) thereon. Allocations are based on participant earnings or account balances, in accordance with Plan provisions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participants may elect to invest their accounts in a variety of participant directed investment fund options offered by the Plan that are designed to provide the participants with a wide range of investment options. A participant may authorize transfers among investment options at any time.

Vesting and Forfeitures:

Participants are immediately vested in their salary deferral, after-tax and rollover contributions, plus earnings (less any losses) thereon. Vesting in Employer matching and non-elective contributions, if any, plus allocated earnings (less any losses) thereon, is based on continuous years of service. A participant becomes 20% vested in Employer matching and non-elective contributions after one year of service and is fully vested after five years, or upon retirement, disability, or death.

Forfeited non-vested accounts may be used to reduce Plan expenses and then to reduce Employer contributions. At December 31, 2017 and 2016, forfeited non-vested accounts outstanding were approximately $1,060 and $17,100, respectively.

Notes Receivable from Participants:

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant notes are reclassified as distributions based upon the terms of the Plan document.

Participants may borrow up to one-half of their vested account balance, not to exceed $50,000, for a period not to exceed five years, except for notes used to purchase a primary residence for which longer terms may be granted. The notes are evidenced by a written note, secured by the vested balance in the participant's account and bear interest at a rate that is commensurate with local prevailing rates, as determined by the Plan administrator, under the Plan's note policy. A participant may only have one note outstanding at any time. Interest rates on notes outstanding as of December 31, 2017 range from 4.25% to 6.25%. Repayment of principal and interest is generally made through payroll deductions.

1. Description of Plan (continued)

Liability for Corrective Distributions:

The liability for corrective distributions represents contributions made by certain participants that must be refunded in order for the Plan to be in compliance with applicable non-discrimination tests. The December 31, 2017 liability of $58,217 was refunded in 2018 (December 31, 2016 liability of $14,693 was refunded in 2017).

Payment of Benefits:

Upon termination of service, participants may elect to leave their account balance in the Plan, or receive their total benefits in a lump sum amount equal to the value of the participant's vested interest in their account, as defined in the Plan. Benefits are recorded when paid.

Vested account balances between $1,000 and $5,000 for participants no longer employed by the Employer may be automatically distributed to an Individual Retirement Account without participant approval. Vested account balances of $1,000 or less for participants no longer employed by the Company may be distributed directly to participants without their consent.

Administrative Expenses:

Several of the investment fund options are subject to investment fees based on a percentage of invested assets, as disclosed in the fund's prospectus. All such fees are charged directly against the fund's investment performance and, thus, are not separately disclosed in the accompanying financial statements. Participant's accounts are assessed a separate fee for the administration of notes receivable and certain third-party administration fees. All other expenses to administer the Plan are paid by the Employer and are not reflected in the Plan's financial statements.

Risks and Uncertainties:

The Plan offers a variety of investment options to participants. Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in risk in the near term could materially affect participant account balances and the amounts reported in the accompanying financial statements.

1. Description of Plan (continued)

Plan Termination:

Although it has not expressed any intent to do so, the Plan sponsor has the right under the Plan to terminate the Plan at any time, subject to provisions of ERISA. In the event of Plan termination, participants will become fully vested in their accounts and distributions will be made to participants as described in the Plan agreement.

2. Summary of Significant Accounting Policies

Basis of Accounting:

The Plan prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investments:

Investments consist of mutual funds and a money market fund. These funds are reported at the net asset value (NAV) of shares held by the Plan at year end, as quoted in active markets. It is not probable that these funds will be sold at amounts that differ materially from the NAV of shares held.

Fair Value Measurements:

The Plan uses a three-level hierarchy for fair value measurements based on the nature of inputs used in the valuation of an asset or liability as of the measurement date. The three-level hierarchy prioritizes within the measurement of fair value, the use of market-based information over entity-specific information. Fair value focuses on an exit price and is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements: (continued)

The three-level hierarchy for fair value measurements is defined as follows:

Level I: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level II: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level III: Inputs to the valuation methodology, which are significant to the fair value measurement, are unobservable.

A financial instrument's categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The Plan's mutual funds and the money market fund are recorded at fair value and classified as Level I within the fair value hierarchy at December 31, 2017 and 2016.

Income Recognition:

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 includes the Plan's gains and losses on investments bought, sold or held during the year.

Subsequent Events:

Subsequent events have been evaluated through the date of the independent auditors' report, which is the date the financial statements were approved by the Plan and available to be issued.

3. Information Prepared and Certified by Fidelity

Fidelity, as the Plan's trustee, has certified the value of the following assets held at December 31, 2017 and 2016, and the net income for the year ended December 31, 2017, which were used in the preparation of the accompanying financial statements and supplemental schedules.

The following table summarizes the certified information at December 31:

	2017	2016
Investments, at fair value	$ 8,314,101	$ 6,990,018
Notes receivable from participants	154,951	203,109
Total certified assets	$ 8,469,052	$ 7,193,127
Certified net income for the year ended December 31, 2017	$ 1,273,615	

4. Tax Status

The Plan has adopted a volume submitter plan offered by Fidelity, which received an opinion letter from the Internal Revenue Service (IRS) stating that form of the plan submitted for review qualified under provisions of the Code. The Plan has been amended since receipt of the letter; however, the Plan Sponsor believes the Plan is being operated in compliance with the applicable requirements of the Code and related state statutes, and that the trust, which forms a part of the Plan, is exempt from federal and state income taxes.

Accounting principles generally accepted in the United States of America require Plan management to evaluate income tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the income tax positions taken by the Plan, and has concluded that as of December 31, 2017 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for the years prior to 2014.

5. Party-In-Interest Transactions

Certain of the Plan's investments are offered by Fidelity, the Plan's trustee. Purchases and sales of these investments qualify as party-in-interest transactions. Notes receivable transactions with participants also qualify as party-in-interest transactions. These transactions are exempt from the prohibited transaction rules under ERISA.

During 2017, participant contributions and note repayments totaling $60,126 were not remitted to the Plan on a timely basis as required by the DOL. These late remittances are considered nonexempt prohibited party-in-interest transactions. In 2018, the Plan sponsor contributed $84 representing lost earnings and participant accounts were credited with the estimated amount of investment income that would have been earned had the contributions and note repayments been remitted on a timely basis.

6. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500 as of December 31:

	2017	2016
Net assets available for benefits per the financial statements	$ 8,410,835	$ 7,178,434
Deemed distribution of notes receivable from participants	-	(29,529)
Liability for corrective distributions	58,217	14,693
Net assets available for benefits per Form 5500	$ 8,469,052	$ 7,163,598

The following is a reconciliation of the change in net assets available for benefits per the financial statements to Schedule H of Form 5500 for the year ended December 31, 2017:

Net increase in net assets available for benefits per the financial statements	$ 1,232,401
Deemed distribution of notes receivable from participants	29,529
Change in liability for corrective distributions	43,524
Net increase in net assets available for benefits per Form 5500	$ 1,305,454

ZMC Hotels, LLC 401(k) Plan
(Employer Identification Number 47-4191838)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2017

(a)	(b) Identity of issuer, 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
	Fidelity Management Trust Company		
	American Funds Balanced Fund Class R6	**	$ 492,735
	American Funds Capital Income Builder Fund Class R6	**	291,950
	American Funds Capital World Growth & Income Fund Class R6	**	1,117,250
	American Funds Growth Fund Of America Class R6	**	124,431
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December 31, 2017

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	Vanguard Wellington Fund	**	541,875
	Victory Sycamore Established Value R6	**	1,115
	Participant notes receivable - 22 notes outstanding		
*	with interest rates from 4.25% to 6.25%	-	154,951
	Total assets held at end of year		$ 8,469,052

* An asterisk in colum (a) denotes a transaction with a party-in-interest to the Plan.
** Cost information is not required as all investments are participant directed.

ZMC Hotels, LLC 401(k) Plan
(Employer Identification Number 47-4191838)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4a - Schedule of Delinquent Participant Contributions
Year Ended December 31, 2017

	Total Constituting Nonexempt Prohibited Transactions			
Contributions and Loan Repayments Transferred Late to Plan	Contributions and Loan Repayments not Corrected	Contributions and Loan Repayments Corrected Outside VFCP	Contributions and Loan Repayments Pending Correction in VFCP	Total Fully Corrected under VFCP & PTE 2002-51
$ 60,126	$ -	$ 60,126	$ -	$ -

During 2017, participant contributions and note repayments totaling $60,126 were not remitted on a timely basis as required by the DOL. In 2018, the Plan sponsor contributed $84 representing lost earnings.