CEDAR FAIR L P
Form S-4/A
May 15, 2018
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As filed with the Securities and Exchange Commission on May 15, 2018

Registration No. 333-224226

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1

TO

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Cedar Fair, L.P.

(Exact name of registrant as specified in its charter)

Delaware	**7990**	**34-1560655**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

Canada s Wonderland Company

(Exact name of registrant as specified in its charter)

Canada	**7990**	**98-0524175**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

Magnum Management Corporation

(Exact name of registrant as specified in its charter)

Ohio	**7990**	**34-6525545**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

Millennium Operations LLC

(Exact name of registrant as specified in its charter)

Delaware	**7990**	**52-2068285**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

SEE TABLE OF ADDITIONAL REGISTRANTS

One Cedar Point Drive

Sandusky, Ohio 44870-5259

(419) 626-0830

(Address, including zip code, and telephone number, including area code, of registrants principal executive offices)

Duffield Milkie

Executive Vice President and General Counsel

Cedar Fair, L.P.

One Cedar Point Drive

Sandusky, Ohio 44870-5259

(419) 626-0830

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:

Risë B. Norman, Esq.

Simpson Thacher & Bartlett LLP

425 Lexington Avenue

New York, New York 10017-3954

Telephone: (212) 455-2000

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Approximate date of commencement of proposed exchange offer: As soon as practicable after this Registration Statement is declared effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, please check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer		Accelerated filer
Non-accelerated filer	(Do not check if a smaller reporting company)	Smaller reporting company
Emerging growth company		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	**Amount to be**	**Proposed maximum**	**Proposed maximum**	**Amount of registration fee**

	registered	offering price per Note	aggregate offering price(1)	
5.375 % Senior Notes due 2027	$500,000,000	100%	$500,000,000	$62,250(2)
Guarantees of 5.375% Senior Notes due 2027(3)	N/A		N/A	N/A(4)

(1) Estimated solely for the purpose of calculating the registration fee under Rule 457(f) of the Securities Act of 1933, as amended (the Securities Act).
(2) Previously paid.
(3) See inside facing page for table of registrant guarantors.
(4) Pursuant to Rule 457(n) under the Securities Act, no separate filing fee is required for the guarantees.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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TABLE OF REGISTRANT GUARANTORS

Exact Name of Registrant Guarantor as Specified in its Charter (or Other Organizational Document)	State or other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant Guarantor s Principal Executive Offices
Carowinds LLC	Delaware	52-2068285*	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Cedar Fair Southwest Inc.	Delaware	06-1346301	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Cedar Point Park LLC	Delaware	52-2068285*	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Dorney Park LLC	Delaware	52-2068285*	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Geauga Lake LLC	Delaware	52-2068285*	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Kings Dominion LLC	Delaware	52-2068285*	One Cedar Point Drive Sandusky, Ohio

			44870-5259 (419) 626-0830
Kings Island Company	Delaware	31-1088699	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Kings Island Park LLC	Delaware	31-1088699*	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Knott s Berry Farm LLC	Delaware	52-2068285*	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Michigan s Adventure, Inc.	Michigan	38-2173895	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Michigan s Adventure Park LLC	Delaware	52-2068285*	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Valleyfair LLC	Delaware	52-2068285*	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Wonderland Company Inc.	Delaware	13-3929556	One Cedar Point Drive Sandusky, Ohio 44870-5259 (419) 626-0830
Worlds of Fun LLC	Delaware	52-2068285*	One Cedar Point Drive

Sandusky, Ohio
44870-5259

(419) 626-0830

* Carowinds LLC, Cedar Point Park LLC, Dorney Park LLC, Geauga Lake LLC, Kings Dominion LLC, Kings Island Park LLC, Knott s Berry Farm LLC, Michigan s Adventure Park LLC, Valleyfair LLC and Worlds of Fun LLC are entities that are disregarded from their owners for U.S. federal income tax purposes. Therefore, we have listed the Employer Identification Number of such entities owners in the table above.

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The information in this prospectus is not complete and may be changed. We may not sell the securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities, in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MAY 15, 2018

PRELIMINARY PROSPECTUS

Cedar Fair, L.P. (Cedar Fair), Canada s Wonderland Company (Cedar Canada), Magnum Management Corporation (Magnum), and Millennium Operations LLC (Millennium and, collectively with Cedar Fair, Cedar Canada and Magnum, the Issuers) offer to exchange all outstanding $500,000,000 aggregate principal amount of their 5.375% Senior Notes due 2027 (the outstanding notes) for an equal amount of 5.375% Senior Notes due 2027 (the exchange notes), which have been registered under the Securities Act of 1933, as amended (the Securities Act) (such transaction, the exchange offer).

We are conducting the exchange offer in order to provide you with an opportunity to exchange your unregistered notes for freely tradable notes that have been registered under the Securities Act.

The Exchange Offer

We will exchange all outstanding notes that are validly tendered and not validly withdrawn for an equal principal amount of exchange notes that are freely tradable.

You may withdraw tenders of outstanding notes at any time prior to the close of business, New York City time, on the last business day on which the exchange offer remains open.

The exchange offer expires at 5:00 p.m., New York City time, on , 2018, unless extended. We do not currently intend to extend the expiration date.

The exchange of outstanding notes for exchange notes in the exchange offer will not be a taxable event for United States federal income tax purposes.

We will not receive any proceeds from the exchange offer.

The Exchange Notes

The exchange notes are being offered in order to satisfy certain of our obligations under the registration rights agreement entered into in connection with the placement of the outstanding notes.

The terms of the exchange notes to be issued in the exchange offer are substantially identical to the outstanding notes, except that the exchange notes will be freely tradable.

Each of Cedar Fair s wholly owned subsidiaries (other than Cedar Canada, Magnum and Millennium) jointly and severally, irrevocably and fully and unconditionally guarantee, on a senior basis, the performance and full and punctual payment when due, whether at maturity, by acceleration or otherwise, of all obligations of the Issuers under the outstanding notes, exchange notes and the indenture governing the notes.

Resales of Exchange Notes

The exchange notes may be sold in the over-the-counter market, in negotiated transactions or through a combination of such methods. We do not plan to list the exchange notes on a national securities exchange.

All untendered outstanding notes will continue to be subject to the restrictions on transfer set forth in the outstanding notes and in the indenture. In general, the outstanding notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, we do not currently anticipate that we will register resales of the outstanding notes under the Securities Act.

See Risk Factors beginning on page 19 of this prospectus for a discussion of certain risks that you should consider before participating in the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the exchange notes to be distributed in the exchange offer or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2018.

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You should rely only on the information included in this prospectus. We have not authorized anyone to provide you with different information from that included in this prospectus. The prospectus may be used only for the purposes for which it has been published, and no person has been authorized to give any information not contained herein. If you receive any other information, you should not rely on it. We are not making an offer of these securities in any state or jurisdiction where the offer is not permitted.

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ENFORCEMENT OF CIVIL LIABILITIES

Cedar Canada is organized under the laws of the Province of Nova Scotia, Canada. Certain assets of Cedar Canada are located outside the United States. As a result, it may not be possible for you to effect service of process within the United States upon Cedar Canada or to enforce against Cedar Canada judgments obtained in the U.S. courts predicated upon civil liability provisions of the federal securities laws of the United States.

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THERE IS DOUBT WHETHER PROCEEDINGS CAN SUCCESSFULLY BE PURSUED IN CANADIAN COURTS BASED UPON VIOLATIONS OF U.S. FEDERAL OR STATE SECURITIES LAWS FOR WHICH NO EQUIVALENT OR SIMILAR CLAIMS ARE AVAILABLE IN CANADIAN LAW. MOREOVER, DEPENDING ON THE CIRCUMSTANCES AND NATURE OF RELIEF OBTAINED, THERE MAY ALSO BE DOUBT AS TO THE ENFORCEABILITY IN CANADIAN COURTS OF JUDGMENTS OF U.S. COURTS OBTAINED IN ACTIONS BASED UPON THE CIVIL LIABILITY PROVISIONS OF THE U.S. FEDERAL OR STATE SECURITIES LAWS OR OTHER LAWS OF THE UNITED STATES OR ANY STATE THEREOF OR THE EQUIVALENT LAWS OF OTHER JURISDICTIONS. THEREFORE, IT MAY NOT BE POSSIBLE TO SUCCESSFULLY ASSERT CERTAIN CLAIMS, OR ENFORCE JUDGMENTS OBTAINED IN CERTAIN UNITED STATES PROCEEDINGS, AGAINST CEDAR CANADA, ITS DIRECTORS AND OFFICERS NAMED IN THE PROSPECTUS.

MARKET AND INDUSTRY DATA

The market, industry and other similar data included in this prospectus are generally estimates and are based on management s knowledge of our business and markets and independent industry publications or other published independent sources, including *Amusement Today*, an international publication that covers amusement and water park news. While we believe that these estimates are reasonable, such data are subject to change and cannot always be verified due to the limits on the availability and reliability of raw data and uncertainties inherent in any statistical survey. We have not independently verified any of the data from third party sources nor have we ascertained the underlying economic assumptions relied on therein. As a result, you should be aware that any such market, industry and other similar data may not be reliable. While we are not aware of any misstatements regarding any industry data presented in this prospectus, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under the section entitled Risk Factors below. PEANUTS and Snoopy are registered trademarks of Peanuts Worldwide LLC. Other trademarks, service marks and trade names appearing in this prospectus and not mentioned as owned by us are the property of their respective owners.

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SUMMARY

This summary highlights information appearing elsewhere in this prospectus. This summary is not complete and does not contain all of the information that you should consider before participating in the exchange offer. You should carefully read the entire prospectus, including the information presented under the heading Risk Factors and the more detailed information in the historical financial statements and related notes included in this prospectus, before making an investment decision. Unless otherwise indicated or the context otherwise requires, references in this prospectus to we, our, us, and the Company refer to Cedar Fair and each of its consolidated subsidiaries and references to the Issuers refer to Cedar Fair, L.P., Canada s Wonderland Company, Magnum Management Corporation and Millennium Operations LLC and not any of their subsidiaries.

Our company

We are one of the largest regional amusement park operators in the world, headquartered in Sandusky, Ohio. We own and operate 11 amusement parks, two separately gated outdoor water parks, one indoor water park and four hotels.

Our four largest parks by attendance are as follows:

Cedar Point. Cedar Point, located on a peninsula in Sandusky, Ohio bordered by Lake Erie between Cleveland and Detroit. Attractive to both families and thrill-seekers, the park features 18 roller coasters, including many record-breakers, and three children s areas. Located adjacent to the park is Cedar Point Shores Water Park, a separately gated water park that features more than 15 water rides and attractions. Cedar Point also features three hotels, two marinas and an upscale campground.

Knott s Berry Farm. Knott s Berry Farm, located near Los Angeles in Buena Park, California, is a year-round theme park renowned for its seasonal events, including a special holiday event, Knott s Merry Farm, and a Halloween event, Knott s Scary Farm, which has been held for more than 40 years and is annually rated one of the best Halloween events in the industry by *Amusement Today s* international survey. Adjacent to Knott s Berry Farm is Knott s Soak City, a separately gated seasonal water park that features multiple water rides and attractions. Knott s Berry Farm also features Knott s Berry Farm Hotel, a full-service hotel.

Canada s Wonderland. Canada s Wonderland is a combination amusement and water park located near Toronto, Canada. It contains numerous attractions, including 16 roller coasters, and is one of the most attended regional amusement parks in North America. Canada s Wonderland is in a culturally diverse metropolitan market with large populations of different ethnicities and national origins. Each year the park showcases an extensive entertainment and special event line-up, which includes cultural festivals.

Kings Island. Kings Island is a combination amusement and water park located near Cincinnati, Ohio. Kings Island is one of the most attended regional amusement parks in North America. The park features a children s area that has been consistently named the Best Kids Area in the World by *Amusement Today*.

Our other seven amusement parks are California s Great America, located in Santa Clara, California; Carowinds, located in Charlotte, North Carolina; Dorney Park & Wildwater Kingdom (Dorney Park), located in Allentown, Pennsylvania; Kings Dominion, located near Richmond, Virginia; Michigan s Adventure, located in Muskegon, Michigan; Valleyfair, located near Minneapolis/St. Paul, Minnesota; and Worlds of Fun, located in Kansas City, Missouri. Additionally, we have a management contract for Gilroy Gardens Family Theme Park, located in Gilroy, California.

We also own and operate two separately gated outdoor water parks located adjacent to Cedar Point and Knott s Berry Farm, three hotels at Cedar Point (including the Castaway Bay Indoor Waterpark Resort in

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Sandusky, Ohio) and one hotel at Knott s Berry Farm as mentioned above. Additionally, we own the land on which Cedar Point Sports Center is located. The sports park opened in March 2017 and is operated by a third party.

All of our parks are family-oriented, with recreational facilities for people of all ages, and provide clean and attractive environments with exciting rides and entertainment. Our amusement parks generally offer a broad selection of state-of-the-art and traditional thrill rides, themed areas, concerts and shows, restaurants, game venues and merchandise outlets. Our water parks feature a wide variety of attractions, including water slides, wave pools, raft rides and children s play areas. We hold a long-term license for theme park usage of the PEANUTS characters, including Snoopy, which we use to provide an enhanced family entertainment experience at the majority of our parks. With limited exceptions, all rides and attractions at the amusement and water parks are currently owned and operated by us.

We believe families are attracted by a combination of rides, live entertainment and the clean, wholesome atmosphere we provide in our parks. We believe young people are attracted by our action-packed thrill rides. During their operating seasons, our parks conduct active television, radio, newspaper and internet advertising campaigns geared toward these two demographic groups in nearby major markets. Each of our parks has strong regional name recognition and a leading market position in its geographical area based on attendance.

Our seasonal amusement parks are generally open during weekends beginning in April or May, and then daily from Memorial Day until Labor Day, after which they are open during weekends in September and, in most cases, October for Halloween events. The two separately gated outdoor water parks also operate seasonally, generally from Memorial Day to Labor Day, plus some additional weekends before and after this period. As a result, a substantial portion of our revenues from these parks are generated during an approximately 130- to 140-day operating season with the major portion concentrated in the third quarter during the peak vacation months of July and August. In 2017, California s Great America, Carowinds, Worlds of Fun and Kings Island extended their operating seasons by approximately 20 to 25 days to include WinterFest, a holiday event operating during November and December showcasing holiday shows and festivities. In 2018, Kings Dominion will also extend its operating season by 20 to 25 days to include WinterFest. Knott s Berry Farm continues to be open daily on a year-round basis. Castaway Bay is also generally open daily from Memorial Day to Labor Day, plus a limited daily schedule for the balance of the year. Each park charges a basic daily admission price, which allows unlimited use of most rides and attractions.

In 2017, more than 25 million people visited our amusement parks and outdoor water parks and the average in-park guest per capita spending was $47.30. For the twelve months ended December 31, 2017, we generated net revenues of $1,322 million, an operating income of $295 million, net income of $215 million and an Adjusted EBITDA of $479 million. For a reconciliation of net income to Adjusted EBITDA, see Summary Summary Historical Consolidated Financial and Other Operating Data included elsewhere in this prospectus.

Competitive strengths

We believe we have the following competitive strengths:

High quality, well-maintained parks. We believe that we are a leading operator of regional amusement parks because we have historically made substantial investments in our park and resort facilities. This has enabled us to provide a wholesome, exciting, quality experience with broad family appeal and, as a result, increase attendance levels and generate higher average in-park guest per capita spending and higher revenue from guest accommodations.

To accomplish that goal, we invest in marketable attractions, including an industry leading portfolio of award-winning rollercoasters, that help drive attendance and have long operating lives and evergreen themes that

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incur minimal royalty payments and do not require costly re-theming or other reinvestment to keep pace with changing third party intellectual property. As a result of these capital investments, our parks have a variety of award-winning thrill rides, including 10 of the world s top 25 steel roller coasters and five of the world s top 25 wooden roller coasters according to international surveys conducted this past year by *Amusement Today*.

Each of our parks has also maintained broad family appeal, with designated areas for young children. According to *Amusement Today s* 2017 survey, Kings Island has been consistently named the Best Kids Area in the World. We continue to pursue additional opportunities for growth at our parks with attractions that have a broad family appeal. We believe making our parks appealing to the whole family results in repeat visitation, higher attendance and greater per capita spending.

Favorable industry dynamics. Regional amusement parks provide an attractive and affordable alternative to large destination parks, particularly in a challenging economic environment. We believe that a leading position in the regional amusement park industry provides a distinct competitive advantage due to a price/value proposition that compares favorably to other local, out-of-home entertainment options.

Additionally, our regional amusement and water parks are primarily located near major cities with little or no direct competition from other theme parks within their core market area.

Significant barriers to entry. We believe there are significant barriers to entry in the amusement park industry that help our parks maintain their strong regional market positions:

- Capital Costs. Construction of a quality regional theme park requires a substantial initial capital investment, and there is generally limited visibility on a newly-constructed park s return on capital at inception.

- Real Estate Requirements. Building a new theme park requires a significant plot of developable land, plus additional land for roads and local businesses, including lodging and restaurants, that will be complementary to the park.

- Zoning Restrictions. Local governments often believe the negative impact of increased traffic and environmental effects will outweigh the promise of increased tax revenue and job creation, and as a result generally show reluctance to approve zoning for a new theme park.

- Development Time. We estimate that it takes approximately three years to construct a regional amusement park, with the planning process taking approximately one year (including a feasibility analysis, public approval processes, design development and financing) and construction taking up to two years (including procurement and installation of rides, show facilities and other equipment).

Significant real estate holdings and other assets. We own approximately 4,700 acres of land, with only one park utilizing leased property, which is under a long-term ground lease that renews at our option through 2074. Our amusement parks comprise more than 4,000 acres of our owned land, including approximately 1,400 acres of developable land, and we also own approximately 640 acres of land near Cleveland, Ohio. Virtually all of the rides and attractions at our amusement and water parks are currently owned and operated by us. We also own and operate a number of other complementary assets adjacent to some of our parks:

We own and operate three hotel facilities at Cedar Point, including: Castaway Bay Indoor Waterpark Resort, which features tropical, Caribbean theme hotel rooms centered around an indoor water park; the park s largest hotel, the historic Hotel Breakers, which features dining and lounge facilities, a mile-long beach, lake swimming, a conference/meeting center, an indoor pool and multiple outdoor pools and Cedar Point s Express Hotel, a limited-service seasonal hotel.

We own and operate several other assets at Cedar Point that are complementary to the park s operations, including: Cedar Point Marina, a full-service marina that provides dock facilities, including floating docks and full guest amenities; Castaway Bay Marina, a full-service marina; and Lighthouse Point, which features lake-front cottages, cabins and full-service RV campsites.

We own the land on which the Cedar Point Sports Center, an outdoor sports park consisting of various playing fields and training areas for soccer, baseball, softball and lacrosse tournaments and clinics in Sandusky, Ohio, is located. The sports park is operated by a third party.

We own the Cedar Point Causeway across Sandusky Bay, which is a major access route to Cedar Point.

We own and operate the Knott s Berry Farm Hotel, a full-service hotel, which features a pool, fitness facilities and meeting/banquet facilities and is located adjacent to Knott s Berry Farm.

We own upscale camping areas that offer overnight guest accommodations next to our parks at Carowinds, Kings Dominion and Worlds of Fun.

We own dormitory facilities that house seasonal and part-time employees near or adjacent to several of our parks, including: Cedar Point, where we housed 4,000 employees in 2017; Kings Dominion, where we housed 400 employees in 2017; and Valleyfair, where we housed 400 employees in 2017.

Stable and diversified cash flows. We have historically generated stable cash flow as a result of consistent attendance and long-term revenue trends. In addition to favorable industry dynamics historically driving organic attendance growth, we have opportunistically made acquisitions to further our diversity of revenue and market share. As a result, our park portfolio is broadly distributed across North America, establishing a geographic footprint that mitigates regional economic and weather risk, and our revenues and Adjusted EBITDA are diversified across our parks, so we are not dependent on any one park or region.

We have also used our highly successful holiday events to extend the operating season and generate additional revenue at our parks. In the last decade, Halloween events have been added to most of the Company s parks and have become meaningful financial contributors. These Halloween events follow in the tradition of Knott s Scary Farm, the original theme park Halloween event dating back to 1973 at Knott s Berry Farm. Knott s Scary Farm has consistently been named one of the Best Halloween Events in the World according to *Amusement Today*, and its immense popularity also paved the way for a holiday event, Knott s Merry Farm. In 2016 and 2017, WinterFest, a recently added holiday event, extended the operating season into November and December for California s Great America in 2016 and Carowinds, Worlds of Fun and Kings Island in 2017. Each WinterFest event featured 20-25 incremental operating days.

We believe our stable and diversified cash flow will continue to give us the opportunity to grow, reinvest in our business and service our indebtedness.

Industry-leading operating metrics. We believe we have some of the highest Adjusted EBITDA margins and cash conversion profiles in the theme park industry. We protect these margins by maintaining our pricing policies and abiding by strict cost controls. On the pricing side, we limit the use of complimentary and heavily-discounted tickets and focus on single-day ticket price integrity. On the cost side, we carefully manage seasonal staffing levels, minimize corporate overhead and require senior management approval for pricing decisions, permanent hiring and corporate travel. Additionally, our management has consistently demonstrated the ability to enhance the performance of acquired assets by enforcing strict cost controls, optimizing pricing policies for tickets and redirecting spending away from intellectual property and towards thrill rides and family attractions.

Our high operating margins are also aided by our lack of significant licensing fees, as compared to industry peers who incur licensing fees for certain entertainment-themed attractions. Our relatively low licensing fees allow us to redirect expenditures toward thrill rides that will increase attendance, such as Mystic Timbers at Kings Island in 2017 and Valravn at Cedar Point in 2016. We believe this is an important factor that has enabled us to outperform our peers in periods of economic uncertainty.

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Experienced management team. The members of our senior management team have an average of more than 20 years of experience in the leisure and hospitality industries. The management team is led by Richard Zimmerman (President and Chief Executive Officer), Tim Fisher (Chief Operating Officer) and Brian Witherow (Executive Vice President and Chief Financial Officer). We believe our experienced management team is a key component of our success and will enable us to continue to produce attractive operating results.

Recent developments

2017 Credit Agreement and Term Loan Repricing. On April 13, 2017, Cedar Fair, Cedar Canada, Magnum, Millennium and the other parties party thereto entered into a Restatement Agreement (the 2017 Credit Agreement) amending and restating our credit agreement dated as of March 6, 2013 among Cedar Fair, Cedar Canada, Magnum, the lenders from time to party thereto, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, and the other parties party thereto. The senior secured credit facilities under the 2017 Credit Agreement consist of a $750.0 million seven-year senior secured term loan facility (the Term Loan Facility) and a $275.0 million five-year senior secured revolving credit facility (the Revolving Facility) of which up to $30.0 million is available for a U.S. letter of credit subfacility and $5.0 million is available for a Canadian letter of credit subfacility (collectively, the Senior Secured Credit Facilities). On March 14, 2018, Cedar Fair amended the 2017 Credit Agreement to, among other things, in respect of the U.S. term B loans thereunder, (i) reduce the applicable margin on base rate borrowings from 1.25% to 0.75% and (ii) reduce the applicable margin on eurodollar borrowings from 2.25% to 1.75%.

Leadership Succession. On October 4, 2017, we began a plan of leadership succession, which became effective on January 1, 2018. Under the plan, Richard Zimmerman, our former President and Chief Operating Officer, succeeded Matt Ouimet as Chief Executive Officer of Cedar Fair. Mr. Zimmerman now holds the titles of President and Chief Executive Officer and Mr. Ouimet became the executive chairman of Cedar Fair s Board of Directors. We filled the position of Chief Operating Officer by hiring Tim Fisher, effective December 18, 2017. Mr. Fisher had previously served as Chief Executive Officer of Village Roadshow Theme Parks International, a theme park operator, since March 2017. Prior to this appointment with Village Roadshow Theme Parks International, Mr. Fisher had served as Chief Executive Officer of Village Roadshow Theme Parks since January 2009. During his time with Village Roadshow Theme Parks, Mr. Fisher was responsible for all of the theme park business operations in the United States and Australia, as well as development initiatives in Asia.

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Corporate structure

The following diagram illustrates our corporate structure:

Corporate information

Our principal executive offices are located at One Cedar Point Drive, Sandusky, Ohio 44870-5259. Our telephone number is (419) 626-0830. The address of our internet site is *www.cedarfair.com*. This internet address is provided for informational purposes only and is not intended to be a hyperlink. Accordingly, no information in this internet address is included in this prospectus and no such information should be relied upon in connection with making any investment decision with respect to the exchange offer.

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The exchange offer

On April 13, 2017, we completed the private offering of $500,000,000 aggregate principal amount of 5.375% senior notes due 2027 (the outstanding notes). In this prospectus, the term exchange notes refers to the 5.375% senior notes due 2027, as registered under the Securities Act. The term notes refers to both the outstanding notes and the exchange notes.

General	In connection with the private offering of the outstanding notes, the Issuers and the guarantors of the outstanding notes entered into a registration rights agreement with the initial purchasers, in which the Issuers and the guarantors agreed, among other things, to use their commercially reasonable efforts to complete the exchange offer for the outstanding notes within 450 days after the date of issuance of the outstanding notes.
	You are entitled to exchange in the exchange offer your outstanding notes for exchange notes, which are identical in all material respects to the outstanding notes except:
	the exchange notes have been registered under the Securities Act;
	the exchange notes are not entitled to any registration rights which are applicable to the outstanding notes under the registration rights agreement;
	certain additional interest rate provisions are not applicable to the exchange notes; and
	the initial interest payment date is different.
The Exchange Offer	We are offering to exchange up to $500,000,000 aggregate principal amount of 5.375% senior notes due 2027. You may only exchange outstanding notes in denominations of $2,000 and integral multiples of $1,000 in excess of $2,000.
Resale	Based on interpretations by the staff of the Securities and Exchange Commission (the SEC), set forth in no-action letters issued to third parties, we believe that the exchange notes issued pursuant to the exchange offer in exchange for the outstanding notes may be offered for

resale, resold and otherwise transferred by you (unless you are our affiliate within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:

- you are acquiring the exchange notes in the ordinary course of your business; and

- you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in, a distribution of the exchange notes.

If you are a broker-dealer and receive exchange notes for your own account in exchange for outstanding notes that you acquired as a

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	result of market-making or other trading activities, you must acknowledge that you will deliver this prospectus, as required by law, in connection with any resale or other transfer of the exchange notes that you receive in the exchange offer. See Plan of Distribution.
	Any holder of outstanding notes who:
	is our affiliate;
	does not acquire exchange notes in the ordinary course of its business; or
	tenders its outstanding notes in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of exchange notes
	cannot rely on the position of the staff of the SEC enunciated in *Morgan Stanley & Co. Incorporated* (available June 5, 1991), *Exxon Capital Holdings Corporation* (available May 13, 1988), as interpreted in the SEC s letter to *Shearman & Sterling* (available July 2, 1993), or similar no-action letters and, in the absence of an exemption therefrom, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the exchange notes.
Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on , 2018, unless extended by the Issuers. The Issuers currently do not intend to extend the expiration date.
Withdrawal	You may withdraw the tender of your outstanding notes at any time prior to the close of business, New York City time, on , 2018. The Issuers will return to you any of your outstanding notes that are not accepted for any reason for exchange, without expense to you, promptly after the expiration or termination of the exchange offer.
Conditions to the Exchange Offer	The exchange offer is subject to customary conditions, which the Issuers may waive. See The Exchange Offer Conditions to the exchange offer.
Procedures for Tendering Outstanding Notes	If you wish to participate in the exchange offer, you must complete, sign and date the accompanying letter of transmittal, according to the

instructions included in this prospectus and the letter of transmittal. You must then mail or otherwise deliver the letter of transmittal, together with the outstanding notes and any other required documents, to the exchange agent at the address set forth on the cover page of the letter of transmittal.

If you hold outstanding notes through The Depository Trust Company, or DTC , and wish to participate in the exchange offer, you must comply with the Automated Tender Offer Program

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	procedures of DTC by which you will agree to be bound by the letter of transmittal. By signing, or agreeing to be bound by, the letter of transmittal, you will represent to us that, among things: you are not our affiliate or an affiliate of any guarantor within the meaning of Rule 405 under the Securities Act; you have no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the exchange notes in violation of the provisions of the Securities Act; you are acquiring the exchange notes in the ordinary course of your business; and if you are a broker-dealer that will receive exchange notes for your own account in exchange for outstanding notes that were acquired as a result of market-making or other trading activities, you will deliver a prospectus, as required by law, in connection with any resale of such exchange notes.
Special Procedures for Beneficial Owners	If you are a beneficial owner of outstanding notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and you wish to tender those outstanding notes in the exchange offer, you should contact the registered holder promptly and instruct the registered holder to tender those outstanding notes on your behalf. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your outstanding notes, either make appropriate arrangements to register ownership of the outstanding notes in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time and may not be able to be completed prior to the expiration date.
Guaranteed Delivery Procedures	If you wish to tender your outstanding notes and your outstanding notes are not immediately available or you cannot deliver your outstanding notes, the letter of transmittal and any other required documents, or you cannot comply with the DTC Automated Tender Offer Program for transfer of book-entry interests prior to the expiration date, you must tender your outstanding notes according to the guaranteed delivery procedures set forth in this prospectus under The Exchange Offer Guaranteed delivery procedures.

Effect on Holders of Outstanding Notes	As a result of the making of, and upon timely acceptance for exchange of all validly tendered outstanding notes pursuant to the terms of the exchange offer, the Issuers and the guarantors of the notes will have fulfilled a covenant under the registration rights agreement. Accordingly, there will be no increase in the applicable interest rate on the outstanding notes under the circumstances described in the registration rights agreement. If you do not tender

	your outstanding notes in the exchange offer, you will continue to be entitled to all the rights and limitations applicable to the outstanding notes as set forth in the indenture governing the notes, except the Issuers and the guarantors of the notes will not have any further obligation to you to provide for the registration of untendered outstanding notes under the registration rights agreement. To the extent that outstanding notes are tendered and accepted in the exchange offer, the trading market for outstanding notes that are not so tendered and accepted could be adversely affected.
Consequence of Failure to Exchange	All untendered outstanding notes will continue to be subject to the restrictions on transfer set forth in the outstanding notes and in the indenture. In general, the outstanding notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, the Issuers and the guarantors of the notes do not currently anticipate that they will register resales of the outstanding notes under the Securities Act.
Certain United States Federal Income Tax Consequences	The exchange of outstanding notes for exchange notes in the exchange offer will not be a taxable event for United States federal income tax purposes. See Certain United States Federal Tax Consequences.
Regulatory Approvals	Other than compliance with the Securities Act and qualification of the indenture governing the notes under the Trust Indenture Act, there are no federal or state regulatory requirements that must be complied with or approvals that must be obtained in connection with the exchange offer.
Use of Proceeds	We will not receive any cash proceeds from the issuance of the exchange notes in the exchange offer. See Use of Proceeds.
Exchange Agent	The Bank of New York Mellon is the exchange agent for the exchange offer. The contact information for the exchange agent is set forth in the section captioned The Exchange Offer Exchange agent.

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The exchange notes

The summary below describes the principal terms of the exchange notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of Notes section of this prospectus contains more detailed descriptions of the terms and conditions of the outstanding notes and exchange notes. The exchange notes will have terms identical in all material respects to the outstanding notes, except that the exchange notes will not contain terms with respect to transfer restrictions, registration rights and additional interest for failure to observe certain obligations in the registration rights agreement.

Issuers	Cedar Fair, L.P., Canada s Wonderland Company, Magnum Management Corporation and Millennium Operations LLC.
Securities Offered	$500,000,000 aggregate principal amount of 5.375% senior notes due 2027.
Maturity Date	April 15, 2027.
Interest Rate	Interest on the exchange notes will be payable in cash and will accrue from April 13, 2017 at a rate of 5.375% per annum.
Interest Payment Dates	April 15 and October 15 of each year, beginning on October 15, 2017.
Guarantees	The exchange notes will be jointly and severally, irrevocably and unconditionally guaranteed by each wholly owned subsidiary of Cedar Fair (other than Cedar Canada, Magnum or Millennium) that guarantees the Senior Secured Credit Facilities. Going forward, each of the Issuers new wholly owned domestic subsidiaries and each of the Issuers new wholly owned Canadian subsidiaries will be required to guarantee the exchange notes to the extent each such entity guarantees the Senior Secured Credit Facilities, provided that the guarantee would not result in adverse tax consequences to the Issuers.
Ranking	The exchange notes will be the joint and several senior unsecured obligations of the Issuers and will:

rank senior in right of payment to all existing and future debt and other obligations that are, by their terms, expressly subordinated in right of payment to the exchange notes;

rank equally in right of payment to all of our existing and future senior unsecured debt and other obligations that are not, by their terms expressly subordinated in right of payment to the notes, including the 5.375% senior notes due 2024 issued by Cedar Fair, Cedar Canada and Magnum (the 2024 Senior Notes);

be effectively subordinated to all of our existing and future secured debt (including obligations under the Senior Secured Credit Facilities), to the extent of the value of the assets securing such debt; and

be structurally subordinated to all obligations of each of our subsidiaries that is not a guarantor of the exchange notes.

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The guarantees will be the senior unsecured obligations of the guarantors and will:

rank senior in right of payment to all of the applicable guarantor s existing and future debt and other obligations that are, by their terms, expressly subordinated in right of payment to the notes;

rank equally in right of payment to all of the applicable guarantor s other existing and future senior unsecured debt and other obligations that are not, by their terms, expressly subordinated in right of payment to the notes (including obligations in respect of the 2024 Senior Notes);

be effectively subordinated to all of the applicable guarantor s existing and future secured debt (including indebtedness secured by such guarantor s assets, such as the Senior Secured Credit Facilities), to the extent of the value of the assets securing such debt; and

be structurally subordinated to all obligations of each of our subsidiaries that is not a guarantor of the notes.

As of March 25, 2018, the exchange notes and related guarantees would have ranked effectively junior to $775.0 million of senior secured indebtedness (excluding $15.9 million of outstanding letters of credit under the Revolving Facility and before reduction of debt issuance costs and original issue discount) and we had $219.1 million available to us for borrowing under the Revolving Facility. As of the date hereof, we have no non-guarantor subsidiaries.

In the event any subsidiary guarantor (other than Cedar Canada, Magnum or Millennium, which are co-issuers of the exchange notes offered hereby) is released from its obligations under the Senior Secured Credit Facilities, such subsidiary guarantor (other than Cedar Canada, Magnum or Millennium, which are co-issuers of the exchange notes offered hereby) will also be released from its obligations under the exchange notes. In the event Cedar Canada, Magnum or Millennium is released from its obligations as a borrower and/or guarantor under the Senior Secured Credit Facilities, the entity (but, for the avoidance of doubt, not any of the other entities) will also be released from its obligations as a co-issuer of the exchange notes.

Optional Redemption	We may redeem the exchange notes, in whole or part, at any time prior to April 15, 2022 at a price equal to 100% of the principal amount of the exchange notes redeemed plus a make-whole premium, together with accrued and unpaid interest and additional interest, if any, to the redemption date as described in Description of Notes Optional redemption.
	We may redeem the exchange notes, in whole or in part, on or after April 15, 2022, at the redemption prices set forth under Description of Notes Optional redemption together with accrued and unpaid interest and additional interest, if any, to the redemption date.

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Optional Redemption After Certain Equity Offerings	At any time (which may be more than once) before April 15, 2020, we may choose to redeem up to 35% of the aggregate principal amount of the exchange notes at a redemption price equal to 105.375% of the face amount thereof, plus accrued and unpaid interest and additional interest, if any, to the redemption date, with the net proceeds of one or more equity offerings to the extent such net cash proceeds are received by or contributed to us. We may make the redemption only if, after the redemption, at least 50% of the aggregate principal amount of the notes remains outstanding. See Description of Notes Optional redemption.
Change of Control	If we experience a change of control (as defined in the indenture governing the notes), we will be required to make an offer to repurchase the exchange notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, to the date of repurchase. See Description of Notes Change of control.
Certain Covenants	The indenture governing the notes contains covenants limiting our ability and the ability of certain of our restricted subsidiaries to: incur additional debt or issue certain preferred equity; pay distributions on or make distributions in respect of capital stock or units or make other restricted payments; make certain investments; sell certain assets; create restrictions on distributions from restricted subsidiaries; create liens on certain assets to secure debt; consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; enter into certain transactions with our affiliates; and

designate our subsidiaries as unrestricted subsidiaries.

The covenants are subject to a number of important limitations and exceptions. See Description of Notes. Certain covenants will cease to apply to the notes in the event that and for so long as the notes have investment grade ratings from both Moody s Investors Service, Inc. (Moody s) and Standard & Poor s Ratings Services (S&P).

No Prior Market	The exchange notes will be freely transferable but will be new securities for which there will not initially be a market. Accordingly, we cannot assure you whether a market for the exchange notes will develop or as to the liquidity of any such market that may develop. The initial purchasers in the private offering of the outstanding notes have informed us that they currently intend to make a market in the

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	exchange notes; however, they are not obligated to do so, and they may discontinue any such market-making activities at any time without notice.
Use of Proceeds	We will not receive any cash proceeds from the issuance of the exchange notes in the exchange offer. See Use of Proceeds.
Risk Factors	Investing in the exchange notes involves substantial risks. See Risk Factors for a brief description of some of the risks you should consider before participating in the exchange offer.

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SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OTHER OPERATING DATA

The following table sets forth summary historical financial data for each of the years in the three-year period ended December 31, 2017 and for the three months ended March 25, 2018 and March 26, 2017, which have been prepared in accordance with accounting principles generally accepted in the United States, or U.S. GAAP.

The consolidated statement of operations data for the years ended December 31, 2015, 2016 and 2017 and the consolidated balance sheet data as of December 31, 2016 and 2017 have been derived from, and should be read in conjunction with, our audited consolidated financial statements and the accompanying notes of Cedar Fair, L.P. and its subsidiaries for each of the three years ended December 31, 2017 and as of December 31, 2016 and 2017 (our audited 2017 consolidated financial statements), which are included elsewhere in this prospectus. The consolidated balance sheet data as of December 31, 2015 has been derived from, and should be read in conjunction with, our historical audited consolidated financial statements and the accompanying notes, which are not included in this prospectus. The consolidated statement of operations data for the quarters ended March 25, 2018 and March 26, 2017 (our interim unaudited condensed consolidated financial statements) have been derived from, and should be read in conjunction with, our unaudited March 25, 2018 consolidated financial statements and the accompanying notes included elsewhere in this prospectus.

We have prepared the unaudited financial data on the same basis as the audited consolidated financial data and have included, in our opinion, all adjustments that we consider necessary for a fair presentation of the financial data set forth in those statements. Interim results are not necessarily indicative of the results to be expected for the entire fiscal year.

The summary consolidated financial data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations, as well as our audited 2017 consolidated financial statements, our interim unaudited condensed consolidated financial statements and the related notes thereto included elsewhere in this prospectus.

Our historical results are not necessarily indicative of our future results.

	For the three months ended		For the years ended December 31,		
	March 25, 2018	March 26, 2017	2017(1)	2016	2015
	(In millions, except per unit, per capita amounts and ratios)				
Statement of Operations Data					
Net revenues:					
Admissions	$ 26.7	$ 22.6	$ 734.1	$ 716.2	$ 687.4
Food, merchandise and games	21.1	18.2	422.5	407.7	398.0
Accommodations, extra-charge products and other	7.0	7.5	165.4	164.9	150.3
Total net revenues	54.7	48.3	1,322.0	1,288.7	1,235.8

Cost and operating expenses:					
Cost of food, merchandise and games revenues	6.0	5.5	110.8	106.6	104.8
Operating expenses	88.8	84.3	558.1	538.9	517.6
Selling, general and administrative	28.7	27.6	193.8	181.8	171.5
Depreciation and amortization	5.5	5.4	153.2	131.9	125.6
Loss on impairment/retirement of fixed assets, net	1.3	1.5	12.7	12.6	20.9
Gain on sale of investment			(1.9)		
Total costs and operating expenses	130.4	124.3	1,026.8	971.8	940.4

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	For the three months ended		For the years ended December 31,		
	March 25, 2018	March 26, 2017	2017(1)	2016	2015
	(In millions, except per unit, per capita amounts and ratios)				
Operating income (loss)	(75.6)	(76.0)	295.2	316.9	295.3
Interest expense	19.8	18.9	85.6	83.9	86.8
Net effect of swaps	(3.6)	0.3		(1.2)	(6.9)
Loss on early debt extinguishment	1.1		23.1		
(Gain) loss on foreign currency	10.1	(2.7)	(29.1)	(14.7)	81.0
Other income	(0.3)		(1.0)	(0.2)	(0.1)
Income (loss) before taxes	(102.6)	(92.5)	216.6	249.1	134.4
Provision (benefit) for taxes	(19.2)	(27.7)	1.1	71.4	22.2
Net income (loss)	$ (83.4)	$ (64.8)	$ 215.5	$ 177.7	$ 112.2
Balance Sheet Data					
Cash and cash equivalents	$ 42.9	$ 34.2	$ 166.2	$ 122.7	$ 119.6
Working capital surplus (deficit)(2)	(99.2)	(105.4)	21.5	(47.0)	(14.6)
Property and equipment, net	1,621.1	1,588.6	1,585.8	1,539.2	1,514.9
Total assets	2,004.6	1,958.3	2,064.2	1,973.2	1,963.0
Total debt(3)	1,700.8	1,623.0	1,660.5	1,537.0	1,539.2
Partners equity	(51.0)	(47.6)	82.9	60.5	57.0
Distributions					
Declared per limited partner unit	$ 0.890	$ 0.855	$ 3.455	$ 3.330	$ 3.075
Paid per limited partner unit	0.890	0.855	3.455	3.330	3.075
Other Data					
EBITDA(4)	$ (77.5)	$ (68.2)	$ 454.6	$ 464.7	$ 346.8
Adjusted EBITDA(4)	$ (65.5)	$ (65.5)	$ 479.0	$ 481.2	$ 459.2
Cash interest expense (including revolver)	6.8	18.0	86.0	82.0	85.0
Capital expenditures	45.0	48.5	188.1	160.7	175.9
Attendance(5)	N/A	N/A	25.7	25.1	24.4
In-park guest per capita spending(6)	N/A	N/A	$ 47.30	$ 46.90	$ 46.20
Total debt (including revolver) to Adjusted EBITDA(7)	N/A	N/A	3.47x	3.19x	3.35x
Adjusted EBITDA to cash interest expense(4)(7)	N/A	N/A	5.57x	5.87x	5.40x
Net cash from (for) operating activities	$ (55.2)	$ (74.0)	$ 331.2	$ 358.3	$ 346.0
Net cash for investing activities	(44.8)	(48.5)	(184.9)	(161.2)	(177.9)
Net cash from (for) financing activities	(21.9)	33.6	(106.4)	(194.5)	(177.9)
Ratio of earnings to fixed charges(8)	(3.6)x	(3.3)x	3.2x	3.6x	2.3x

(1)

Operating results for 2017 include a tax benefit of $54.2 million due to tax law changes, in particular the Tax Cuts and Jobs Act, signed into law on December 22, 2017 (the Tax Cuts and Jobs Act), a charge of $23.1 million for the loss on early debt extinguishment and a charge of $7.6 million for the impairment of the remaining land at Wildwater Kingdom, one of our separately gated outdoor water parks which ceased operations in 2016.

(2) Working capital is defined as current assets less current liabilities.

(3) The calculation of Total debt (i) includes current maturities of long-term debt and (ii) does not include standby letters of credit outstanding under the Revolving Facility.

(4) EBITDA represents net income before interest expense, interest income, provision for taxes, depreciation and amortization and Adjusted EBITDA represents EBITDA, as further adjusted to exclude other non-cash items and adjustments as defined in the 2017 Credit Agreement and prior credit agreements. EBITDA and Adjusted EBITDA are not measurements of operating performance computed in accordance with GAAP and should not be considered as a substitute for operating income, net income or cash flows from operating

activities computed in accordance with GAAP. We believe that Adjusted EBITDA is a meaningful measure as it is widely used by analysts, investors and comparable companies in our industry to evaluate our operating performance on a consistent basis, as well as more easily compare our results with those of other companies in our industry. Further, management believes Adjusted EBITDA is a meaningful measure of park-level operating profitability and we use it for measuring returns on capital investments, evaluating potential acquisitions, determining awards under incentive compensation plans, and calculating compliance with certain loan covenants. EBITDA and Adjusted EBITDA are provided in the discussion of results of operations, which is included elsewhere in this prospectus, as a supplemental measure of our operating results and are not intended to be substitutes for operating income, net income or cash flows from operating activities as defined under generally accepted accounting principles. Adjusted EBITDA may not be comparable to similarly titled measures of other companies. Reconciliations of net income to EBITDA and Adjusted EBITDA are provided below.

Reconciliation of Net Income (Loss) to EBITDA and Adjusted EBITDA:

	For the three months ended		**For the years ended December 31,**		
	March 25, 2018	**March 26, 2017**	**2017**	**2016**	**2015**
			(In millions)		
Net income (loss)	$ (83.4)	$ (64.8)	$ 215.5	$ 177.7	$ 112.2
Interest expense	19.8	18.9	85.6	83.9	86.8
Interest income	(0.2)		(0.9)	(0.2)	(0.1)
Provision (benefit) for taxes	(19.2)	(27.7)	1.1	71.4	22.2
Depreciation and amortization	5.5	5.4	153.2	131.9	125.6
EBITDA	(77.5)	(68.2)	454.6	464.7	346.8
Loss on early extinguishment of debt	1.1		23.1		
Net effect of swaps(a)	(3.6)	0.3		(1.2)	(6.9)
Non-cash foreign currency (gain) loss	10.1	(2.7)	(29.0)	(14.3)	80.9
Non-cash equity compensation expense	3.0	3.4	13.8	18.5	15.5
Loss on impairment/retirement of fixed assets, net(b)	1.3	1.5	12.7	12.6	20.9
Gain on sale of investment			(1.9)		
Employment practice litigation costs			4.9		0.3
Other(c)	0.2	0.2	0.9	1.0	1.7
Adjusted EBITDA	$ (65.5)	$ (65.5)	$ 479.0	$ 481.2	$ 459.2

(a) Represents the removal of the net effect of swaps that are either ineffective or do not qualify for hedge accounting, which is a non-cash expense.

(b) Reflects the impairment or retirement of fixed assets, primarily related to the retirement of fixed assets in the normal course of business.

(c) Consists of certain costs as defined in the 2017 Credit Agreement. These items are excluded in the calculation of Adjusted EBITDA and have included certain legal expenses, costs associated with certain ride abandonment or relocation expenses and severance expenses. This balance also includes unrealized gains and losses on short-term investments.

(5) Attendance includes number of guest visits to our amusement parks and separately gated outdoor water parks. Operating results for the first quarter are historically less than 5% of our full-year revenues and attendance. Therefore, we did not disclose attendance for the three-month periods ended March 25, 2018 and March 26, 2017.

(6) In-park per capita spending is calculated as revenues generated within our amusement parks and separately gated outdoor water parks along with related tolls and parking revenues, excluding the expense remitted to others under concessionaire arrangements, divided by total attendance. Revenues from resort, marina, sponsorship, on-line advanced purchase transaction fees charged to customers and all other out-of-park operations are excluded from per capita statistics. Operating results for the first quarter are historically less than 5% of our full-year revenues and attendance. Therefore, we did not disclose in-park per capita spending for the three-month periods ended March 25, 2018 and March 26, 2017.

(7) We believe that Total debt to Adjusted EBITDA and Adjusted EBITDA to cash interest expense ratios are meaningful measures as they are widely used by analysts, investors and comparable companies in our industry to evaluate our operating performance on a consistent basis, as well as to compare our results with those of other companies in our industry. Total debt (including revolver) to Adjusted EBITDA and Adjusted EBITDA to cash interest expense (including revolver) are not meaningful during the three-month periods ended March 25, 2018 and March 26, 2017 due to the seasonal nature of our business. Therefore, we did not disclose Total debt (including revolver) to Adjusted EBITDA or Adjusted EBITDA to cash interest expense (including revolver) for the three-month periods ended March 25, 2018 and March 26, 2017.

(8) For purposes of computing the ratio of earnings to fixed charges, earnings consist of income (loss) before income taxes plus fixed charges. Fixed charges consist of interest expense plus capitalized interest, amortization of capitalized debt costs and the interest component of rental costs. The ratio of earnings to fixed charges was 2.0x and 2.1x for the years ended December 31, 2014 and 2013, respectively. Our earnings were insufficient to cover our fixed charges for the three-month periods ended March 25, 2018 and March 26, 2017 by approximately $103.2 million and $93.2 million, respectively, due to the seasonal nature of our business.

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RISK FACTORS

You should carefully consider the risk factors set forth below, as well as the other information included in this prospectus before deciding to tender your outstanding notes in the exchange offer. Any of the following risks could materially and adversely affect our business, financial condition or results of operations. The risks described below are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. In such a case, you may lose all or a part of your original investment.

Risks related to the exchange offer

There may be adverse consequences to you if you do not exchange your outstanding notes.

If you do not exchange your outstanding notes for exchange notes in the exchange offer, you will continue to be subject to restrictions on the transfer of your outstanding notes as set forth in the offering memorandum dated April 10, 2017 distributed in connection with the private offering of the outstanding notes. In general, the outstanding notes may not be offered or sold unless they are registered or exempt from registration under the Securities Act and applicable state securities laws. Except as required by the registration rights agreement, we do not intend to register resales of the outstanding notes under the Securities Act. You should refer to Summary The exchange offer and The Exchange Offer for information about how to tender your outstanding notes.

The tender of outstanding notes under the exchange offer will reduce the outstanding amount of the outstanding notes, which may have an adverse effect upon, and increase the volatility of, the market prices of the outstanding notes due to a reduction in the liquidity of the market for the outstanding notes.

Your ability to transfer the exchange notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the exchange notes.

We are offering the exchange notes to the holders of the outstanding notes. The outstanding notes were offered and sold in April 2017 to qualified institutional investors in a private offering.

We do not intend to apply for a listing of the exchange notes on a securities exchange or on any automated dealer quotation system. There is currently no established market for the exchange notes, and we cannot assure you that any market may develop for the exchange notes, as to the liquidity of any such markets, of your ability to sell the exchange notes or as to the price at which you would be able to sell the exchange notes at any time. If such markets were to exist, the exchange notes could trade at prices that may be lower than their principal amount or your purchase price depending on many factors, including prevailing interest rates, the market for similar notes, our financial and operating performance and other factors. The initial purchasers in the private offering of the outstanding notes have advised us that they currently intend to make a market with respect to the exchange notes. However, these initial purchasers are not obligated to do so, and any such market making activity with respect to the exchange notes may be discontinued at any time without notice. In addition, such market making activity may be limited during the pendency of the exchange offer or the effectiveness of a shelf registration statement in lieu thereof. Therefore, we cannot assure you that an active market for the exchange notes will develop or, if developed, that it will continue. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the notes. The market, if any, for the exchange notes may experience similar disruptions and any such disruptions may adversely affect the prices at which you may sell your exchange notes.

Certain persons who participate in the exchange offer must deliver a prospectus in connection with resales of the exchange notes.

Based on interpretations of the staff of the SEC contained in *Exxon Capital Holdings Corp.*, SEC no-action letter (available April 13, 1988), *Morgan Stanley & Co. Inc.*, SEC no-action letter (available June 5, 1991) and

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Shearman & Sterling, SEC no-action letter (available July 2, 1993), we believe that you may offer for resale, resell or otherwise transfer the exchange notes without compliance with the registration and prospectus delivery requirements of the Securities Act. However, in some instances described in this prospectus under Plan of Distribution, certain holders of exchange notes will remain obligated to comply with the registration and prospectus delivery requirements of the Securities Act to transfer the exchange notes. If such a holder transfers any exchange notes without delivering a prospectus meeting the requirements of the Securities Act or without an applicable exemption from registration under the Securities Act, such a holder may incur liability under the Securities Act. We do not and will not assume, or indemnify such a holder against, this liability.

Risks related to our indebtedness and this exchange offer

Our substantial indebtedness could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry and prevent us from making debt service payments on the notes.

We are a highly leveraged company. As of March 25, 2018, we had $1,740.9 million (after giving effect to $15.9 million of outstanding letters of credit under our Revolving Facility and before reduction of debt issuance costs and original issue discount) of total debt outstanding and the notes and related guarantees ranked effectively junior to $775.0 million of senior secured indebtedness (excluding $15.9 million of outstanding letters of credit under the Revolving Facility and before reduction of debt issuance costs and original issue discount). In addition, as of March 25, 2018, we had $219.1 million available to us for borrowing under the Revolving Facility.

Our substantial indebtedness could have important consequences for you as a holder of the notes. For example, it could:

- limit our ability to borrow money for our working capital, capital expenditures, debt service requirements, strategic initiatives or other purposes;
- limit our flexibility in planning or reacting to changes in business and future business operations;
- make it more difficult for us to satisfy our obligations with respect to our indebtedness, including the notes, and any failure to comply with the obligations of any of our debt instruments, including restrictive covenants and borrowing conditions, could result in an event of default under the indenture governing the notes and the agreements governing other indebtedness;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- make us more highly leveraged than some of our competitors, which may place us at a competitive disadvantage; and

require us to dedicate a substantial portion of our cash flow from operations to the repayment of our indebtedness thereby reducing funds available to us for other purposes, such as making strategic acquisitions, introducing new rides and attractions and exploiting business opportunities.

Furthermore, our interest expense could increase if interest rates increase because all of the debt under the Senior Secured Credit Facilities is variable-rate debt. See Description of Other Indebtedness.

Despite our substantial indebtedness, we may still be able to incur significantly more debt. This could intensify the risks described above.

We and our subsidiaries may be able to incur substantial indebtedness in the future. Although the terms of the indenture governing the notes, the indenture governing the 2024 Senior Notes and the Senior Secured Credit Facilities contain restrictions on the Issuers and our subsidiaries ability to incur additional indebtedness, including secured indebtedness that will be effectively senior to the notes, these restrictions are subject to a number of important qualifications and exceptions, and the indebtedness incurred in compliance with these restrictions could be substantial. As of March 25, 2018, we had $1,740.9 million (after giving effect to $15.9 million of outstanding letters of credit under our Revolving Facility and before reduction of debt issuance costs and original issue discount) of total debt outstanding, including $775.0 million of senior secured indebtedness under the Senior Secured Credit Facilities (excluding $15.9 million of outstanding letters of credit under the Revolving Facility and before reduction of debt issuance costs and original issue discount). Further, we had an additional $219.1 million of available borrowing capacity under the Revolving Facility, all of which, if drawn, would be effectively senior to the notes. In addition to the notes, the 2024 Senior Notes and our borrowings under the Senior Secured Credit Facilities, the covenants under any future debt instruments could allow us to incur a significant amount of additional indebtedness. In addition to the $219.1 million which is available to us for borrowing under the Revolving Facility, subject to certain conditions, we have the option to add one or more incremental facilities to the Senior Secured Credit Facilities in an aggregate amount not to exceed the greater of (x) $400.0 million and (y) any other amount that may be incurred for any purpose if such incurrence would not cause our senior secured leverage ratio to exceed 3.25 to 1.00 on a pro forma basis. See Description of Other Indebtedness Senior Secured Credit Facilities. The more leveraged we become, the more we, and in turn our noteholders, will be exposed to certain risks described above under Our substantial indebtedness could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry and prevent us from making debt service payments on the notes.

We may not be able to generate sufficient cash to service all of our indebtedness, including the notes, and may be forced to take other actions to satisfy our obligations under our indebtedness that may not be successful.

Our ability to pay principal and interest on the notes and to satisfy our other debt obligations will depend upon, among other things:

- our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business and other factors, many of which are beyond our control; and

- our future ability to borrow under the Revolving Facility, the availability of which depends on, among other things, our compliance with the covenants in such credit facility.

We cannot assure you that our business will generate sufficient cash flow from operations, or that we will be able to draw under the Revolving Facility or otherwise, in an amount sufficient to fund our liquidity needs, including the payment of principal and interest on the notes.

If our cash flows and capital resources are insufficient to service our indebtedness, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness, including the notes. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of our existing or future debt agreements, including the Senior Secured Credit Facilities, the indenture governing the 2024 Senior Notes and the indenture governing the notes, may restrict us from adopting some of these alternatives. In the absence of sufficient operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate those dispositions for fair market value or at all. Furthermore, any proceeds that we could realize from any such dispositions may not be adequate to meet our debt service obligations then due.

Your right to receive payments on the notes is effectively junior to those lenders who have a security interest in our assets.

The Issuers obligations under the notes and the guarantors obligations under their guarantees of the notes are unsecured. As a result, the notes and the related guarantees are effectively subordinated to all of our and the guarantors secured indebtedness to the extent of the value of the assets securing such indebtedness. Our obligations under the Senior Secured Credit Facilities are secured by a pledge of substantially all of our and our guarantors tangible and intangible assets. In the event that we or a guarantor are declared bankrupt, become insolvent or are liquidated or reorganized, our obligations under the Senior Secured Credit Facilities and any other secured obligations will be entitled to be paid in full from our assets or the assets of such guarantor, as the case may be, pledged as security for such obligation before any payment may be made with respect to the notes. Holders of the notes would participate ratably in our remaining assets or the remaining assets of the guarantor, as the case may be, with all holders of unsecured indebtedness that are deemed to rank equally with the notes, based upon the respective amount owed to each creditor. In addition, if we default under the Senior Secured Credit Facilities, the lenders could declare all of the funds borrowed thereunder, together with accrued interest, immediately due and payable. If we were unable to repay such indebtedness, the lenders could foreclose on the pledged assets to the exclusion of holders of the notes, even if an event of default exists under the indenture under which the notes will be issued at such time. Furthermore, if the lenders foreclose and sell the pledged equity interests in any subsidiary guarantor (other than Cedar Canada, Magnum and Millennium which are co-issuers of the notes) under the notes, then that subsidiary guarantor (other than Cedar Canada, Magnum and Millennium which are co-issuers of the notes) will be released from its guarantee of the notes automatically and immediately upon such sale. In any such event, because the notes are not secured by any of our assets or the equity interests in subsidiary guarantors, it is possible that there would be no assets remaining from which your claims could be satisfied or, if any assets remained, they might be insufficient to satisfy your claims fully. See Description of Other Indebtedness.

As of March 25, 2018, we had $1,740.9 million (after giving effect to $15.9 million of outstanding letters of credit under our Revolving Facility and before reduction of debt issuance costs and original issue discount) of total debt outstanding and the notes and related guarantees ranked effectively junior to $775.0 million of senior secured indebtedness (excluding $15.9 million of outstanding letters of credit under the Revolving Facility and before reduction of debt issuance costs and original issue discount). In addition, as of March 25, 2018, we had $219.1 million available to us for borrowing under the Revolving Facility, all of which was secured indebtedness.

The indenture governing the notes and the indenture governing the 2024 Senior Notes permit the incurrence of substantial additional indebtedness by us and our restricted subsidiaries in the future, including secured indebtedness. Any secured indebtedness incurred would rank senior to the notes to the extent of the value of the assets securing such indebtedness.

If we default on our obligations to pay our other indebtedness, we may not be able to make payments on the notes.

Any default under the agreements governing our indebtedness, including a default under the Senior Secured Credit Facilities that is not waived by the required lenders or a default under the indenture governing the 2024 Senior Notes that is not waived by the holders of such notes, and the remedies sought by the holders of such indebtedness could leave us unable to pay principal, premium, if any, or interest on the notes and could substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, or interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and/or operating covenants, in the instruments governing our indebtedness (including the Senior Secured Credit Facilities and the 2024 Senior Notes), we could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness could elect to declare all the funds borrowed or issued thereunder to be due and payable, together with accrued and unpaid interest, and institute foreclosure proceedings against our assets; the lenders under the Revolving Facility could elect to terminate their commitments and cease making further loans; and we could be forced into bankruptcy or liquidation. If our operating performance declines, we may in the future breach our covenants and need to seek waivers from the required lenders under the Senior Secured Credit Facilities to avoid being in default. If we are unable to obtain such a waiver, we would be in default and the lenders could exercise their rights as described above. If any of our indebtedness were to be accelerated, there can be no assurance that our assets would be sufficient to repay such indebtedness in full, and we could be forced into bankruptcy or liquidation. See Description of Other Indebtedness and Description of Notes.

Variable rate indebtedness could subject us to the risk of higher interest rates, which could cause our future debt service obligations to increase.

As of March 25, 2018, after giving consideration to current outstanding interest-rate swap arrangements, most of our indebtedness under our Term Loan Facility accrues interest that has been swapped to a fixed rate through 2020. See Description of Other Indebtedness. After the expiration of outstanding interest-rate swap agreements, all of our borrowings will be at variable rates of interest and expose us to interest rate risk. If interest rates increase, our annual debt service obligations on any variable-rate indebtedness would increase even though the amount borrowed remained the same and our net income would decrease.

Our debt agreements contain restrictions that could limit our flexibility in operating our business.

The 2017 Credit Agreement and the indentures governing our notes contain, and any future indebtedness of ours will likely contain, a number of covenants that could impose significant operating and financial restrictions on us, including restrictions on our and our subsidiaries ability to, among other things:

- pay distributions on or make distributions in respect of our capital stock or units or make other restricted payments;
- incur additional debt or issue certain preferred equity;
- make certain investments;
- sell certain assets;
- create restrictions on distributions from restricted subsidiaries;
- create liens on certain assets to secure debt;
- consolidate, merge, amalgamate, sell or otherwise dispose of all or substantially all of our assets;
- enter into certain transactions with our affiliates; and
- in the case of the notes and the 2024 Senior Notes, designate our subsidiaries as unrestricted subsidiaries.

The 2017 Credit Agreement includes a consolidated leverage ratio, which if breached for any reason and not cured could result in an event of default. The ratio is set at a maximum of 5.50x consolidated total debt-to-consolidated EBITDA. As of March 25, 2018, we were in compliance with this financial condition covenant and all other covenants under the 2017 Credit Agreement.

Our long-term debt agreements include restricted payment provisions. Pursuant to the terms of the indenture governing the 2024 Senior Notes, which includes the most restrictive of these Restricted Payments provisions, we can make Restricted Payments of $60 million annually so long as no default or event of default has occurred and is continuing; and we may make additional Restricted Payments if our pro forma Total-Indebtedness-to-Consolidated-Cash-Flow Ratio (as such terms are defined in the indenture governing such notes) is less than or equal to 5.00x.

We may not be able to repurchase the notes upon a change of control.

Upon the occurrence of certain change of control events, we will be required to offer to repurchase all notes and 2024 Senior Notes that remain outstanding, at 101% of the outstanding principal amount thereof plus, without duplication, accrued and unpaid interest and additional interest, if any, to the date of repurchase. However, it is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of the notes or the 2024 Senior Notes, or that restrictions in the Senior Secured Credit Facilities will not allow such repurchases. Our failure to repay holders tendering the notes or the 2024 Senior Notes upon a change of control would result in an event of default under the notes or the 2024 Senior Notes. A change of control or an event of default under the notes or the 2024 Senior Notes may also result in an event of default under the Senior Secured Credit Facilities, which may result in the acceleration of the indebtedness under those facilities requiring us to repay that indebtedness immediately. If a change of control were to occur, we cannot assure you that we would have sufficient funds to repay debt outstanding under the Senior Secured Credit Facilities or any other securities (including the 2024 Senior Notes) which we would be required to offer to purchase or that would become immediately due and payable as a result. We may require additional financing from third parties to fund any such purchases, and we cannot assure you that we would be able to obtain financing on satisfactory terms or at all. In addition, certain important corporate events, such as leveraged recapitalizations that would increase the level of our indebtedness, would not constitute a change of control under the indenture. See Description of Notes Change of control.

Holders of the notes may not be able to determine when a change of control giving rise to their right to have the notes repurchased has occurred following a sale of substantially all of our assets.

The definition of change of control in the indenture governing the notes and in the indenture governing the 2024 Senior Notes includes a phrase relating to the sale of all or substantially all of our assets. There is no precise established definition of the phrase substantially all under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase its notes as a result of a sale of less than all of our assets to another person may be uncertain.

Relevant local insolvency laws may not be as favorable to you as U.S. bankruptcy laws and may preclude holders of notes from recovering payments due.

Cedar Canada is organized under the laws of the Province of Nova Scotia, Canada and certain future guarantors may be incorporated or organized under the laws of Canada or any province thereof. Any insolvency proceedings by or against any such entity or any entity with assets or offices in Canada may be governed by the laws of Canada. The procedural and substantive provisions of Canadian insolvency laws may not be as favorable to creditors as comparable provisions of U.S. law.

In the event that any one or more of the Issuers, the guarantors, or any future guarantors experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings.

You may not be able to effectively enforce your rights in multiple bankruptcy, insolvency and other similar proceedings. Multi-jurisdictional proceedings are typically complex and costly for creditors and often result in substantial uncertainty and delay in the enforcement of creditors rights.

It may be difficult to assert claims or enforce U.S. judgments against Cedar Canada, its directors and officers or any future guarantors incorporated or organized under the laws of Canada or any province or territory thereof, or their respective directors and officers.

There is doubt whether proceedings can successfully be pursued in Canadian courts based upon violations of U.S. federal securities laws for which no equivalent or similar claims are available in Canadian law. Moreover, depending on the circumstances and nature of relief obtained, there may also be doubt as to the enforceability in Canadian courts of judgments of U.S. courts obtained in actions based upon the civil liability provisions of the U.S. federal or state securities laws or other laws of the United States or any state thereof or the equivalent laws of other jurisdictions. Therefore, it may not be possible to successfully assert certain claims, or enforce

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judgments obtained in certain U.S. proceedings, against Cedar Canada, its directors and officers named in this prospectus or any future guarantors incorporated or organized under the laws of Canada or any province or territory thereof, or their respective directors and officers.

Because each guarantor s liability under its guarantees may be reduced to zero, avoided or released under certain circumstances, you may not receive any payments from some or all of the guarantors.

You have the benefit of the guarantees of the guarantors. However, the guarantees by the guarantors are limited to the maximum amount that the guarantors are permitted to guarantee under applicable law. As a result, a guarantor s liability under its guarantee could be reduced to zero, depending on the amount of other obligations of such guarantor. Further, under the circumstances discussed more fully below, a court under applicable fraudulent conveyance and transfer statutes could void the obligations under a guarantee or further subordinate it to all other obligations of the guarantor. In addition, you will lose the benefit of a particular guarantee if it is released under certain circumstances described under Description of Notes Guarantees and obligations of each guarantor.

As a result, a guarantor s liability under its guarantee could be materially reduced or eliminated depending upon the amounts of its other obligations and upon applicable laws. In particular, in certain jurisdictions, a guarantee issued by a company that is not in the company s corporate interests, the burden of which exceeds the benefit to the company, or which is entered into within a certain period prior to insolvency or bankruptcy, may not be valid and enforceable. It is possible that a guarantor, a creditor of a guarantor, or the insolvency administrator in the case of an insolvency of a guarantor, may contest the validity and enforceability of the guarantee and that the applicable court may determine the guarantee should be limited or voided. In the event that any guarantees are deemed invalid or unenforceable, in whole or in part, or to the extent that agreed limitations on the guarantee obligation apply, the notes would be effectively subordinated to all liabilities of the applicable guarantor, including trade payables of such guarantor.

A subsidiary guarantee could be voided if it constitutes a fraudulent transfer under U.S. bankruptcy or similar state law, which would prevent the holders of the notes from relying on that subsidiary to satisfy claims.

Under U.S. bankruptcy law and comparable provisions of state fraudulent transfer laws, a guarantee can be voided, or claims under the guarantee may be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee or, in some states, when payments become due under the guarantee, received less than reasonably equivalent value or fair consideration for the incurrence of the guarantee and:

- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged in a business or transaction for which the guarantor s remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they mature.

A guarantee may also be voided, without regard to these factors, if a court finds that the guarantor entered into the guarantee with the actual intent to hinder, delay or defraud its creditors.

A court would likely find that a guarantor did not receive reasonably equivalent value or fair consideration for its guarantee if the guarantor did not substantially benefit directly or indirectly from the issuance of the guarantee. If a court were to void a guarantee, you would no longer have a claim against the guarantor. Sufficient funds to repay the notes may not be available from other sources, including the remaining guarantors, if any. In addition, the court might direct you to repay any amounts that you already received from the subsidiary guarantor.

The measures of insolvency for purposes of fraudulent transfer laws vary depending upon the governing law. Generally, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, were greater than the fair saleable value of all its assets;
- the present fair saleable value of its assets is less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

Each subsidiary guarantee will contain a provision intended to limit the guarantor s liability to the maximum amount that it could incur without causing the incurrence of obligations under its subsidiary guarantee to be a fraudulent transfer. However, this provision may not be effective to protect the subsidiary guarantees from being voided under fraudulent transfer law.

Your ability to transfer the exchange notes may be limited by the absence of an active trading market, and an active trading market may not develop for the exchange notes.

The exchange notes are a new issue of securities for which there is no established trading market. We do not intend to have the exchange notes listed on a national securities exchange or to arrange for quotation on any automated dealer quotation systems. The initial purchasers have advised us that they intend to make a market in the exchange notes, as permitted by applicable laws and regulations; however, the initial purchasers are not obligated to make a market in the notes, and they may discontinue their market-making activities at any time without notice. Therefore, we cannot assure you as to the development or liquidity of any trading market for the exchange notes. The liquidity of any market for the exchange notes will depend on a number of factors, including:

- the number of holders of exchange notes;
- our operating performance and financial condition;
- the market for similar securities;
- the interest of securities dealers in making a market in the exchange notes; and
- prevailing interest rates.

Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the notes. The market, if any, for the exchange notes may face similar disruptions that may adversely affect the prices at which you may sell your exchange notes. Therefore, you may not be able to sell your exchange notes at a particular time and the price that you receive when you sell may not be favorable.

If the notes are rated investment grade at any time by both Standard & Poor s and Moody s, most of the restrictive covenants contained in the indenture governing the notes will be suspended.

If, at any time, the credit rating on the notes, as determined by both Standard & Poor s and Moody s, equals or exceeds BBB- and Baa3, respectively, or any equivalent replacement ratings, we will not be subject to most of the restrictive covenants and certain events of default contained in the indenture governing the notes. As a result, you may have less contractual protection in the future under the indenture than you had at the time the notes were initially issued. In the event that one or both of the ratings later drops below the specified level, we will thereafter again be subject to such restrictive covenants and events of default but actions that we have taken during a suspension period will not be the basis for a default or event of default under the indenture if such actions were permitted at the time they were taken.

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Changes in our credit rating could adversely affect the market price or liquidity of the notes.

Credit rating agencies continually revise their ratings for the companies that they follow, including us. Credit rating agencies also evaluate our industry as a whole and may change their credit ratings for us based on their overall view of our industry. We cannot be sure that credit rating agencies will maintain their ratings on the notes. A negative change in our ratings or the ratings on the notes could have an adverse effect on the future trading prices of the notes.

The notes will be structurally subordinated to the liabilities of any future non-guarantor subsidiaries.

Payments on the notes are only required to be made by us and the guarantors. The notes are only guaranteed by Cedar Fair s wholly owned subsidiaries (other than Cedar Canada, Magnum and Millennium) that guarantee our obligations under the Senior Secured Credit Facilities. Accordingly, holders of the notes are structurally subordinated to the claims of creditors of any future non-guarantor subsidiaries, including trade creditors. All obligations of any future non-guarantor subsidiaries, including trade payables, will have to be satisfied before any of the assets of such subsidiaries would be available for distribution, upon liquidation or otherwise, to us or a guarantor of the notes. Any non-guarantor subsidiaries are permitted, subject to certain limitations, to incur additional debt in the future under the indenture and our other debt instruments. As of the date hereof, we have no non-guarantor subsidiaries.

Risks related to our business

We compete for discretionary spending and discretionary free-time with many other entertainment alternatives and are subject to factors that generally affect the recreation and leisure industry, including general economic conditions.

Our parks compete for discretionary spending and discretionary free-time with other amusement, water and theme parks and with other types of recreational activities and forms of entertainment, including movies, sporting events, restaurants and vacation travel. Our business is also subject to factors that generally affect the recreation and leisure industries and are not within our control. Such factors include, but are not limited to, general economic conditions, including relative fuel prices, and changes in consumer tastes and spending habits. Uncertainty regarding regional economic conditions and deterioration in the economy generally may adversely impact attendance figures and guest spending patterns at our parks, and disproportionately affect different demographics of our target customers within our core markets. For example, group sales and season pass sales, which represent a significant portion of our revenues, are disproportionately affected by general economic conditions. Both attendance (defined as the number of guest visits to our amusement parks and separately gated outdoor water parks) and in-park per capita spending (calculated as all amusement park, outdoor water park, tolls and parking revenues for the amusement park and water park operating seasons divided by total attendance) at our parks are key drivers of our revenues and profitability, and reductions in either can directly and negatively affect revenues and profitability.

Uncertain economic conditions, such as unemployment rates, affect our guests levels of discretionary spending. A decrease in discretionary spending due to a decline in consumer confidence in the economy, an economic slowdown or deterioration in the economy could adversely affect the frequency with which our guests choose to attend our amusement parks and the amount that our guests spend on our products when they visit. The materialization of these risks could lead to a decrease in our revenues, operating income and cash flows.

The operating season at most of our parks is of limited duration, which can magnify the impact of adverse conditions or events occurring within that operating season.

Ten of our amusement parks are seasonal, generally operating during a portion of April or May, then daily from Memorial Day through Labor Day, and during weekends in September and, in most cases, October for Halloween events. Five of our seasonal amusement parks have or will have extended operations into November and December for winter events. Our outdoor water parks also operate seasonally, generally from Memorial Day through Labor Day and during some additional weekends before and after that period. Most of our revenues are generated during a 130- to 140-day annual operating season. As a result, when adverse conditions or events occur during the operating season, particularly during the peak vacation months of July and August or the important fall season, there is only a limited period of time during which the impact of those conditions or events can be mitigated. Accordingly, the timing of such conditions or events may have a disproportionate adverse effect upon our revenues.

Our growth strategy may not achieve the anticipated results.

Our future success will depend on our ability to grow our business, including capital investments to improve our parks through new rides and attractions, as well as in-park product offerings and product offerings outside of our parks. Our growth and innovation strategies require significant commitments of management resources and capital investments and may not grow our revenues at the rate we expect or at all. As a result, we may not be able to recover the costs incurred in developing our new projects and initiatives or to realize their intended or projected benefits, which could have a material adverse effect on our business, financial condition or results of operations.

Bad or extreme weather conditions can adversely impact attendance at our parks, which in turn would reduce our revenues.

Because most of the attractions at our parks are outdoors, attendance at our parks can be adversely affected by continuous bad or extreme weather and by forecasts of bad or mixed weather conditions, which would negatively affect our revenues. We believe that our ownership of many parks in different geographic locations reduces, but does not completely eliminate, the effect that adverse weather can have on our consolidated results.

Our business depends on our ability to meet our workforce needs.

Our success depends on our ability to attract, motivate and retain qualified employees to keep pace with our needs. If we are unable to do so, our results of operations and cash flows may be adversely affected. In addition, we employ a significant seasonal workforce. We recruit year-round to fill thousands of seasonal staffing positions each season and work to manage seasonal wages and the timing of the hiring process to ensure the appropriate workforce is in place. There is no assurance that we will be able to recruit and hire adequate seasonal personnel as the business requires or that we will not experience material increases in the cost of securing our seasonal workforce in the future.

Increased costs of labor and employee health and welfare benefits may impact our results of operations.

Labor is a primary component in the cost of operating our business. Increased labor costs, due to competition, increased minimum wage or employee benefit costs, including health care costs, or otherwise, could adversely impact our operating expenses. The Patient Protection and Affordable Care Act of 2010 contains provisions which could impact our future health-care costs. Continued increases to both market wage rates and the statutory minimum wage rates could also materially impact our future seasonal labor rates. It is possible that these changes could significantly increase our labor costs, which would adversely affect our operating results and cash flows.

The high fixed cost structure of amusement park operations can result in significantly lower margins if revenues decline.

A large portion of our expenses is relatively fixed because the costs for full-time employees, maintenance, utilities, advertising and insurance do not vary significantly with attendance. These fixed costs may increase at a greater rate than our revenues and may not be able to be reduced at the same rate as declining revenues.

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If cost-cutting efforts are insufficient to offset declines in revenues or are impractical, we could experience a material decline in margins, revenues, profitability and cash flows. Such effects can be especially pronounced during periods of economic contraction or slow economic growth.

Cyber-security risks and the failure to maintain the integrity of internal or customer data could result in damages to our reputation and/or subject us to costs, fines or lawsuits.

In the normal course of business, we, or third parties on our behalf, collect and retain large volumes of internal and customer data, including credit card numbers and other personally identifiable information, which is used for target marketing and promotional purposes, and our various information technology systems enter, process, summarize and report such data. We also maintain personally identifiable information about our employees. The integrity and protection of such data is critical to our business, and our guests and employees have a high expectation that we will adequately protect their personal information. The regulatory environment, as well as the requirements imposed on us by the credit card industry, governing information, security and privacy laws is increasingly demanding and continues to evolve. Maintaining compliance with applicable security and privacy regulations may increase our operating costs and/or adversely impact our ability to market our parks, products and services to our guests. Furthermore, if a person is able to circumvent our security measures, he or she could destroy or steal valuable information or disrupt our operations. Any security breach could expose us to risks of data loss, which could harm our reputation and result in remedial and other costs, fines or lawsuits. Although we carry liability insurance to cover this risk, there can be no assurance that our coverage will be adequate to cover liabilities, or that we will be able to obtain adequate coverage should a catastrophic incident occur.

If we lose key personnel, our business may be adversely affected.

Our success depends in part upon a number of key employees, including our senior management team, whose members have been involved in the leisure and hospitality industries for an average of more than 20 years. The loss of services of our key employees could have a material adverse effect on our business.

There is a risk of incidents occurring at amusement parks, which may reduce attendance and negatively impact our revenues.

The safety of our guests and employees is one of our top priorities. All of our amusement parks feature thrill rides. There are inherent risks involved with these attractions, and an accident or a serious injury at any of our amusement parks may result in negative publicity and could reduce attendance and result in decreased revenues. In addition, accidents or injuries at parks operated by our competitors could influence the general attitudes of amusement park patrons and adversely affect attendance at our amusement parks. Other types of incidents such as food borne illnesses which have either been alleged or proved to be attributable to our parks or our competitors, could adversely affect attendance and revenues.

Our operations, our workforce and our ownership of property subject us to various laws and regulatory compliance, which may create uncertainty regarding future expenditures and liabilities.

We may be required to incur costs to comply with regulatory requirements, such as those relating to employment practices, environmental requirements, and other regulatory matters, and the costs of compliance, investigation, remediation, litigation, and resolution of regulatory matters could be substantial. We are subject to extensive federal and state employment laws and regulations, including wage and hour laws and other pay practices and employee record-keeping requirements. We periodically may have to defend against lawsuits asserting non-compliance. Such lawsuits can be costly, time consuming and distract management, and adverse rulings in these types of claims could negatively affect our business, financial condition or results.

We also are subject to federal, state and local environmental laws and regulations such as those relating to water resources; discharges to air, water and land; the handling and disposal of solid and hazardous waste; and the cleanup of properties affected by regulated materials. Under these laws and regulations, we may be required to investigate and clean up hazardous or toxic substances or chemical releases from current or formerly owned or operated facilities or to mitigate potential environmental risks. Environmental laws typically impose cleanup responsibility and liability without regard to whether the relevant entity knew of or caused the presence of the contaminants. The costs of investigation, remediation or removal of regulated materials may be substantial, and the presence of those substances, or the failure to remediate a property properly, may impair our ability to use, transfer or obtain financing regarding our property.

Instability in general economic conditions could impact our profitability and liquidity while increasing our exposure to counter-party risk.

The existence of unfavorable general economic conditions, such as high unemployment rates, constrained credit markets, and higher prices for consumer goods, may hinder the ability of those with which we do business, including vendors, concessionaires and customers, to satisfy their obligations to us. Our exposure to credit losses will depend on the financial condition of our vendors, concessionaires and customers and other factors beyond our control, such as deteriorating conditions in the world economy or in the theme/amusement park industry. The presence of market turmoil, coupled with a reduction of business activity, generally increases our risks related to being an unsecured creditor of most of our vendors, concessionaires and customers. Credit losses, if significant, would have a material adverse effect on our business, financial condition and results of operations. Moreover, these issues could also increase the counter-party risk inherent in our business, including with our suppliers, vendors and financial institutions with which we enter into hedging agreements and long-term debt agreements, including our credit facilities. The soundness of these counter-parties could adversely affect us. Our credit evaluations may be inaccurate and credit performance could be materially worse than anticipated, which may materially and adversely affect our business, financial position and results of operations.

Unanticipated construction delays in completing capital improvement projects in our parks and resort facilities, significant ride downtime, or other unplanned park closures could adversely affect our revenues.

A principal competitive factor for an amusement park is the uniqueness and perceived quality of its rides and attractions in a particular market area. Accordingly, the regular addition of new rides and attractions is important, and a key element of our revenue growth is strategic capital spending on new rides and attractions. Any construction delays or ride down-time can adversely affect our attendance and our ability to realize revenue growth. Further, when rides, attractions, or an entire park, have unplanned downtime and/or closures, our revenue could be adversely affected.

Changing tax laws could adversely affect future tax liabilities or require adjustments to provisional accounting amounts.

On December 22, 2017, the Tax Cuts and Jobs Act was signed into law. The Tax Cuts and Jobs Act makes significant changes to U.S. tax law and includes changes to federal tax rates, imposes limitations on the deductibility of interest, temporarily allows for the expensing of capital expenditures, puts into effect the migration from a worldwide system of taxation to a territorial system and modifies or repeals many business deductions and credits. The Tax Cuts and Jobs Act and future implementing regulations, administrative or accounting guidance or interpretations of the legislation may meaningfully impact or have adverse effects on our future tax liabilities and our business or may cause the ultimate impact of the Tax Cuts and Jobs Act to differ from or require adjustments to our provisional accounting estimates. Further analysis, changes in assumptions we have made or future actions that we take also could affect these items.

Our tax treatment is dependent on our status as a partnership for federal income tax purposes. If the tax laws were to treat us as a corporation or we become subject to a material amount of entity-level taxation, it may substantially reduce the amount of cash available for distribution to our unitholders.

We are a limited partnership under Delaware law and are treated as a partnership for federal income tax purposes. A change in current tax law may cause us to be taxed as a corporation for federal income tax purposes

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or otherwise subject us to taxation as an entity. If we were treated as a corporation for federal income tax purposes, we would pay federal income tax on our entire taxable income at the corporate tax rate, rather than only on the taxable income from our corporate subsidiaries, and may be subject to additional state taxes at varying rates. Further, unitholder distributions would generally be taxed again as corporate distributions or dividends and no income, gains, losses, or deductions would flow through to unitholders. Because additional entity level taxes would be imposed upon us as a corporation, our cash available for distribution could be substantially reduced. Although we are not currently aware of any legislative proposal that would adversely impact our treatment as a partnership, we are unable to predict whether any changes or other proposals will ultimately be enacted.

Our insurance coverage may not be adequate to cover all possible losses that we could suffer, and our insurance costs may increase.

Companies engaged in the amusement park business may be sued for substantial damages in the event of an actual or alleged accident. An accident occurring at our parks or at competing parks could reduce attendance, increase insurance premiums, and negatively impact our operating results. Although we carry liability insurance to cover this risk, there can be no assurance that our coverage will be adequate to cover liabilities, that we will be able to obtain coverage at commercially reasonable rates, or that we will be able to obtain adequate coverage should a catastrophic incident occur at our parks or at other parks.

Other factors, including local events, natural disasters and terrorist activities, could adversely impact park attendance and our revenues.

Lower attendance may result from various local events, natural disasters or terrorist activities, all of which are outside of our control.

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DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of the federal securities laws, which involve risks and uncertainties including in Summary Competitive strengths, Summary Recent developments and Managemen Discussion and Analysis of Financial Condition and Results of Operations and Business included elsewhere in this prospectus. You can identify forward-looking statements because they contain words such as believes, project, might, expects, could, propose, would, may, will, should, seeks, approximately, intends, plans, estir similar expressions that concern our strategy, plans or intentions. These forward-looking statements are subject to risks and uncertainties that may change at any time and, therefore, our actual results may differ materially from those that we expected. While we believe that the expectations reflected in such forward-looking statements are reasonable, we caution that it is very difficult to predict the impact of unknown factors, and it is impossible for us to anticipate all factors that could affect our actual results.

Important factors that could cause actual results to differ materially from our expectations (cautionary statements) are disclosed under Risk Factors and elsewhere in this prospectus, including, without limitation, in conjunction with the forward-looking statements included in this prospectus. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Some of the factors that we believe could affect our results include:

- factors affecting the recreation and leisure industries;
- changes in consumer spending patterns;
- adverse weather conditions;
- seasonality of our business;
- our ability to recoup costs of capital investments through higher revenues;
- cyber-security threats or the failure to maintain the integrity of internal or customer data;
- recruitment and hiring of qualified employees;
- changes in the cost of labor and employee benefits;
- retention of key employees;

fixed cost structure of our operations;

accidents occurring at our parks or other theme parks;

unanticipated construction delays in completing capital improvement projects or significant ride downtime;

the effects of local and national economic, credit and capital market conditions on the economy in general;

covenants in our debt agreements;

changes in prevailing interest rates;

our substantial indebtedness;

our access to available and reasonable financing on a timely basis;

environmental laws and regulations;

our insurance coverage;

factors impacting attendance, such as local conditions, events, disturbances and terrorist activities;

changes in our capital investment plans and projects;

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- the effects of competition with other theme parks and other entertainment alternatives;
- changes in laws, including increased tax rates, regulations or accounting standards, third-party relations and approvals, and decisions of courts, regulators and governmental bodies;
- pending, threatened or future legal proceedings;
- acts of war or terrorist incidents or natural disasters; and
- the other factors described under Risk Factors.

We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements included in this prospectus may not in fact occur. The information and statements included in this prospectus speak only as of the date of this prospectus, and we undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

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USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of the exchange notes pursuant to the exchange offer. In consideration for issuing the exchange notes as contemplated in this prospectus, we will receive in exchange a like principal amount of outstanding notes, the terms of which are identical in all material respects to the exchange notes, except that the exchange notes will not contain terms with respect to transfer restrictions, registration rights and additional interest for failure to observe certain obligations in the registration rights agreement. The outstanding notes surrendered in exchange for the exchange notes will be retired and cancelled and cannot be reissued. Accordingly, the issuance of the exchange notes will not result in any change in our capitalization.

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CAPITALIZATION

The following table sets forth our cash and cash equivalents and our capitalization as of March 25, 2018.

You should read this table in conjunction with our interim unaudited condensed consolidated financial statements, and our audited 2017 consolidated financial statements and the accompanying notes, as well as the sections entitled Summary Summary Historical Consolidated Financial and Other Operating Data, Selected Historical Consolidated Financial Data and Management s Discussion and Analysis of Financial Condition and Results of Operations, each of which is included elsewhere in this prospectus.

(in millions)	**As of March 25, 2018**
Available cash and cash equivalents	$ 42.9
Outstanding indebtedness:	
Revolving Facility(1)	$ 40.0
Term Loan Facility	735.0
2024 Senior Notes	450.0
Senior Notes due 2027(2)	500.0
Total debt(3)	$ 1,725.0
Total equity	(51.0)
Total capitalization	$ 1,674.0

(1) Does not include $15.9 million of standby letters of credit outstanding under the Revolving Facility. In addition, we had $219.1 million available to us for borrowing under the Revolving Facility.
(2) Does not include any original issue discount.
(3) Carrying values of long-term debt balances are before reduction of debt issuance costs and original issue discount.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table sets forth selected historical consolidated financial data for each of the years in the five-year period ended December 31, 2017 and for the three months ended March 25, 2018 and March 26, 2017, which have been prepared in accordance with U.S. GAAP.

The consolidated statement of operations data for the years ended December 31, 2015, 2016 and 2017 and the consolidated balance sheet data as of December 31, 2016 and 2017 have been derived from, and should be read in conjunction with, our audited 2017 consolidated financial statements and the accompanying notes, which are included elsewhere in this prospectus. The consolidated statements of operations data for the years ended December 31, 2013 and 2014 and the consolidated balance sheet data as of December 31, 2013, 2014 and 2015 have been derived from, and should be read in conjunction with, our historical audited consolidated financial statements and the accompanying notes, which are not included in this prospectus.

The consolidated statement of operations data for the quarters ended March 25, 2018 and March 26, 2017 have been derived from, and should be read in conjunction with, our interim unaudited condensed consolidated financial statements and the accompanying notes included elsewhere in this prospectus.

We have prepared the unaudited financial data on the same basis as the audited consolidated financial data and have included, in our opinion, all adjustments that we consider necessary for a fair presentation of the financial data set forth in those statements. Interim results are not necessarily indicative of the results to be expected for the entire fiscal year.

The consolidated financial data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations, as well as our audited 2017 consolidated financial statements and the related notes thereto, our interim unaudited condensed consolidated financial statements and the related notes thereto, which are included elsewhere in this prospectus.

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Our historical results are not necessarily indicative of our future results.

	For the three months ended March 25, 2018	March 26, 2017	For the years ended December 31, 2017(1)	2016	2015	2014	2013
	(In millions, except per unit and per capita amounts)						
Statement of Operations Data							
Net revenues:							
Admissions	$ 26.7	$ 22.6	$ 734.1	$ 716.2	$ 687.4	$ 661.5	$ 647.0
Food, merchandise and games	21.1	18.2	422.5	407.7	398.0	365.5	356.1
Accommodations, extra-charge products and other	7.0	7.5	165.4	164.9	150.3	132.6	131.5
Total net revenues	54.7	48.3	1,322.0	1,288.7	1,235.8	1,159.6	1,134.6
Cost and operating expenses:							
Cost of food, merchandise and games revenues	6.0	5.5	110.8	106.6	104.8	95.2	91.8
Operating expenses	88.8	84.3	558.1	538.9	517.6	496.1	472.3
Selling, general and administrative	28.7	27.6	193.8	181.8	171.5	156.9	152.4
Depreciation and amortization	5.5	5.4	153.2	131.9	125.6	124.3	122.5
Loss on impairment/retirement of fixed assets, net	1.3	1.5	12.7	12.6	20.9	9.8	2.5
Gain on sale of investment			(1.9)			(0.9)	(8.7)
Total costs and operating expenses	130.4	124.3	1,026.8	971.8	940.4	881.3	832.8
Operating income (loss)	(75.6)	(76.0)	295.2	316.9	295.3	278.3	301.8
Interest expense	19.8	18.9	85.6	83.9	86.8	96.2	103.1
Net effect of swaps	(3.6)	0.3		(1.2)	(6.9)	(2.1)	6.9
Loss on early debt extinguishment	1.1		23.1			29.3	34.6
(Gain) loss on foreign currency	10.1	(2.7)	(29.1)	(14.7)	81.0	40.9	28.9
Other income	(0.3)		(1.0)	(0.2)	(0.1)	(0.1)	(0.2)
Income (loss) before taxes	(102.6)	(92.5)	216.6	249.1	134.4	114.1	128.5
Provision (benefit) for taxes	(19.2)	(27.7)	1.1	71.4	22.2	9.9	20.2
Net income (loss)	$ (83.4)	$ (64.8)	$ 215.5	$ 177.7	$ 112.2	$ 104.2	$ 108.2
Net income (loss) per unit basic	$ (1.49)	$ (1.16)	$ 3.84	$ 3.18	$ 2.01	$ 1.88	$ 1.95
	$ (1.49)	$ (1.16)	$ 3.79	$ 3.14	$ 1.99	$ 1.86	$ 1.94

Net income (loss) per unit diluted							
Balance Sheet Data							
Cash and cash equivalents	$ 42.9	$ 34.2	$ 166.2	$ 122.7	$ 119.6	$ 131.8	$ 118.1
Working capital surplus (deficit)(2)	(99.2)	(105.4)	21.5	(47.0)	(14.6)	5.5	27.7
Property and equipment, net	1,621.1	1,588.6	1,585.8	1,539.2	1,514.9	1,526.6	1,505.8
Total assets	2,004.6	1,958.3	2,064.2	1,973.2	1,963.0	2,308.3	2,014.6
Total debt(3)	1,700.8	1,623.0	1,660.5	1,537.0	1,539.2	1,534.2	1,491.1
Partners equity	(51.0)	(47.6)	82.9	60.5	57.0	96.2	139.1
Distributions							
Declared per limited partner unit	$ 0.890	$ 0.855	$ 3.455	$ 3.330	$ 3.075	$ 2.850	$ 2.575
Paid per limited partner unit	0.890	0.855	3.455	3.330	3.075	2.850	2.575

(1) Operating results for 2017 include a tax benefit of $54.2 million due to tax law changes, in particular the Tax Cuts and Jobs Act, a charge of $23.1 million for the loss on early debt extinguishment and a charge of $7.6 million for the impairment of the remaining land at Wildwater Kingdom, one of our separately gated outdoor water parks which ceased operations in 2016.

(2) Working capital is defined as current assets less current liabilities.

(3) The calculation of Total debt (i) includes current maturities of long-term debt and (ii) does not include standby letters of credit outstanding under the Revolving Facility.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

This management s discussion and analysis of financial condition and results of operations (this MD&A) is provided to assist readers of the financial statements in understanding the results of operations, financial condition and cash flows of Cedar Fair. This MD&A should be read in conjunction with our audited 2017 consolidated financial statements and our interim unaudited condensed consolidated financial statements and the accompanying notes thereto, each included elsewhere in this prospectus.

Overview

We generate our revenues from sales of (1) admission to our amusement parks and water parks, (2) food, merchandise and games both inside and outside our parks, and (3) accommodations, extra-charge products, and other revenue sources. Our principal costs and expenses, which include salaries and wages, operating supplies, maintenance, advertising, utilities and insurance, are relatively fixed and do not vary significantly with attendance.

Each of our properties is overseen by a park general manager and operates autonomously. Management reviews operating results, evaluates performance and makes operating decisions, including allocating resources, on a property-by-property basis.

Along with attendance and per capita spending statistics, discrete financial information and operating results are prepared at the individual park level for use by the CEO, who is the Chief Operating Decision Maker (CODM), as well as by the Chief Financial Officer, the Chief Operating Officer, the Executive Vice President of Operations, Regional Vice Presidents and the park general managers.

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The following table presents certain financial data expressed as a percent of total net revenues and selective statistical information for the periods indicated.

	Three Months Ended				Years Ended December 31,					
	March 25, 2018		March 26, 2017		2017		2016		2015	
	(In thousands, except per capita spending and percentages)									
revenues:										
nissions	$ 26,721	48.8%	$ 22,563	46.7%	$ 734,060	55.5%	$ 716,189	55.6%	$ 687,442	55.6
d, chandise and es	21,055	38.5%	18,208	37.7%	422,469	32.0%	407,673	31.6%	398,019	32.2
ommodations, a-charge ucts and r	6,951	12.7%	7,547	15.6%	165,438	12.5%	164,859	12.8%	150,317	12.2
revenues	54,727	100.0%	48,318	100.0%	1,321,967	100.0%	1,288,721	100.0%	1,235,778	100.0
rating costs expenses	123,513	225.7%	117,388	242.9%	862,683	65.3%	827,319	64.2%	793,943	64.2
reciation and rtization	5,521	10.1%	5,365	11.1%	153,222	11.6%	131,876	10.2%	125,631	10.2
s on airment / ement of d assets, net	1,340	2.4%	1,526	3.2%	12,728	1.0%	12,587	1.0%	20,873	1.7
n on sale of stment					(1,877)	(0.1)%				
rating income s)	(75,647)	(138.2)%	(75,961)	(157.2)%	295,211	22.3%	316,939	24.6%	295,331	23.9
rest and other ense, net	19,413	35.5%	18,882	39.1%	84,633	6.4%	83,686	6.5%	86,785	7.0
effect of ps	(3,628)	(6.6)%	301	0.6%	(45)		(1,197)	(0.1)%	(6,884)	(0.6
s on early nguishment	1,073	2.0%			23,121	1.7%		%		
n) loss on ign currency	10,094	18.4%	(2,671)	(5.5)%	(29,086)	(2.2)%	(14,656)	(1.1)%	81,016	6.6
vision efit) for taxes	(19,199)	(35.1)%	(27,719)	(57.4)%	1,112	0.1%	71,418	5.5%	22,192	1.8
income (loss)	$ (83,400)	(152.4)%	$ (65,754)	(136.1)%	$ 215,476	16.3%	$ 177,688	13.8%	$ 112,222	9.1
er data:										

ndance	N/A	N/A	25,723	25,104	24,448
ark per capita ding	N/A	N/A	$ 47.30	$ 46.90	$ 46.20

Critical Accounting Policies

This MD&A is based upon our consolidated financial statements, which were prepared in accordance with accounting principles generally accepted in the United States of America. These principles require us to make judgments, estimates and assumptions during the normal course of business that affect the amounts reported in our consolidated financial statements and related notes. The following discussion addresses our critical accounting policies, which are those that are most important to the portrayal of our financial condition and operating results or involve a higher degree of judgment and complexity (see Note 2 to our audited 2017 consolidated financial statements for a complete discussion of our significant accounting policies). Application of the critical accounting policies described below involves the exercise of judgment and the use of assumptions as to future uncertainties, and as a result, actual results could differ from these estimates and assumptions. We adopted Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (ASU 2014-09) effective January 1, 2018 using the modified retrospective method. The adoption of the standard did not have a material effect on our consolidated financial statements. Our accounting policy, as a result of adopting ASU 2014-09, is discussed below. There were no other changes in the critical accounting policies from those previously disclosed in our audited 2017 consolidated financial statements.

Impairment of Long-Lived Assets

The carrying values of long-lived assets, including property and equipment, are reviewed whenever events or changes in circumstances indicate that the carrying values of the assets may not be recoverable. An impairment loss may be recognized when estimated undiscounted future cash flows expected to result from the use of the asset, including disposition, are less than the carrying value of the asset. The measurement of the impairment loss to be recognized is based on the difference between the fair value and the carrying amounts of the asset. Fair value is generally determined based on a discounted cash flow analysis. In order to determine if an asset has been impaired, assets are grouped and tested at the lowest level for which identifiable, independent cash flows are available.

The determination of both undiscounted and discounted cash flows requires management to make significant estimates and consider an anticipated course of action as of the balance sheet date. Subsequent changes in estimated undiscounted and discounted cash flows arising from changes in anticipated actions could impact the determination of whether impairment exists, the amount of the impairment charge recorded and whether the effects could materially impact the consolidated financial statements.

At the end of the fourth quarter of 2015, we decided to permanently remove from service a long-lived asset at Cedar Point. Accordingly, we recognized and recorded an $8.6 million charge for impairment equal to the remaining net book value of this long-lived asset. The amount was recorded in Loss on impairment / retirement of fixed assets, net in the consolidated statement of operations and comprehensive income.

During the third quarter of 2016, we ceased operations of one of our separately gated outdoor water parks, Wildwater Kingdom, located near Cleveland in Aurora, Ohio. At the date that Wildwater Kingdom ceased operations, the only remaining long-lived asset was the approximate 670 acres of land owned by us. This land had an associated carrying value of $17.1 million. We assessed the remaining asset and concluded there was no impairment during the third quarter of 2016. In the fourth quarter of 2017, we recorded a $7.6 million impairment charge based on recent information from our ongoing marketing activities. The amount was recorded in Loss on impairment / retirement of fixed assets, net in the consolidated statement of operations and comprehensive income. The remaining Wildwater Kingdom acreage, reduced by acreage sold, is classified as assets held-for-sale within Other Assets in the consolidated balance sheet with a carrying value of $9.0 million as of March 25, 2018.

Goodwill and Other Intangible Assets

Goodwill and other indefinite-lived intangible assets, including trade-names, are reviewed for impairment annually, or more frequently if indicators of impairment exist. A significant amount of judgment is involved in determining if an indicator of impairment has occurred. Such indicators may include, among others: a significant decline in expected future cash flows; a sustained, significant decline in equity price and market capitalization; a significant adverse change in legal factors or in the business climate; unanticipated competition; the testing for recoverability of a significant asset group within a reporting unit; and slower growth rates. Any adverse change in these factors could have a significant impact on the recoverability of these assets and could have a material impact on our consolidated financial statements.

We elected to adopt FASB Accounting Standards Update No. 2017-04, Simplifying the Test for Goodwill Impairment (ASU 2017-04), for our 2017 annual impairment test. ASU 2017-04 eliminates step two from the goodwill impairment test. Instead, an entity recognizes an impairment charge for the amount by which a reporting unit s carrying amount exceeds its fair value, not to exceed the carrying amount of goodwill. The fair value of a reporting unit is established using a combination of an income (discounted cash flow) and market approach.

We completed the review of goodwill and other indefinite-lived intangibles as of the first days of the fourth quarter of 2017 and 2016 and determined goodwill and other indefinite-lived intangibles were not impaired at these testing dates.

It is possible that our assumptions about future performance, as well as the economic outlook and related conclusions regarding valuation, could change adversely, which may result in additional impairment that would have a material effect on our financial position and results of operations in future periods.

Self-Insurance Reserves

Reserves are recorded for the estimated amounts of guest and employee claims and expenses incurred each period. Reserves are established for both identified claims and incurred but not reported (IBNR) claims. Such

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amounts are accrued for when claim amounts become probable and estimable. Reserves for identified claims are based upon our own historical claims experience and third-party estimates of settlement costs. Reserves for IBNR claims, which are not material to our consolidated financial statements, are based upon our own claims data history. All self-insurance reserves are periodically reviewed for changes in facts and circumstances and adjustments are made as necessary.

Revenue Recognition and related receivables and contract liabilities

Revenues are generated from sales of (1) admission to our amusement parks and water parks, (2) food, merchandise and games both inside and outside the parks, and (3) accommodations, extra-charge products, and other revenue sources. Admission revenues include amounts paid to gain admission into our parks, including parking fees. Revenues related to extra-charge products, including premium benefit offerings such as front-of-line products, and online advanced purchase transaction fees charged to customers are included in Accommodations, extra-charge products and other within the income statement. Due to our highly seasonal operations, a substantial portion of our revenues are generated during an approximate 130- to 140-day operating season. Most revenues are recognized on a daily basis based on actual guest spend at the properties. Revenues from multi-use products, including season-long products for admission, dining, beverage and other products, are recognized over the estimated number of uses expected for each type of product. The estimated number of uses is reviewed and may be updated periodically during the operating season prior to the ticket or product expiration, which generally occurs no later than the close of the operating season. The number of uses is estimated based on historical usage adjusted for current period trends. For any bundled products that include multiple performance obligations, revenue is allocated using the retail price of each distinct performance obligation and any inherent discounts are allocated based on the gross margin and expected redemption of each performance obligation. We do not typically provide for refunds or returns.

In some instances, we arrange with outside parties, or concessionaires, to provide goods to our guests, typically food and merchandise, and we act as an agent, resulting in net revenue recorded within the income statement. Concessionaire arrangement revenues are recognized over the operating season and are variable. Sponsorship revenues and marina revenues, which are included in Accommodations, extra-charge products and other within the income statement, are recognized over the park operating season which represents the period in which the performance obligations are satisfied. Sponsorship revenues are typically fixed. However, some sponsorship revenues are variable based on achievement of specified operating metrics. We estimate variable revenues and perform a constraint analysis using both historical information and current trends to determine the amount of revenue that is not probable of a significant reversal.

Income Taxes

Our legal structure includes both partnerships and corporate subsidiaries. As a publicly traded partnership, we are subject to an entity-level tax (the PTP tax). Accordingly, the Company itself is not subject to corporate income taxes; rather, the Company s tax attributes (except those of the corporate subsidiaries) are included in the tax returns of our partners. Our corporate subsidiaries are subject to entity-level income taxes. Our Provision for taxes includes both the PTP tax and the income taxes from the corporate subsidiaries.

Our corporate subsidiaries account for income taxes under the asset and liability method. Accordingly, deferred tax assets and liabilities are recognized for the future book and tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are determined using enacted tax rates expected to apply in the year in which those temporary differences are expected to be recovered or settled.

We record a valuation allowance if, based on the weight of available evidence, it is more likely than not that some portion, or all, of a deferred tax asset will not be realized. Through December 31, 2016, we had recorded a $4.2 million valuation allowance related to a $7.7 million deferred tax asset for foreign tax credit carryforwards.

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The need for this allowance was based on several factors including the ten-year carryforward period allowed for excess foreign tax credits, experience to date of foreign tax credit limitations, and management s long term estimates of domestic and foreign source income.

During the fourth quarter of 2017, we recognized a $0.1 million tax benefit per a release of valuation allowance based on management s updated projection of future foreign tax credit utilization. As of March 25, 2018, we had recorded a $4.1 million valuation allowance related to an $8.7 million deferred tax asset for foreign tax credit carryforwards.

There is inherent uncertainty in the estimates used to project the amount of foreign tax credit carryforwards that are more likely than not to be realized. It is possible that our future income projections, as well as the economic outlook and related conclusions regarding the valuation allowance could change, which may result in additional valuation allowance being recorded or may result in additional valuation allowance reductions, and which may have a material negative or positive effect on our reported financial position and results of operations in future periods.

The Tax Cuts and Jobs Act was signed into law on December 22, 2017. The Tax Cuts and Jobs Act makes significant changes to U.S. tax law and, among other things, reduces federal corporate tax rates from 35% to 21%. The accounting treatment of these tax law changes is complex, and the SEC staff issued Staff Accounting Bulletin No. 118 (SAB 118) to address the application of U.S. GAAP in situations when a registrant does not have the necessary information available, prepared, or analyzed in reasonable detail to complete the accounting for certain tax effects of the Tax Cuts and Jobs Act. We have recognized the provisional tax impacts related to the reduction in tax rates including the revaluation of deferred tax assets and liabilities in our consolidated financial statements for the year ended December 31, 2017. The ultimate impact may differ from these provisional amounts, possibly materially, due to, among other things, additional analysis, changes in interpretations and assumptions we have made, additional regulatory or accounting guidance that may be issued, and actions we may take as a result of the Tax Cuts and Jobs Act. We expect to complete our analysis of the effects of the Tax Cuts and Jobs Act within the measurement period in accordance with SAB 118.

Results of Operations

We believe the following are significant measures in the structure of our management and operational reporting, and they are used as major factors in key operational decisions:

Attendance is defined as the number of guest visits to our amusement parks and separately gated outdoor water parks.

In-park per capita spending is calculated as revenues generated within our amusement parks and separately gated outdoor water parks along with related tolls and parking revenues, divided by total attendance.

Out-of-park revenues are defined as revenues from resort, marina, sponsorship, on-line advanced purchase transaction fees charged to customers and all other out-of-park operations.

Both *in-park per capita spending* and *out-of-park revenues* exclude amounts remitted for concessionaire arrangements.

Three Months Ended March 25, 2018 vs. Three Months Ended March 26, 2017

Operating results for the first quarter are historically less than 5% of our full-year revenues and attendance. The results include normal off-season operating, maintenance, and administrative expenses at our ten seasonal amusement parks and two separately gated outdoor water parks, as well as daily operations at Knott s Berry Farm, which is open year-round, and Castaway Bay, which is generally open daily from Memorial Day to Labor Day plus a limited daily schedule for the balance of the year. The three-month period ended March 25, 2018

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consisted of a 13-week period and included a total of 92 operating days compared with 13 weeks and 88 operating days for the three-month period ended March 26, 2017. As of March 25, 2018 and March 26, 2017, four of our amusement parks were operating.

The following table presents key financial information and operating statistics for the three months ended March 25, 2018 and March 26, 2017 :

	For the three months ended		Increase (Decrease)	
	3/25/2018	3/26/2017	$	%
	(Amounts in thousands, except for per capita spending)			
Net revenues	$ 54,727	$ 48,318	$ 6,409	13.3%
Operating costs and expenses	123,513	117,388	6,125	5.2%
Depreciation and amortization	5,521	5,365	156	2.9%
Loss on impairment/retirement of fixed assets, net	1,340	1,526	(186)	N/M
Operating loss	$ (75,647)	$ (75,961)	$ 314	0.4%

N/M Not meaningful

Other Data:				
Adjusted EBITDA(1)	$ (65,522)	$ (65,469)	$ (53)	(0.1)%

(1) For additional information regarding Adjusted EBITDA, including how we define and use Adjusted EBITDA, as well as a reconciliation from net income (loss), see Summary Summary Historical Consolidated Financial and Other Operating Data.

For the quarter ended March 25, 2018, net revenues increased by $6.4 million, to $54.7 million, from $48.3 million in the first quarter of 2017. This reflects an increase in attendance and a slight increase in in-park per capita spending. Out-of-park revenues decreased $0.5 million compared with the same period in the prior year. The increase in attendance was driven by higher season pass attendance at Knott s Berry Farm. The slight increase in in-park per capita spending was attributable to an increase in revenues from our food and beverage programs, as well as our premium product offerings, offset by decreases in other guest spending categories. The decrease in out-of-park revenues was attributable to prior period proceeds received during the first quarter of 2017 from a business interruption claim at Cedar Point. Currency exchange rates had an immaterial impact on net revenues for the quarter as our Canadian park was not operating during the period.

Operating costs and expenses for the quarter increased 5.2%, or $6.1 million, to $123.5 million from $117.4 million in the first quarter of 2017. The increase is the result of a $4.5 million increase in operating expense, a $1.1 million increase in SG&A expense, and a $0.5 million increase in cost of goods sold. Operating expenses grew by $4.5 million primarily due to increased seasonal wages which were driven by both labor hour increases and hourly rate increases, increased operating expense attributable to disassembling attractions and decorations following the inaugural WinterFest holiday events at three parks, and to a lesser extent, increased maintenance expense and full-time wages attributable to both headcount and merit increases. We expect to continue to see higher labor costs during the current year due to both mandated and market wage rate adjustments. The $1.1 million increase in SG&A expense was primarily attributable to higher merchant fees and increased technology related costs. The increase in cost of goods sold was primarily related to the growth in our food and beverage programs. The increase in operating costs and expenses was not materially impacted by foreign currency exchange rates during the first quarter.

Depreciation and amortization expense for the quarter increased $0.2 million, or 2.9%, compared with the same period in the prior year due to growth in capital improvements over the past several years. For the first quarter of 2018, the loss on impairment / retirement of fixed assets was $1.3 million, reflecting the retirements of assets in the normal course of business at several of our properties.

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After the items above, operating loss for the first quarter of 2018 decreased $0.3 million to $75.7 million compared with an operating loss of $76.0 million for the first quarter of 2017.

Interest expense for the first quarter of 2018 increased $0.8 million compared to the same period in the prior year due to an increase in outstanding term debt. We recognized a $1.1 million loss on early debt extinguishment during the current period attributable to the amendment of our 2017 Credit Agreement described in Summary Recent developments. The net effect of our swaps resulted in a benefit to earnings of $3.6 million for the first quarter of 2018 compared with a $0.3 million charge to earnings in the first quarter of 2017. The difference reflects the change in fair market value movements in our de-designated swap portfolio offset by the amortization of amounts in OCI for these swaps. During the current quarter, we also recognized a $10.1 million net charge to earnings for foreign currency gains and losses compared with a $2.7 million net benefit to earnings for the first quarter in 2017. Both amounts primarily represent remeasurement of the U.S.-dollar denominated debt held at our Canadian property from the applicable currency to the legal entity s functional currency.

During the first quarter of 2018, a benefit for taxes of $19.2 million was recorded to account for PTP taxes and income taxes on our corporate subsidiaries. This compares with a benefit for taxes recorded in the first quarter of 2017 of $27.7 million. This decrease in benefit for taxes relates largely to the decrease in the federal statutory income tax rate implemented by the Tax Cuts and Jobs Act.

After the items above, net loss for the current quarter totaled $83.4 million, or $1.49 per diluted limited partner unit, compared with a net loss of $64.8 million, or $1.16 per diluted limited partner unit, for the first quarter a year ago.

For the current quarter, our Adjusted EBITDA loss was comparable to the prior period. The comparability in Adjusted EBITDA loss is attributable to increased net revenues due to increased attendance offset by increased operating costs and expenses associated with labor, operating supplies and other planned spending.

Results of Operations

2017 vs. 2016

The following table presents key financial information and operating statistics for the years ended December 31, 2017 and December 31, 2016 :

	For the years ended		Increase (Decrease)	
	12/31/2017	12/31/2016	$	%
	(Amounts in thousands, except for per capita spending)			
Net revenues	$ 1,321,967	$ 1,288,721	$ 33,246	2.6%
Operating costs and expenses	862,683	827,319	35,364	4.3%
Depreciation and amortization	153,222	131,876	21,346	16.2%
Loss on impairment/retirement of fixed assets, net	12,728	12,587	141	N/M
Gain on sale of investment	(1,877)		(1,877)	N/M
Operating income	$ 295,211	$ 316,939	$ (21,728)	(6.9)%

N/M Not meaningful				
Other Data:				
Adjusted EBITDA(1)	$ 478,977	$ 481,248	$ (2,271)	(0.5)%
Adjusted EBITDA margin(2)	36.2%	37.3%		(1.1)%
Attendance	25,723	25,104	619	2.5%
In-park per capita spending	$ 47.30	$ 46.90	$ 0.40	0.9%
Out-of-park revenues	$ 143,763	$ 146,137	$ (2,374)	(1.6)%

(1) For additional information regarding Adjusted EBITDA, including how we define and use Adjusted EBITDA, as well as a reconciliation from net income (loss), see Summary Summary Historical Consolidated Financial and Other Operating Data.

(2) Adjusted EBITDA margin (Adjusted EBITDA divided by net revenues) is not a measurement computed in accordance with generally accepted accounting principles (GAAP) or a substitute for measures computed in accordance with GAAP and may not be comparable to similarly titled measures of other companies. We provide Adjusted EBITDA margin because we believe the measure provides a meaningful metric of operating profitability.

Consolidated net revenues totaled $1,322.0 million for the year ended December 31, 2017, increasing $33.2 million, from $1,288.7 million for 2016. This reflects an increase in both attendance and in-park per capita spending. Out-of park revenues decreased $2.4 million compared with the prior year. The 619,000 visit, or 2.5%, increase in attendance was driven by higher season pass visitation and increased attendance during WinterFest, a holiday event operating during November and December. The increase in WinterFest attendance related primarily to three new events held at Kings Island, Carowinds, and Worlds of Fun. The $0.40, or 0.9%, increase in in-park per capita spending was primarily attributable to growth in our food and beverage programs, and the closure of Wildwater Kingdom (one of our separately gated outdoor water parks which was closed after the 2016 operating season). The $2.4 million, or 1.6%, decrease in out-of-park revenues was due to prior period revenues received from Super Bowl 50 special events and a decrease in transaction fee revenue recognized during the period. Foreign currency exchange rates had an immaterial impact on net revenues.

Operating costs and expenses for the year increased 4.3%, or $35.4 million, to $862.7 million from $827.3 million for 2016. This increase was the result of a $4.2 million increase in cost of goods sold, a $19.2 million increase in operating expenses, and an $11.9 million increase in selling, general, and administrative expenses (SG&A). The $4.2 million increase in cost of goods sold related to the growth in our food and beverage programs, as well as higher attendance levels. Cost of goods sold, as a percentage of food, merchandise, and games revenue, was comparable for both periods. The $19.2 million increase in operating expenses was primarily due to higher seasonal labor costs driven by rate increases, especially in California, as well as incremental labor hours especially related to WinterFest. In addition, full-time wages increased as a result of incremental head count and normal merit increases, as well as increased maintenance labor associated with WinterFest. Lastly, operating supply expense increased due to incremental special and seasonal events, especially for WinterFest, and the opening of several large capital projects that began operation in 2017. The $11.9 million increase in SG&A expense was attributable to a reserve for an employment practice claim settlement of $4.9 million, increased marketing expense, higher merchant fees, and increased technology related costs. Foreign currency exchange rates had an immaterial impact on operating costs and expenses.

Depreciation and amortization expense for 2017 increased $21.3 million compared with the prior year. The increase was attributable to a change in the estimated useful lives of specific long-lived assets, in particular at Cedar Point and Dorney Park, as well as due to growth in capital improvements. The loss on impairment / retirement of fixed assets, net for 2017 was $12.7 million, reflecting a charge of $7.6 million for the impairment of the remaining land at Wildwater Kingdom, one of our separately gated outdoor water parks which ceased operations in 2016, and the impairment of assets in the normal course of business at several of our properties. This is compared with the $12.6 million loss on impairment / retirement of fixed assets, net for 2016 reflecting the impairment of assets in the normal course of business. During the third quarter of 2017, a $1.9 million gain on sale of investment was recognized for the liquidation of a preferred equity investment.

After the items above, operating income decreased $21.7 million to $295.2 million for 2017 from operating income of $316.9 million for 2016.

Interest expense for 2017 increased $1.7 million compared with the prior year. The increase was attributable to an increase in outstanding term debt. The net effect of our swaps resulted in an immaterial impact to earnings for 2017 compared with a $1.2 million non-cash benefit to earnings for 2016. The difference reflects the

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amortization of amounts in OCI in our de-designated swap portfolio offset by changes in fair market value for these swaps. We recognized a $23.1 million loss on early debt extinguishment during 2017 as a result of the April 2017 debt refinancing. We also recognized a $29.1 million net benefit to earnings for foreign currency gains and losses in 2017 compared with a $14.7 million net benefit to earnings for 2016. Both amounts primarily represent remeasurement of the U.S.-dollar denominated debt held at our Canadian property from the applicable currency to the entity s functional currency.

For 2017, a provision for taxes of $1.1 million was recorded to account for PTP taxes and income taxes on our corporate subsidiaries. This compares with a provision for taxes recorded for 2016 of $71.4 million. The decrease in tax provision in the current year relates primarily to implementation of the Tax Cuts and Jobs Act, which was signed into law on December 22, 2017. The Tax Cuts and Jobs Act includes numerous changes to the tax law, including a reduction in the federal corporate income tax rate from 35% to 21%. Since our corporate subsidiaries have a March tax year end, the applicable tax rate for 2017 will be a 31.8% blended rate that is based on the applicable statutory rates before and after the change and the number of days in the period within the taxable year before and after the effective date of the change in tax rate. As a result of the reduction in the federal corporate income tax rate, we recognized a $6.1 million current income tax benefit. Also, the change in tax rates necessitates that we remeasure deferred tax balances that are expected to reverse following enactment using the applicable tax rates. As a result of this remeasurement of our net deferred tax liability, we recognized a $49.2 million deferred tax benefit. The sum of these effects was recorded as a tax benefit in the consolidated statement of operations and comprehensive income for the year ended December 31, 2017. While we believe these provisional amounts are reasonable estimates of the effects of the Tax Cuts and Jobs Act, they are subject to change in accordance with SAB 118; see Critical Accounting Policies Income Taxes. Cash taxes paid in 2017 were $56.0 million compared with $44.5 million in 2016. For 2018, cash taxes to be paid or payable are estimated to range from $40 million to $55 million. The change in cash taxes relates to continuing strong business performance offset by our current estimate of the ongoing impact of the Tax Cuts and Jobs Act.

After the items above, net income for 2017 totaled $215.5 million, or $3.79 per diluted limited partner unit, compared with net income of $177.7 million, or $3.14 per diluted unit, for 2016.

For 2017, Adjusted EBITDA decreased to $479.0 million from $481.2 million for 2016. The $2.3 million decrease in Adjusted EBITDA is a result of higher operating costs and expenses associated with labor, marketing, merchant fees, and other planned spending out-pacing revenue growth, specifically attendance growth. As a result, our Adjusted EBITDA margin decreased by 110 basis points.

On a same-park basis (excluding Wildwater Kingdom), net revenues increased by $38.7 million to $1,322.0 million for the year ended December 31, 2017 from $1,283.3 million for 2016. This was the result of an 856,000-visit increase in attendance and a $0.17 increase in in-park per capita spending on a same-park basis. Operating costs and expenses (including depreciation and amortization, loss on impairment of fixed assets and gain on sale of investment) on a same-park basis increased $61.2 million resulting in a $22.5 million decrease in same-park operating income.

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Results of Operations

2016 vs. 2015

The following table presents key financial information and operating statistics for the years ended December 31, 2016 and December 31, 2015:

	12/31/2016	12/31/2015	Increase (Decrease) $	Increase (Decrease) %
	(Amounts in thousands, except for per capita spending)			
Net revenues	$ 1,288,721	$ 1,235,778	$ 52,943	4.3%
Operating costs and expenses	827,319	793,943	33,376	4.2%
Depreciation and amortization	131,876	125,631	6,245	5.0%
Loss on impairment/retirement of fixed assets, net	12,587	20,873	(8,286)	N/M
Operating income	$ 316,939	$ 295,331	$ 21,608	7.3%

N/M Not meaningful

	12/31/2016	12/31/2015	Increase (Decrease) $	Increase (Decrease) %
Other Data:				
Adjusted EBITDA(1)	$ 481,248	$ 459,238	$ 22,010	4.8%
Adjusted EBITDA margin(2)	37.3%	37.2%		0.1%
Attendance	25,104	24,448	656	2.7%
In-park per capita spending	$ 46.90	$ 46.20	$ 0.70	1.5%
Out-of-park revenue	$ 146,137	$ 137,698	$ 8,439	6.1%

(1) For additional information regarding Adjusted EBITDA, including how we define and use Adjusted EBITDA, as well as a reconciliation from net income (loss), see Summary Summary Historical Consolidated Financial and Other Operating Data.

(2) Adjusted EBITDA margin (Adjusted EBITDA divided by net revenues) is not a measurement computed in accordance with generally accepted accounting principles (GAAP) or a substitute for measures computed in accordance with GAAP and may not be comparable to similarly titled measures of other companies. We provide Adjusted EBITDA margin because we believe the measure provides a meaningful metric of operating profitability.

Consolidated net revenues totaled $1,288.7 million in 2016, increasing $52.9 million, from $1,235.8 million in 2015. This reflected an increase in both attendance and in-park per capita spending, as well as an increase in out-of park revenues compared with 2015. The 656,000 visit, or 2.7%, increase in attendance was driven by higher season pass visitation as the result of new rides and attractions, including live entertainment and multi-week special events during the traditional summer season, as well as growth in our fall and winter seasonal events. The new WinterFest event at California s Great America resulted in incremental attendance and revenue and some shifting of season pass related revenue into the fourth quarter of 2016. The $0.70, or 1.5%, increase in in-park per capita spending was attributable to increases in admissions pricing and growth in our food and beverage programs. The $8.4 million, or 6.1%, increase in out-of-park revenues reflected favorable performance at our resort properties, increased transaction fees from on-line advanced purchases, an increase in special events at several parks, including Super Bowl 50 special events at California s Great America, and proceeds received from a business interruption claim relating to an early season electrical outage at Cedar Point in 2016. The overall increase in net revenues was net of an unfavorable impact of foreign currency exchange rates of $3.7 million related to our Canadian property for 2016 compared with the impact of foreign currency for 2015.

Operating costs and expenses for 2016 increased 4.2%, or $33.4 million, to $827.3 million from $793.9 million for 2015. The increase was the result of a $1.8 million increase in cost of goods sold, a $21.3 million increase in operating expenses, and a $10.3 million increase in SG&A. The $1.8 million increase in cost of goods sold related to higher attendance levels, as well as additional volume in our meal and beverage plan programs. Cost of goods sold, as a percentage of food, merchandise, and games revenue, was comparable for both 2016 and 2015. The $21.3 million increase in operating expenses was primarily due to higher seasonal and maintenance labor costs. These costs increased due to planned market-based adjustments and statutory minimum-wage rate increases along with related employer taxes. The $10.3 million increase in SG&A expense was primarily due to increases in media and other marketing costs, technology related costs, and higher e-commerce and merchant fees. The increase in operating costs and expenses was net of a favorable impact of foreign currency exchange rates of $2.3 million related to our Canadian property for 2016 compared with the impact of foreign currency for 2015.

Depreciation and amortization expense for 2016 increased $6.2 million compared with 2015 due to growth in capital improvements. The loss on impairment / retirement of fixed assets, net for 2016 was $12.6 million, reflecting the impairment of assets in the normal course of business at several of our properties, as compared with $20.9 million in 2015 which included an $8.6 million impairment for a certain long-lived asset at Cedar Point (as discussed in Note 3 to our audited 2017 consolidated financial statements), as well as the retirement of assets at several of our properties.

After the items above, operating income increased $21.6 million to $316.9 million for 2016 from operating income of $295.3 million for 2015.

Interest expense for 2016 decreased to $83.9 million from $86.8 million in 2015 related to a decline in the outstanding notional amounts of our derivative contracts and the corresponding reductions in required settlement payments. The net effect of our swaps resulted in a benefit to earnings of $1.2 million for 2016 compared with a $6.9 million benefit to earnings for 2015. The difference reflected the change in fair market value movements in our de-designated swap portfolio offset by the amortization of amounts in OCI for these swaps. During 2016, we also recognized a $14.7 million net benefit to earnings for foreign currency gains and losses compared with an $81.0 million charge to earnings during 2015. Amounts in both periods primarily represented remeasurement of the U.S.-dollar denominated debt held at our Canadian property from the applicable currency to the entity s functional currency.

For 2016, a provision for taxes of $71.4 million was recorded to account for PTP taxes and income taxes on our corporate subsidiaries. This compared with a provision for taxes recorded for 2015 of $22.2 million. The increase in tax provision in 2016 related largely to improved operating results and the full utilization of net operating loss carryforwards during 2015, and to accounting for a change in U.S. tax law that increased the provision by $7.4 million. Cash taxes paid in 2016 were $44.5 million compared with $20.0 million in 2015. The increase in cash taxes related to continuing strong business performance.

After the items above, net income for 2016 totaled $177.7 million, or $3.14 per diluted limited partner unit, compared with net income of $112.2 million, or $1.99 per diluted unit, for 2015.

For 2016, Adjusted EBITDA increased to $481.2 million from $459.2 million for 2015. The $22.0 million increase in Adjusted EBITDA was a result of higher attendance, in particular from growth in our fall and winter seasonal events, higher in-park per capita spending, and stronger out-of-park revenues compared with 2015. Partially offsetting these revenue increases were increases in operating costs and expenses associated with planned increases in labor costs, higher attendance, and other spending on marketing, technology and e-commerce fees. Over this same period, our Adjusted EBITDA margin increased by 10 basis points as a result of increased attendance and guest spending trends, offset by higher labor costs described above.

Financial Condition

With respect to both liquidity and cash flow, we ended the first quarter of 2018 in sound condition. The working capital ratio (current assets divided by current liabilities) of 0.6 as of March 25, 2018 is the result of normal seasonal activity. Receivables, inventories and payables are at normal seasonal levels.

We ended 2017 in sound condition with respect to both liquidity and cash flow. The working capital ratio (current assets divided by current liabilities) was 1.1 as of December 31, 2017 and was 0.8 as of December 31,

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2016. Receivables and inventories are at normally low seasonal levels and cash and credit facilities are in place to fund current liabilities, capital expenditures, partnership distributions, and pre-opening expenses as required.

Operating Activities

During the three-month period ended March 25, 2018, net cash for operating activities was $55.2 million, a decrease of $18.8 million from the same period a year ago, primarily due to lower payments for interest and income taxes, as well as other changes in working capital.

Net cash from operating activities in 2017 decreased $27.2 million to $331.2 million from $358.3 million in 2016. Net cash from operating activities in 2016 increased $12.4 million to $358.3 million from $346.0 million in 2015. The fluctuations in operating cash flows between years was primarily attributable to changes in working capital.

Investing Activities

Net cash used for investing activities for the first three months of 2018 was $44.8 million, a decrease of $3.7 million compared with the same period in the prior year. This decrease reflects less planned capital expenditures in the current period.

Investing activities consist principally of capital investments we make in our parks and resort properties. During 2017, cash spent on capital expenditures totaled $188.1 million attributable to capital for marketable new rides and attractions, and to a lesser extent, infrastructure and incremental opportunities specific to resort properties. During 2017, we also received $3.3 million of proceeds from the sale of a preferred equity investment in a non-public entity. During 2016, cash spent on capital expenditures totaled $160.7 million. During 2016, we also purchased identifiable intangible assets for $0.6 million. During 2015, cash spent on capital expenditures totaled $175.9 million. During 2015, we also purchased for $2.0 million the preferred equity investment that we sold in 2017.

Historically, we have been able to improve our revenues and profitability by continuing to make substantial capital investments in our park and resort facilities. This has enabled us to maintain or increase attendance levels, as well as to generate increases in in-park per capita spending and revenues from guest accommodations. For the 2018 operating season, we will be investing approximately $155 million on infrastructure and marketable new rides and attractions, and anticipate investing an additional $20 million to $30 million as we invest in incremental opportunities such as resort properties. Infrastructure and marketable capital investments will include four ground-breaking roller coasters at Cedar Point, Knott s Berry Farm, California s Great America and Kings Dominion. In addition to the coasters, we will renovate and expand the children s and family attractions at Carowinds along with the addition of many other new attractions at all of our parks. We will also extend the operating season at Kings Dominion for a new WinterFest holiday event, bringing the total to six of our amusement parks with winter holiday events. Lastly, as we continue to expand Cedar Point s resort accommodations, a new five-story addition to Hotel Breakers will open in May 2018 featuring an additional outdoor pool and sun deck adjacent to the mile-long beach.

Financing Activities

Net cash for financing activities for the first three months of 2018 was $21.9 million, a decrease of $55.5 million compared with the same period in the prior year. This decrease primarily reflects less borrowings on our revolving credit facility in the current period.

Net cash utilized for financing activities in 2017 totaled $106.4 million, compared with $194.5 million in 2016. This decrease reflects incremental debt borrowings due to the increase in our senior secured term loan facility under the

2017 Credit Agreement, offset by other impacts of the April 2017 refinancing including payment of debt issuance costs and early termination penalties.

Net cash utilized for financing activities in 2016 totaled $194.5 million, compared with $177.9 million in 2015. This increase in net cash utilized for financing activities is due to an increase in distributions paid to partners in 2016, as well as a $6.0 million pre-payment of term debt in 2016.

Liquidity and Capital Resources

As of March 25, 2018, our outstanding debt, before reduction for debt issuance costs and original issue discount, consisted of the following:

$500 million of 5.375% senior unsecured notes, maturing in April 2027, issued at par. Prior to April 15, 2020, up to 35% of the notes may be redeemed with net cash proceeds of certain equity offerings at a price equal to 105.375% of the principal amount thereof, together with accrued and unpaid interest and additional interest, if any. The notes may be redeemed, in whole or in part, at any time prior to April 15, 2022 at a price equal to 100% of the principal amount of the notes redeemed plus a make-whole premium, together with accrued and unpaid interest, if any, to the redemption date. Thereafter, the notes may be redeemed, in whole or in part, at various prices depending on the date redeemed. The notes pay interest semi-annually in April and October.

$450 million of 5.375% senior unsecured notes, maturing in June 2024, issued at par. The notes may be redeemed, in whole or in part, at any time prior to June 1, 2019 at a price equal to 100% of the principal amount of the notes redeemed plus a make-whole premium, together with accrued and unpaid interest, if any, to the redemption date. Thereafter, the notes may be redeemed, in whole or in part, at various prices depending on the date redeemed. The notes pay interest semi-annually in June and December.

$735 million of senior secured term debt, maturing in April 2024 under the 2017 Credit Agreement. The term debt bears interest at the London InterBank Offering Rate (LIBOR) plus 175 basis points (bps), under amendments we entered into on March 14, 2018. The pricing terms for the amendment reflected $0.9 million of original issue discount. The term loan amortizes $7.5 million annually. We paid $15.0 million of amortization during the third quarter of 2017. Therefore, we have no current maturities as of March 25, 2018.

$40 million of borrowings under the $275 million senior secured revolving credit facility under our 2017 Credit Agreement with a Canadian sub-limit of $15 million. Borrowings under the senior secured revolving credit facility bear interest at LIBOR or Canadian Dollar Offered Rate (CDOR) plus 200 bps. The revolving credit facility is scheduled to mature in April 2022 and also provides for the issuance of documentary and standby letters of credit. The 2017 Credit Agreement requires the payment of a 37.5 bps commitment fee per annum on the unused portion of the credit facilities. After letters of credit, which totaled $15.9 million at March 25, 2018, we had $219.1 million of available borrowings under the revolving credit facility and cash on hand of $42.9 million.

As of March 26, 2017, before reduction of debt issuance costs, we had $602.9 million of variable-rate term debt, $950.0 million of outstanding fixed-rate notes, and $85.0 million of borrowings outstanding under the Revolving Facility. After letters of credit, which totaled $15.9 million as of March 25, 2018 and March 26, 2017, we had available borrowings under the Revolving Facility of $219.1 million and $154.1 million, respectively. The maximum outstanding balance under the Revolving Facility was $40.0 million during the three months ended March 25, 2018 and $85.0 million during the three months ended March 26, 2017.

As of December 31, 2017, before reduction for debt issuance costs, we had $735.0 million of variable-rate term debt, $950.0 million of outstanding fixed-rate notes, and no borrowings outstanding under the Revolving Facility. As of December 31, 2016, before reduction of debt issuance costs, we had $602.9 million of variable-rate term debt, $950.0 million of outstanding fixed-rate notes, and no borrowings outstanding under the Revolving Facility. After letters of credit, which totaled $15.9 million as of December 31, 2017 and December 31, 2016, we had available borrowings under the Revolving Facility of $259.1 million and

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$239.1 million, respectively. The maximum outstanding balance under the Revolving Facility was $110.0 million during the year ended December 31, 2017 and $101.0 million during the year ended December 31, 2016.

As of March 25, 2018 , we had four interest rate swap agreements that effectively convert $500 million of variable-rate debt to a fixed rate. These swaps, which mature on December 31, 2020 and fix LIBOR at a weighted average rate of 2.64%, are not designated as cash flow hedges. As of March 25, 2018, the fair market value of our derivative liability was $2.7 million and was recorded in Derivative Liability.

As of December 31, 2017 and as of December 31, 2016, we had four interest rate swap agreements that effectively convert $500 million of variable-rate debt to a fixed rate. These swaps, which mature on December 31, 2020 and fix LIBOR at a weighted average rate of 2.64%, were de-designated during the first quarter of 2016. As of December 31, 2017, the fair market value of our swap portfolio was a liability of $8.7 million compared with a liability of $17.7 million as of December 31, 2016. In both periods presented, the fair value of our swap portfolio was classified as long-term and recorded in Derivative Liability. Additional detail regarding our swap arrangements is provided in Note 6 to our audited 2017 consolidated financial statements.

The 2017 Credit Agreement includes a Consolidated Leverage Ratio, which if breached for any reason and not cured could result in an event of default. The ratio is set at a maximum of 5.50x Consolidated Total Debt-to-Consolidated EBITDA. As of March 25, 2018, we were in compliance with this financial condition covenant and all other financial covenants under the 2017 Credit Agreement.

Our long-term debt agreements include Restricted Payment provisions. Pursuant to the terms of the indenture governing the 2024 Senior Notes, which includes the most restrictive of these Restricted Payments provisions, we can make Restricted Payments of $60 million annually so long as no default or event of default has occurred and is continuing; and we can make additional Restricted Payments if our pro forma Total-Indebtedness-to-Consolidated-Cash-Flow Ratio is less than or equal to 5.00x.

As market conditions warrant, we may from time to time repurchase debt securities issued by us, in privately negotiated or open market transactions, by tender offer, exchange offer or otherwise.

In accordance with the 2017 Credit Agreement debt provisions, on February 28, 2018, we announced the declaration of a distribution of $0.89 per limited partner unit, which was paid on March 19, 2018. Also, on May 2, 2018, we announced the declaration of a distribution of $0.89 per limited partner unit, which will be payable on June 15, 2018 to holders of record as of June 4, 2018.

Existing credit facilities and cash flows from operations are expected to be sufficient to meet working capital needs, debt service, partnership distributions and planned capital expenditures for the foreseeable future.

Contractual Obligations

The following table summarizes certain obligations (on an undiscounted basis) as of December 31, 2017:

	Payments Due by Period				
(In thousands)	**Total**	**2018**	**2019-2020**	**2021-2022**	**2023 - Thereafter**
Long-term debt(1)	$ 2,313,385	$ 92,722	$ 197,843	$ 172,156	$ 1,850,664

Capital expenditures(2)	63,296	40,716	22,580		
Lease & other obligations(3)	161,296	24,349	19,672	17,279	99,996
Total	$ 2,537,977	$ 157,787	$ 240,095	$ 189,435	$ 1,950,660

(1) Represents maturities and mandatory prepayments on long-term debt obligations, fixed interest on senior notes, variable interest on term debt assuming LIBOR interest rates as of December 31, 2017, and the

impact of our various derivative contracts. See Note 5 to our audited 2017 consolidated financial statements for further information.

(2) Represents contractual obligations in place at year-end for the purchase of new rides, facilities, and attractions. Obligations not denominated in U.S. dollars have been converted based on the currency exchange rates as of December 31, 2017.

(3) Represents contractual lease and purchase obligations in place at year-end.

Off-Balance Sheet Arrangements

We had $15.9 million of letters of credit, which are primarily in place to backstop insurance arrangements, outstanding on our revolving credit facility as of March 25, 2018. We have no other significant off-balance sheet financing arrangements.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risks from fluctuations in interest rates, and to a lesser extent on currency exchange rates on our operations in Canada, and from time to time, on imported rides and equipment. The objective of our financial risk management is to reduce the potential negative impact of interest rate and foreign currency exchange rate fluctuations to acceptable levels. We do not acquire market risk sensitive instruments for trading purposes.

We manage interest rate risk through the use of a combination of fixed-rate long-term debt, interest rate swaps that fix a portion of our variable-rate long-term debt, and variable-rate borrowings under our revolving credit facility. Translation exposures with regard to our Canadian operations are not hedged.

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the change in fair value of the derivative instrument is reported as a component of Other comprehensive income (loss) and reclassified into earnings in the period during which the hedged transaction affects earnings. Changes in fair value of derivative instruments that do not qualify as effective hedging activities are reported as Net effect of swaps in the unaudited condensed consolidated statements of operations. Additionally, the Other comprehensive income (loss) related to interest rate swaps that become ineffective is amortized over the remaining life of the interest rate swap and reported as a component of Net effect of swaps in the unaudited condensed consolidated statements of operations.

As of March 25, 2018, on an adjusted basis after giving effect to the impact of interest rate swap agreements, $1,450.0 million of our outstanding long-term debt represented fixed-rate debt and $235.0 million represented variable-rate debt. Assuming an average balance on our revolving credit borrowings of approximately $5.5 million, a hypothetical 100 bps increase in 30-day LIBOR on our variable-rate debt (not considering the impact of our interest rate swaps) would lead to an increase of approximately $7.4 million in annual cash interest costs.

Assuming a hypothetical 100 bps increase in 30-day LIBOR, the amount of net cash interest paid on our derivative portfolio would decrease by $5.0 million over the next twelve months.

A uniform 10% strengthening of the U.S. dollar relative to the Canadian dollar would result in a $3.5 million decrease in annual operating income.

Impact of Inflation

Substantial increases in costs and expenses could impact our operating results to the extent such increases could not be passed along to our guests. In particular, increases in labor, supplies, taxes, and utility expenses could have an impact on our operating results. The majority of our employees are seasonal and are paid hourly

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rates which are consistent with federal and state minimum wage laws. Historically, we have been able to pass along cost increases to guests through increases in admission, food, merchandise and other prices, and we believe that we will continue to have the ability to do so over the long term. We believe that the effects of inflation, if any, on our operating results and financial condition have been and will continue to be minor.

Quarterly Financial Data

Quarterly operating results for 2018, 2017 and 2016 are presented in the table below:

	Net revenues	Operating income (loss)	Net income (loss)	Net income (loss) per limited partner unit-basic	Net income (loss) per limited partner unit-diluted
			Unaudited		
		(In thousands, except per unit amounts)			
2018					
1st Quarter	$ 54,727	$ (75,647)	$ (83,400)	$ (1.49)	$ (1.49)
2017					
1st Quarter	$ 48,318	$ (75,961)	$ (64,754)	$ (1.16)	$ (1.16)
2nd Quarter	392,798	95,313	31,368	0.56	0.55
3rd Quarter	652,689	256,139	191,315	3.41	3.38
4th Quarter(1)	228,162	19,720	57,547	1.03	1.01
2017 Total	$ 1,321,967	$ 295,211	$ 215,476	3.84	3.79
2016					
1st Quarter	$ 58,438	$ (65,818)	$ (48,486)	$ (0.87)	$ (0.87)
2nd Quarter	388,034	94,858	57,983	1.04	1.03
3rd Quarter	650,283	267,795	174,987	3.13	3.10
4th Quarter	191,966	20,104	(6,796)	(0.12)	(0.12)
2016 Total	$ 1,288,721	$ 316,939	$ 177,688	3.18	3.14

(1) The fourth quarter of 2017 includes a $62.7 million benefit for taxes compared with a $6.1 million provision for taxes for the fourth quarter of 2016 primarily due to a $55.3 million tax benefit recorded in 2017 related to the Tax Cuts and Jobs Act.

Note: To assure that our highly seasonal operations will not result in misleading comparisons of interim periods, the Company has adopted the following reporting procedures: (a) seasonal operating costs are expensed over the operating season, including some costs incurred prior to the season, which are deferred and amortized over the season, and (b) all other costs are expensed as incurred or ratably over the entire year.

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BUSINESS

Our Business

The Company is a publicly traded Delaware limited partnership formed in 1987 and managed by Cedar Fair Management, Inc., an Ohio corporation (the General Partner), whose shares are held by an Ohio trust. We are one of the largest regional amusement park operators in the world and own eleven amusement parks, two separately gated outdoor water parks, one indoor water park and four hotels.

In 2017, we entertained more than 25 million visitors. All of our parks are family-oriented, with recreational facilities for people of all ages, and provide clean and attractive environments with exciting rides and entertainment. The amusement parks include: Cedar Point, located on Lake Erie between Cleveland and Toledo in Sandusky, Ohio; Knott s Berry Farm, near Los Angeles, California; Canada s Wonderland, near Toronto, Canada; Kings Island, near Cincinnati, Ohio; Carowinds, in Charlotte, North Carolina; Dorney Park, in Allentown, Pennsylvania; Kings Dominion, near Richmond, Virginia; California s Great America, in Santa Clara, California; Valleyfair, near Minneapolis/St. Paul, Minnesota; Worlds of Fun, in Kansas City, Missouri; and Michigan s Adventure, in Muskegon, Michigan. We manage and operate Gilroy Gardens Family Theme Park in Gilroy, California.

We also own and operate two separately gated outdoor water parks located adjacent to Cedar Point and Knott s Berry Farm, three hotels at Cedar Point (including the Castaway Bay Indoor Waterpark Resort in Sandusky, Ohio) and one hotel at Knott s Berry Farm. With limited exceptions, all rides and attractions at the amusement and water parks are owned and operated by us. We own the land on which Cedar Point Sports Center is located. The sports park is operated by a third party.

Our seasonal amusement parks are generally open during weekends beginning in April or May, and then daily from Memorial Day until Labor Day, after which they are open during weekends in September and, in most cases, October for Halloween events. The two separately gated outdoor water parks also operate seasonally, generally from Memorial Day to Labor Day, plus some additional weekends before and after this period. As a result, a substantial portion of our revenues from these parks are generated during an approximately 130- to 140-day operating season with the major portion concentrated in the third quarter during the peak vacation months of July and August. In 2017, California s Great America, Carowinds, Worlds of Fun and Kings Island extended their operating seasons by approximately 20 to 25 days to include WinterFest, a holiday event operating during November and December showcasing holiday shows and festivities. In 2018, Kings Dominion will also extend its operating season by 20 to 25 days to include WinterFest. Knott s Berry Farm continues to be open daily on a year-round basis. Castaway Bay is also generally open daily from Memorial Day to Labor Day, plus a limited daily schedule for the balance of the year. Each park charges a basic daily admission price, which allows unlimited use of most rides and attractions.

The demographic groups that are most important to the parks are families and young people ages 12 through 24. Families are believed to be attracted by a combination of rides, live entertainment and the clean, wholesome atmosphere. Young people are believed to be attracted by the action-packed rides. During their operating season, the parks conduct active television, radio, newspaper and internet advertising campaigns in their major market areas geared toward these two groups.

Segment Reporting

Each of the Company s parks operates autonomously, and management reviews operating results, evaluates performance and makes operating decisions, including the allocation of resources, on a property-by-property basis. In addition to reviewing and evaluating performance of the business at the individual park level, the structure of the

Company s management incentive compensation systems are centered around the operating results of each park as an integrated operating unit. Therefore, each park represents a separate operating segment

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of the Company s business. Although the Company manages its parks with a high degree of autonomy, each park offers and markets a similar collection of products and services to similar customers. In addition, the parks all have similar economic characteristics, in that they all show similar long-term growth trends in key industry metrics such as attendance, in- park per capita spending, net revenue, operating costs and operating profit. Therefore, the Company operates within a single reportable segment of amusement/water parks with accompanying resort facilities.

Description of Parks

Cedar Point

Cedar Fair s flagship park, Cedar Point, was first developed as a recreational area in 1870. Located on a peninsula in Sandusky, Ohio bordered by Lake Erie and Sandusky Bay, the park is approximately 60 miles west of Cleveland and 100 miles southeast of Detroit. Attractive to both families and thrill-seekers, the park features 18 roller coasters, including many record-breakers, and three children s areas. Cedar Point serves a six-state region which includes nearly all of Ohio and Michigan, western Pennsylvania and New York, northern West Virginia and Indiana, as well as southwestern Ontario, Canada. The park s market area includes Cleveland, Toledo, Akron and Columbus, Ohio; and Detroit, Grand Rapids, Flint and Lansing, Michigan.

Located adjacent to the park is Cedar Point Shores Water Park, a separately gated water park that features more than 15 water rides and attractions.

We also own and operate three hotels at Cedar Point. The park s only year-round hotel is Castaway Bay Indoor Waterpark Resort, which is located adjacent to the Causeway entrance to the park. Castaway Bay features tropical, Caribbean theme hotel rooms centered around an indoor water park. The park s largest hotel, the historic Hotel Breakers, has various dining and lounge facilities, a mile-long beach, lake swimming, a conference/meeting center, an indoor pool and multiple outdoor pools. Located near the Causeway entrance to the park, Cedar Point s Express Hotel is a limited-service seasonal hotel.

We also own and operate the Cedar Point Marina, Castaway Bay Marina and Lighthouse Point. Cedar Point Marina is a full-service marina and provides dock facilities, including floating docks and full guest amenities. In addition, Cedar Point Marina features two restaurants accessible by the general public. Castaway Bay Marina is a full-service marina. Lighthouse Point offers lake-front cottages, cabins and full-service RV campsites.

We own and operate the Cedar Point Causeway across Sandusky Bay. This Causeway is a major access route to Cedar Point. We also own dormitory facilities located near the park that house approximately 4,000 of the park s seasonal employees.

Cedar Point Sports Center is an outdoor sports park consisting of various playing fields and training areas for soccer, baseball, softball and lacrosse tournaments and clinics in Sandusky, Ohio. We own the land on which the sports park is located. The sports park is operated by a third party.

We own the land from the former Wildwater Kingdom seasonal water-park located near Cleveland, Ohio, which ceased operations during the third quarter of 2016. The remaining land is available for sale.

Knott s Berry Farm

Knott s Berry Farm, located near Los Angeles in Buena Park, California, first opened in 1920 and was acquired by us in 1997. The park is one of several year-round theme parks in Southern California and serves a market area centered in Orange County with a large national and international tourism population.

The park is renowned for its seasonal events, including a special holiday event, Knott s Merry Farm, and a Halloween event, Knott s Scary Farm, which has been held for more than 40 years and is annually rated one of the best Halloween events in the industry by *Amusement Today s* international survey.

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Adjacent to Knott s Berry Farm is Knott s Soak City, a separately gated seasonal water park that features multiple water rides and attractions.

We also own and operate the Knott s Berry Farm Hotel, a full-service hotel located adjacent to Knott s Berry Farm, which features a pool, fitness facilities and meeting/banquet facilities.

Canada s Wonderland

Canada s Wonderland, a combination amusement and water park located near Toronto in Vaughan, Ontario, first opened in 1981 and was acquired by us in 2006. It contains numerous attractions, including 16 roller coasters, and is one of the most attended regional amusement parks in North America. Canada s Wonderland is in a culturally diverse metropolitan market with large populations of different ethnicities and national origins. Each year the park showcases an extensive entertainment and special event line-up which includes cultural festivals.

Kings Island

Kings Island, a combination amusement and water park located near Cincinnati, Ohio, first opened in 1972 and was acquired by us in 2006. Kings Island is one of the most attended regional amusement parks in North America. The park features a children s area that has been consistently named the Best Kids Area in the World by *Amusement Today*. The park s market area includes Cincinnati, Dayton and Columbus, Ohio; Louisville and Lexington, Kentucky; and Indianapolis, Indiana.

Carowinds

Carowinds, a combination amusement and water park located in Charlotte, North Carolina, first opened in 1973 and was acquired by us in 2006. Carowinds major markets include Charlotte, Greensboro, and Raleigh, North Carolina; as well as Greenville and Columbia, South Carolina.

The park also offers Camp Wilderness Resort, an upscale camping area that includes luxury cabins, RV sites, and tent and pop-up sites. The campground features a convenience store and a swimming pool.

Kings Dominion

Kings Dominion, a combination amusement and water park located near Richmond, Virginia, first opened in 1975 and was acquired by us in 2006. The park s market area includes Richmond and Norfolk, Virginia; Raleigh, North Carolina; Baltimore, Maryland and Washington, D.C. In 2018, Kings Dominion will begin hosting WinterFest.

Additionally, the park offers Kings Dominion Camp Wilderness Campground, an upscale camping area featuring luxury cabins, RV sites, and tent and pop-up sites. The campground also features a swimming pool, playground, and convenience store.

We also own a dormitory facility located adjacent to Kings Dominion that houses approximately 400 of the park s seasonal employees.

California s Great America

California s Great America, a combination amusement and water park located in Santa Clara, California, first opened in 1976 and was acquired by us in 2006. The park draws its visitors primarily from San Jose, San Francisco, Sacramento, Modesto and Monterey, among other cities in northern California.

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Dorney Park

Dorney Park, a combination amusement and water park located in Allentown, Pennsylvania, was first developed as a summer resort area in 1884 and was acquired by us in 1992. Dorney Park s major markets include Philadelphia, Lancaster, Harrisburg, York, Scranton, Wilkes-Barre, Hazleton and the Lehigh Valley, Pennsylvania; New York City; and New Jersey.

Worlds of Fun

Worlds of Fun, which opened in 1973 and was acquired by us in 1995, is a combination amusement and water park located in Kansas City, Missouri. Worlds of Fun serves a market area centered in Kansas City, as well as most of Missouri and portions of Kansas and Nebraska.

Worlds of Fun also features Worlds of Fun Village, an upscale camping area that offers overnight guest accommodations next to the park with wood-side cottages, log cabins and deluxe RV sites. Included within the Village is a clubhouse with a swimming pool and a convenience store.

Valleyfair

Valleyfair, which opened in 1976 and was acquired by our predecessor in 1978, is a combination amusement and water park located near Minneapolis-St. Paul in Shakopee, Minnesota. Valleyfair s market area is centered in Minneapolis-St. Paul, but the park also draws visitors from other areas in Minnesota and surrounding states.

We also own a dormitory facility located adjacent to Valleyfair that houses approximately 400 of the park s seasonal employees.

Michigan s Adventure

Michigan s Adventure, which was acquired by us in 2001, is a combination amusement and water park located in Muskegon, Michigan. Michigan s Adventure serves a market area principally from central and western Michigan and eastern Indiana.

Competitive Strengths

We believe we have the following competitive strengths:

High quality, well-maintained parks. We believe that we are a leading operator of regional amusement parks because we have historically made substantial investments in our park and resort facilities. This has enabled us to provide a wholesome, exciting, quality experience with broad family appeal and, as a result, increase attendance levels and generate higher average in-park guest per capita spending and higher revenue from guest accommodations.

To accomplish that goal, we invest in marketable attractions, including an industry leading portfolio of award-winning rollercoasters, that help drive attendance and have long operating lives and evergreen themes that incur minimal royalty payments and do not require costly re-theming or other reinvestment to keep pace with changing third party intellectual property. As a result of these capital investments, our parks have a variety of award-winning thrill rides, including 10 of the world s top 25 steel roller coasters and five of the world s top 25 wooden roller coasters according to international surveys conducted this past year by *Amusement Today*.

Each of our parks has also maintained broad family appeal, with designated areas for young children. According to *Amusement Today* s 2017 survey, Kings Island has been consistently named the Best Kids Area in the World. We continue to pursue additional opportunities for growth at our parks with attractions that have a broad family appeal. We believe making our parks appealing to the whole family results in repeat visitation, higher attendance and greater per capita spending.

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Favorable industry dynamics. Regional amusement parks provide an attractive and affordable alternative to large destination parks, particularly in a challenging economic environment. We believe that a leading position in the regional amusement park industry provides a distinct competitive advantage due to a price/value proposition that compares favorably to other local, out-of-home entertainment options.

Additionally, our regional amusement and water parks are primarily located near major cities with little or no direct competition from other theme parks within their core market area.

Significant barriers to entry. We believe there are significant barriers to entry in the amusement park industry that help our parks maintain their strong regional market positions:

- Capital Costs. Construction of a quality regional theme park requires a substantial initial capital investment, and there is generally limited visibility on a newly-constructed park s return on capital at inception.

- Real Estate Requirements. Building a new theme park requires a significant plot of developable land, plus additional land for roads and local businesses, including lodging and restaurants, that will be complementary to the park.

- Zoning Restrictions. Local governments often believe the negative impact of increased traffic and environmental effects will outweigh the promise of increased tax revenue and job creation, and as a result generally show reluctance to approve zoning for a new theme park.

- Development Time. We estimate that it takes approximately three years to construct a regional amusement park, with the planning process taking approximately one year (including a feasibility analysis, public approval processes, design development and financing) and construction taking up to two years (including procurement and installation of rides, show facilities and other equipment).

Significant real estate holdings and other assets. We own approximately 4,700 acres of land, with only one park utilizing leased property, which is under a long-term ground lease that renews at our option through 2074. Our amusement parks comprise more than 4,000 acres of our owned land, including approximately 1,400 acres of developable land, and we also own approximately 640 acres of land near Cleveland, Ohio. Virtually all of the rides and attractions at our amusement and water parks are currently owned and operated by us. We also own and operate a number of other complementary assets adjacent to some of our parks:

- We own and operate three hotel facilities at Cedar Point, including: Castaway Bay Indoor Waterpark Resort, which features tropical, Caribbean theme hotel rooms centered around an indoor water park; the park s largest hotel, the historic Hotel Breakers, which features dining and lounge facilities, a mile-long beach, lake swimming, a conference/meeting center, an indoor pool and multiple outdoor pools and Cedar Point s Express Hotel, a limited-service seasonal hotel.

We own and operate several other assets at Cedar Point that are complementary to the park s operations, including: Cedar Point Marina, a full-service marina that provides dock facilities, including floating docks and full guest amenities; Castaway Bay Marina, a full-service marina; and Lighthouse Point, which features lake-front cottages, cabins and full-service RV campsites.

We own the land on which the Cedar Point Sports Center, an outdoor sports park consisting of various playing fields and training areas for soccer, baseball, softball and lacrosse tournaments and clinics in Sandusky, Ohio, is located. The sports park is operated by a third party.

We own the Cedar Point Causeway across Sandusky Bay, which is the major access route to Cedar Point.

We own and operate the Knott s Berry Farm Hotel, a full-service hotel, which features a pool, fitness facilities and meeting/banquet facilities and is located adjacent to Knott s Berry Farm.

We own upscale camping areas that offer overnight guest accommodations next to our parks at Carowinds, Kings Dominion and Worlds of Fun.

We own dormitory facilities that house seasonal and part-time employees near or adjacent to several of our parks, including: Cedar Point, where we housed 4,000 employees in 2017; Kings Dominion, where we housed 400 employees in 2017; and Valleyfair, where we housed 400 employees in 2017.

Stable and diversified cash flows. We have historically generated stable cash flow as a result of consistent attendance and long-term revenue trends. In addition to favorable industry dynamics historically driving organic attendance growth, we have opportunistically made acquisitions to further our diversity of revenue and market share. As a result, our park portfolio is broadly distributed across North America, establishing a geographic footprint that mitigates regional economic and weather risk, and our revenues and Adjusted EBITDA are diversified across our parks, so we are not dependent on any one park or region.

We have also used our highly successful holiday events to extend the operating season and generate additional revenue at our parks. In the last decade, Halloween events have been added to most of the Company s parks and have become meaningful financial contributors. These Halloween events follow in the tradition of Knott s Scary Farm, the original theme park Halloween event dating back to 1973 at Knott s Berry Farm. Knott s Scary Farm has consistently been named one of the Best Halloween Events in the World according to *Amusement Today*, and its immense popularity also paved the way for a holiday event, Knott s Merry Farm. In 2016 and 2017, WinterFest, a recently added holiday event, extended the operating season into November and December for California s Great America in 2016 and Carowinds, Worlds of Fun and Kings Island in 2017. Each WinterFest event featured 20-25 incremental operating days.

We believe our stable and diversified cash flow will continue to give us the opportunity to grow, reinvest in our business and service our indebtedness.

Industry-leading operating metrics. We believe we have some of the highest Adjusted EBITDA margins and cash conversion profiles in the theme park industry. We protect these margins by maintaining our pricing policies and abiding by strict cost controls. On the pricing side, we limit the use of complimentary and heavily-discounted tickets and focus on single-day ticket price integrity. On the cost side, we carefully manage seasonal staffing levels, minimize corporate overhead and require senior management approval for pricing decisions, permanent hiring and corporate travel. Additionally, our management has consistently demonstrated the ability to enhance the performance of acquired assets by enforcing strict cost controls, optimizing pricing policies for tickets and redirecting spending away from intellectual property and towards thrill rides and family attractions.

Our high operating margins are also aided by our lack of significant licensing fees, as compared to industry peers who incur licensing fees for certain entertainment-themed attractions. Our relatively low licensing fees allow us to redirect expenditures toward thrill rides that will increase attendance, such as Mystic Timbers at Kings Island in 2017 and Valravn at Cedar Point in 2016. We believe this is an important factor that has enabled us to outperform our peers in periods of economic uncertainty.

Experienced management team. The members of our senior management team have an average of more than 20 years of experience in the leisure and hospitality industries. The management team is led by Richard Zimmerman (President and Chief Executive Officer), Tim Fisher (Chief Operating Officer) and Brian Witherow (Executive Vice President and Chief Financial Officer). We believe our experienced management team is a key component of our success and will enable us to continue to produce attractive operating results.

Capital Expenditures and Working Capital

We believe that annual park attendance is influenced by annual investments in new attractions. Capital expenditures are planned on a seasonal basis with the majority of such capital expenditures made prior to the beginning of the peak operating season. Capital expenditures made in a calendar year may differ materially from amounts identified with a particular operating season because of timing considerations such as weather conditions, site preparation requirements and availability of ride components, which may result in accelerated or delayed expenditures around calendar year-end.

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During the operating season, we carry significant receivables and inventories of food and merchandise, as well as payables and payroll-related accruals. Amounts are substantially reduced in non-operating periods. Seasonal working capital needs are funded from current operations and revolving credit facilities. Revolving credit facilities are established at levels sufficient to accommodate our peak borrowing requirements in April and May as the seasonal parks complete preparations for opening. Revolving credit borrowings are reduced with our positive cash flow during the seasonal operating period.

Competition

We compete for discretionary spending with all aspects of the recreation industry within its primary market areas, including other destination and regional amusement parks. We also compete with other forms of entertainment and recreational activities, including movies, sports events, restaurants and vacation travel.

The principal competitive factors in the amusement park industry include the uniqueness and perceived quality of the rides and attractions in a particular park, its proximity to metropolitan areas, the atmosphere and cleanliness of the park, and the quality and variety of the food and entertainment available. We believe that our amusement parks feature a sufficient quality and variety of rides and attractions, restaurants, gift shops and family atmosphere to make them highly competitive with other parks and forms of entertainment.

Government Regulation

Our properties and operations are subject to a variety of federal, state and local environmental, health and safety laws and regulations. Currently, we believe we are in substantial compliance with applicable requirements under these laws and regulations. However, such requirements have generally become stricter over time, and there can be no assurance that new requirements, changes in enforcement policies or newly discovered conditions relating to its properties or operations will not require significant expenditures in the future.

All rides are operated and inspected daily by both our maintenance and ride operations personnel before being placed into operation for our guests. The parks are also periodically inspected by our insurance carrier and, at all parks except Valleyfair, Worlds of Fun, and Carowinds   South Carolina rides, by state or county ride-safety inspectors. Valleyfair, Worlds of Fun and Carowinds each contract with a third party to inspect its rides pursuant to Minnesota, Missouri, and South Carolina law, respectively, and submit the third-party report to the respective state agency. Additionally, all parks have added ride maintenance and operation inspections completed by third party qualified inspectors to make sure our standards are being maintained.

Employees

We have approximately 2,200 full-time employees. During the operating season, we employ in aggregate approximately 44,700 seasonal and part-time employees, many of whom are high school and college students. Approximately 4,000 of Cedar Point s seasonal employees, 400 of Kings Dominion s, and 400 of Valleyfair s seasonal employees live in dormitories owned by us. Approximately 350 of Dorney Park s seasonal employees, 300 of Carowinds seasonal employees, 200 of Kings Island s seasonal employees, and 100 of Worlds of Fun s seasonal employees live in dormitories rented by the Company. We maintain training programs for all new employees and believe that we maintain good relations with our employees.

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Properties

Park	Location	Approximate Total Acreage	Approximate Developed Acreage	Approximate Undeveloped Acreage
Cedar Point				
Cedar Point Shores(1)(3)	Sandusky, Ohio	625	515	110
Knott s Berry Farm				
Knott s Soak City	Buena Park, California	175	175	
Canada s Wonderland	Vaughan, Ontario, Canada	295	295	
Kings Island	Mason, Ohio	680	330	350
Carowinds	Charlotte, North Carolina and Fort Mill, South Carolina	400	300	100
Kings Dominion	Doswell, Virginia	740	280	460
California s Great America(2)	Santa Clara, California	165	165	
Dorney Park	Allentown, Pennsylvania	210	180	30
Worlds of Fun				
Oceans of Fun	Kansas City, Missouri	350	250	100
Valleyfair	Shakopee, Minnesota	190	110	80
Michigan s Adventure	Muskegon, Michigan	260	120	140

(1) Cedar Point and Cedar Point Shores are located on approximately 365 acres, virtually all of which have been developed, on the Cedar Point peninsula in Sandusky, Ohio. We also own approximately 260 acres of property on the mainland adjoining the approach to the Cedar Point Causeway with approximately 110 acres undeveloped. Cedar Point s Express Hotel, Castaway Bay Indoor Waterpark Resort and an adjoining restaurant, Castaway Bay Marina, two seasonal-employee housing complexes, and Cedar Point Sports Center are located on this property.

We control, through ownership or an easement, a six-mile public highway and owns approximately 40 acres of vacant land adjacent to this highway, which is a secondary access route to Cedar Point and serves about 250 private residences. The roadway is maintained by us pursuant to deed provisions. The Cedar Point Causeway, a four-lane roadway across Sandusky Bay, is the principal access road to Cedar Point and is owned by one of our subsidiaries.

(2) We lease the land at California s Great America from the City of Santa Clara through a long-term lease agreement that is renewable in 2039 with options to renew at our discretion.

(3) In addition to the acreage above, we own approximately 640 acres in Aurora, Ohio (near Cleveland, Ohio) which is available for sale. The land is the location of the former Wildwater Kingdom waterpark. See Note 3 to our audited 2017 consolidated financial statements for further information regarding the closure of the waterpark.

All of our property is owned in fee simple, with the exception of California s Great America in Santa Clara, California, and portions of the six-mile public highway that serves as secondary access route to Cedar Point, and is encumbered by the 2017 Credit Agreement. We consider our properties to be well maintained, in good condition and adequate for our present uses and business requirements.

Legal Proceedings

Freddie Ramos vs. Cedar Fair, L.P., Cedar Fair Management Company

Cedar Fair and the General Partner are defendants in a lawsuit filed in Superior Court of the State of California for Orange County on November 23, 2016 by Freddie Ramos seeking damages and injunctive relief for claims related to certain employment and pay practices at our parks in California, including those related to certain check-out, time reporting, discharge, meal and rest period, and pay statement practices. We filed an

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answer on January 13, 2017 denying the allegations in the complaint and requesting a dismissal of all claims. On January 17, 2017, we filed a Notice of Removal of the case from the state court to the United State District Court for the Central District of California. The class has not been certified. On August 29, 2017, the Company participated in a mediation relating to the claims alleged in the lawsuit. Following this mediation, the Company negotiated a $4.2 million settlement with the named plaintiff on a class wide basis. As part of the settlement, the case will be remanded back to the Superior Court of the State of California for Orange County for a preliminary hearing and final court approval of the proposed settlement. Cedar Fair and the named plaintiff are required to file a brief in support of the settlement with the court. The hearing to approve the final settlement is not expected to occur until the second quarter of 2018. Based upon the information available, we believe the liability recorded as of March 25, 2018 is adequate and do not expect the terms of the negotiated settlement or final briefing to materially affect our financial results in future periods.

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MANAGEMENT

The following table sets forth information regarding our current executive officers and directors including their ages as of April 9, 2018:

Name	Age	Position(s)
Richard A. Zimmerman	57	President and Chief Executive Officer
H. Philip Bender	62	Executive Vice President, Operations
Robert A. Decker	57	Senior Vice President of Planning & Design
Tim V. Fisher	58	Chief Operating Officer
Craig A. Heckman	54	Senior Vice President, Human Resources
David R. Hoffman	49	Senior Vice President and Chief Accounting Officer
Duffield E. Milkie	52	Executive Vice President, Corporate Secretary and General Counsel
Kelley S. Semmelroth	53	Executive Vice President and Chief Marketing Officer
Brian C. Witherow	51	Executive Vice President and Chief Financial Officer
Matthew A. Ouimet	60	Executive Chairman
Eric L. Affeldt	60	Director
Gina D. France	59	Director
Daniel J. Hanrahan	60	Director
Tom Klein	55	Director
D. Scott Olivet	55	Director
John M. Scott, III	52	Director
Lauri M. Shanahan	55	Director
Debra Smithart-Oglesby	63	Director

Richard A. Zimmerman has been President and Chief Executive Officer since January 2018. Prior to that, he served as President and Chief Operating Officer from October 2016 through December 2017 and as Chief Operating Officer since October 2011. Prior to that, he served as Executive Vice President since November 2010, previously serving as Regional Vice President since June 2007 and has been with Cedar Fair since 2006. Richard served as Vice President and General Manager of Kings Dominion from 1998 through 2006.

H. Philip Bender has served as Executive Vice President, Operations since November 2010, previously serving as Regional Vice President beginning in June 2006. Prior to that, he served as Vice President and General Manager of Worlds of Fun / Oceans of Fun from 2000 through 2006.

Rob A. Decker has served as Senior Vice President of Planning & Design since January 2015. Prior to that, he served as Corporate Vice President of Planning & Design since the end of 2002, and he has been with Cedar Fair since 1999. Prior to joining Cedar Fair, Rob served as Design Director at Jack Rouse Associates, Inc., a consultant firm to the entertainment industry, from 1989 through 1999.

Tim V. Fisher joined Cedar Fair as Chief Operating Officer in December 2017. Prior to joining Cedar Fair, he served as Chief Executive Officer of Village Roadshow Theme Parks International, an Australian-based theme park operator, since March 2017. Prior to this appointment with Village Roadshow Theme Parks International, Tim served as Chief Executive Officer of Village Roadshow Theme Parks since January 2009.

Craig A. Heckman joined Cedar Fair as Senior Vice President, Human Resources in January 2017. Prior to joining Cedar Fair, he served as Vice President, Human Resources for Vestis Retail Group, a retail operator, from December

2014 through December 2016. Prior to joining Vestis Retail Group, Craig served as Vice President, Human Resources Stores and International for Express/L Brands, a fashion retailer, from 2006 to 2014.

Dave R. Hoffman has served as Senior Vice President and Chief Accounting Officer since January 2012. Prior to that, he served as Vice President of Finance and Corporate Tax since November 2010. He served as Vice

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President of Corporate Tax from October 2006 until November 2010. Prior to joining Cedar Fair, Dave served as a business advisor with Ernst & Young from 2002 through 2006.

Duffield E. Milkie has served as Executive Vice President and General Counsel since January 2015 and has served as Corporate Secretary since February 2012. He served as Corporate Vice President and General Counsel from February 2008 to January 2015. Prior to joining Cedar Fair, Duff was a partner in the law firm of Wickens, Herzer, Panza, Cook, & Batista from 1998 through 2008.

Kelley S. Semmelroth has served as Executive Vice President and Chief Marketing Officer since February 2012. Prior to joining Cedar Fair, she served as Senior Vice President, Marketing Planning Director for TD Bank from 2010 through 2012. Prior to joining TD Bank, Kelley served as Senior Vice President of Brand Strategy and Management at Bank of America from 2005 through 2010.

Brian C. Witherow has served as Executive Vice President and Chief Financial Officer since January 2012. Prior to that, he served as Vice President and Corporate Controller beginning in July 2005. Brian has been with Cedar Fair in various other positions since 1995.

Matthew A. Ouimet has been Executive Chairman of the Board of Directors since January 2018 and a member of the Board of Directors since August 2011. Mr. Ouimet served as chief executive officer from January 2012 through December 2017 and was president of the General Partner from June 2011 through October 2016. Before joining Cedar Fair, Mr. Ouimet was president and chief operating officer for Corinthian Colleges, a publicly traded company that owns and manages for-profit colleges throughout the United States and Canada, from July 2009 through October 2010 and was executive vice president-operations for Corinthian Colleges from January 2009 through June 2009. Prior to joining Corinthian Colleges, he served as president, Hotel Group for Starwood Hotels and Resorts Worldwide from August 2006 through September 2008. Before joining Starwood, Mr. Ouimet spent 17 years at The Walt Disney Company, where he last served as President of the Disneyland Resort. He also served in a variety of other business development and financial positions during his employment with Disney, including president of Disney Cruise Line and executive general manager of Disney Vacation Club. This experience, Mr. Ouimet s leadership and management skills and his insights from his experience as Cedar Fair s prior chief executive officer provide guidance, operational knowledge and management perspective to the Board.

Eric L. Affeldt served as chief executive officer and a director of ClubCorp Inc. (NYSE: MYCC), which owns or operates a network of golf and country clubs, business clubs, sports clubs and alumni clubs, from 2006 through 2017 and served as ClubCorp s president from 2006 through 2016. Prior to joining ClubCorp, he was a principal of KSL Capital Partners, the private equity firm that purchased ClubCorp in 2006. Mr. Affeldt also previously served as president and CEO of KSL s former golf division, KSL Fairways, vice president and general manager of Doral Golf Resort and Spa in Miami and the combined PGA West and La Quinta Resort and Club in California and was a founding partner of KSL Recreation. In addition, he was president of General Aviation Holdings, Inc. Mr. Affeldt served as the non-executive Chairman of the Board from 2012 through 2017 and has served as a Director since 2010. Mr. Affeldt is qualified to serve on the Board of Directors primarily as a result of his experience as president and CEO of a nationally recognized company that conducts business in the entertainment and leisure industry.

Gina D. France has more than 35 years of strategy, investment banking and corporate finance experience. Currently, Ms. France is president and CEO of France Strategic Partners LLC, a strategy and transaction advisory firm serving corporate clients across the country. Before founding France Strategic Partners in 2003, Ms. France was a Managing Director with Ernst & Young LLP where she led a national client-facing strategy group. She has served as a strategic advisor to over 250 companies throughout the course of her career. Previously, Ms. France was an investment banker with Lehman Brothers in New York and San Francisco. Prior to Lehman Brothers, she served as the International

Cash Manager of Marathon Oil Company. Ms. France also serves on the Corporate Boards of Huntington Bancshares Incorporated (NASDAQ: HBAN), a $100 billion asset regional bank holding company operating in 8 states; and CBIZ, Inc. (NYSE: CBZ), an accounting services and employee benefits provider with 100 offices nationwide. She has also served on the boards of FirstMerit Corporation prior to its acquisition by Huntington Bancshares and Dawn Food Products, one of the world s largest manufacturers and distributors of bakery products. Ms. France, who has served as a Director since 2011, is the Chairperson of the Audit Committee and is a member of the Nominating and Corporate Governance Committee. Ms. France brings to the Board of Directors her leadership experiences in the investment banking, accounting and financial services fields, her expertise in financial reporting and risk oversight, and her experiences as a board member of several nationally recognized companies.

Daniel J. Hanrahan brings more than 30 years of experience, including a variety of sales and marketing, general manager, president and chief executive officer roles across the consumer packaged goods, retail, travel and hospitality sectors. He served as the president and chief executive officer and director of the Regis Corporation (NYSE: RGS), a global leader in beauty salons and cosmetology, from August 2012 through April 2017. Prior to joining Regis, he served as president and CEO of Celebrity Cruises, a cruise line and division of Royal Caribbean Cruises (NYSE: RCL), from 2007 to 2012. He was promoted to president in 2005 and to CEO in 2007 after his highly successful management of the sales and marketing division for Royal Caribbean. Prior to joining Royal Caribbean, Mr. Hanrahan served in executive-level positions with Polaroid Corporation and Reebok International Ltd. In 2004, he was named one of the Top 25 Extraordinary Minds in Hospitality Sales and Marketing by Hospitality and Sales Marketing Association International. In 2017, Mr. Hanrahan was appointed as a director and member of the Audit Committee at Lindblad Expeditions Holdings, Inc. (NASDAQ: LIND), a global provider of expedition cruises and adventure travel experiences. Mr. Hanrahan has served as a Director since June 2012 and is a member of the Audit and Compensation Committees. Mr. Hanrahan is qualified to serve on the Board of Directors primarily as a result of his significant executive-level experience across a wide spectrum of consumer-facing brands, including in the retail, travel and hospitality sectors, as well as his more than 30 years of experience in sales and marketing.

Tom Klein served as chief executive officer and president and a director of Sabre Holdings (NASDAQ: SABR), a technology solutions provider to the global travel and tourism industry, from 2013 until 2016. Its subsidiaries include Sabre Travel Network and Sabre Airline and Hospitality Solutions. Prior to becoming CEO, Mr. Klein served in a number of leadership roles at Sabre, including company president from 2010 and group president of Sabre Travel Network and Sabre Airline Solutions. Before joining Sabre in 1994, he held a variety of sales, marketing and operations roles at American Airlines (NASDAQ: AAL) and Consolidated Freightways, Inc. Mr. Klein serves on the Board of Directors for Playa Hotels & Resorts N.V. (NASDAQ: PLYA), an owner, operator and developer of all-inclusive resorts in Mexico and the Caribbean. He was appointed to the Board of Directors for Brand USA by the U.S. Secretary of Commerce and served from 2010 through 2017, serving as Vice Chair for three years prior to his service as Chairman during 2017. In 2016, he was appointed to the U.S. President s Advisory Council on Doing Business in Africa. He served on the executive committee of the World Travel and Tourism Council for almost a decade. Mr. Klein has served as a Director since January 2012 and is Chairman of the Compensation Committee. Mr. Klein is qualified to serve on the Board of Directors primarily as a result of his experience as president and chief executive officer of a company in the technology and travel industry and brings an understanding of distribution and technology solutions to the Board.

D. Scott Olivet is the chief executive officer of Renegade Brands, an investment company that primarily invests in apparel and other consumer companies, and an operating partner at Altamont Capital Partners, a private equity firm. He also serves as the executive chairman of RED Digital Cinema, an American manufacturer of digital cinematography tools, a position he has held since July 2009. Mr. Olivet was the non-executive chairman of Collective Brands, a parent company that owns shoe retailers and manufacturers, from June 2011 to October 2012. From 2005 to July 2009, Mr. Olivet served as chief executive officer and director of Oakley, a manufacturer of sports performance equipment, and from July 2009 to February 2011 served as its chairman of the board. Prior to joining Oakley, Mr. Olivet served as vice president of NIKE Subsidiaries and New Business Development where he was responsible for the Hurley, Converse, Cole Haan, Bauer Hockey, and Starter brands; senior vice president of Real Estate, Store Design, and Construction with Gap Inc. with responsibility across

Gap, Banana Republic, and Old Navy brands; and as a partner with Bain & Company where he was also the leader of the worldwide practice in organizational effectiveness and change management. He has served as a director of RED Digital Cinema Camera Company since 2006. He served as a director of Skullcandy (NASDAQ: SKUL) serving as a member of its audit committee and compensation committee from 2011 through 2016, a trustee of Pomona College from 2009 through 2017, a director of the Pacific Council on International Policy from 2010 through 2017, and a director of HUF Worldwide, Inc. from 2014 through 2017. He has served as chairman of the board for both Dakine and Mervin Manufacturing since November 2013 and is a member of the boards of Brixton Manufacturing since October 2014, Fox Head, Inc. since December 2014, Hybrid Apparel since December 2014, and Varsity Brands since 2017. He served as a director of Collective Brands from 2006 to 2012. Mr. Olivet has served as a Director since 2013 and is a member of the Audit Committee. Mr. Olivet is qualified to serve on the Board of Directors primarily as a result of his particular knowledge and professional experience in retail, merchandising, marketing, finance, strategy, technology, international business, and multi-division general management experience from his past public board experience and service as president and CEO of a nationally recognized company that conducts business in the retail industry.

John M. Scott, III is a leisure and hospitality executive with more than 25 years of broad-based experience across global, multi-channel, multi-brand enterprises. He is currently acting as a senior advisor to TPG Real Estate Group, the real estate sector of TPG Global, a leading global alternative asset firm. He also serves as non-executive chairman of one of TPG Real Estate Group s portfolio companies, A&O Hostels based in Germany. Most recently he served as president and chief executive officer and a director of Belmond Ltd. (NYSE: BEL) (previously Orient-Express Hotels Ltd. (NYSE: OEH)), a company engaged in ownership and management of luxury hotel, restaurant, tourist train and cruise businesses, from November 2012 through September 2015. Prior to joining Belmond Ltd., he served as president and chief executive officer of Rosewood Hotels & Resorts, an international luxury hotel and resort company, from 2003 through August 2011. Prior to that he was the managing director of acquisitions and asset management for Maritz, Wolff & Co., a private equity real estate investment group. Mr. Scott began his career with the Interpacific Group where he held senior hotel management positions in the Asia Pacific region and in 1994 joined the Walt Disney Company (NYSE: DIS) as manager of business development and strategic planning for both Disney Development Company and Walt Disney Attractions groups. Mr. Scott served on the board of Kimpton Hotels and Restaurants, a private company until 2012. At Cedar Fair, Mr. Scott is the Chairman of the Nominating and Corporate Governance Committee and has served as a Director since 2010. Mr. Scott is qualified to serve on the Board of Directors primarily as a result of his past experiences as president and CEO of a nationally recognized company that conducts business in the hotel industry.

Lauri M. Shanahan is a seasoned retail executive with more than 20 years of broad-based experience across global, multi-channel, multi-brand enterprises as well as other retail and consumer product companies, including Gap, Inc. (NYSE: GPS). She joined Gap, Inc., a leading global apparel retail company, in 1992 and served in numerous leadership roles including chief administrative officer, chief legal officer and corporate secretary during her 16-year career with the company. She currently serves on the Board of Directors of Deckers Brands (NYSE: DECK), a global footwear, accessories and apparel lifestyle company with a portfolio of premium brands and $1.9 billion in revenues; Treasury Wine Estates (ASX: TWE), a vertically integrated, global wine company based in Melbourne, Australia with 70+ brands and $1.8 billion in revenues; and Charlotte Russe Holding, Inc., a retailer of fashionable, value-priced women s apparel, footwear and accessories with more than 500 stores. She chairs the Compensation Committee of Deckers Brands. She is the Chairman of the Board and chairs the Compensation Committee of Charlotte Russe Holding, Inc. She is a member of the Human Resources Committee of Treasury Wine Estates. In addition, Ms. Shanahan serves on the California State Personnel Board, which oversees all policies relating to the implementation and enforcement of the merit-based system for all current and prospective state employees.
Ms. Shanahan has served as a Director since June 2012 and is a member of the Nominating and Corporate Governance Committee. Ms. Shanahan is qualified to serve on the Board of Directors primarily as a result of her substantial public

company management and leadership experience in the consumer goods and retail industries, which includes strategic, operational, legal and risk oversight experience, as well as her experience on the three other boards on which she currently serves.

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Debra Smithart-Oglesby is a former certified public accountant with more than 30 years of financial and corporate leadership experience in the food service and retail industries. In January 2018, she became the Lead Independent Director of the Board of Directors. Ms. Smithart-Oglesby serves on the Board of Directors of Denny s Corporation (NASDAQ: DENN), a full-service, family-style restaurant chain with approximately 1,700 eateries throughout the United States and nine countries, which she joined in 2003. She served as the chair of Denny s Board from 2006 through 2017 and was the company s interim chief executive officer from 2010 through 2011. Since 2000, she has been the president of O&S Partners, an investment capital and consulting services firm that invests in and provides consulting services to early-stage and transitioning hospitality and retail companies. Prior to joining O&S, Ms. Smithart-Oglesby helped to launch Dekor, Inc., a start-up company in the home improvement and decorating retail segment, as its chief financial officer. From 1997 to 1999, she was the president, corporate services and chief financial officer of First America Automotive, Inc., a new and used car retailer sold to Sonic Automotive. Prior to that, she spent 13 years as the executive vice president and chief financial officer for Brinker International (NASDAQ: EAT), one of the world s leading casual dining restaurant companies. She held the position of chief financial officer and served on the Brinker Board from 1991 to 1997. Ms. Smithart-Oglesby has served as a Director since June 2012 and is a member of the Audit and Compensation Committees. Ms. Smithart-Oglesby is qualified to serve on the Board of Directors primarily as a result of the extensive management and leadership skills she has developed through her executive and board-level experience in the hospitality and retail industry, as well as her experience as a former certified public accountant for more than 30 years.

Board Independence

In addition to the independence criteria contained in the New York Stock Exchange (NYSE) listing standards, the Board has adopted additional standards to determine Director independence. These standards are located in the Company s Corporate Governance Guidelines. The Board has affirmatively determined that current Board members Eric L. Affeldt, Gina D. France, Daniel J. Hanrahan, Tom Klein, D. Scott Olivet, John M. Scott, III, Lauri M. Shanahan and Debra Smithart-Oglesby, meet the independence criteria of the NYSE listing standards and our Corporate Governance Guidelines. The Board has determined Mr. Ouimet is not independent because he is an executive officer of the Company.

The Company s Corporate Governance Guidelines are available on the Company s Investor Relations website at http://ir.cedarfair.com/. A printed copy is available, without charge, by sending a written request to: Cedar Fair L.P., One Cedar Point Drive, Sandusky, Ohio 44870-5259, Attention: Investor Relations, or by sending an email to investing@cedarfair.com. This internet address is provided for informational purposes only and is not intended to be a hyperlink. Accordingly, no information in this internet address is included in this prospectus and no such information should be relied upon in connection with making any investment decision with respect to the exchange offer.

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EXECUTIVE AND DIRECTOR COMPENSATION

Overview

This Compensation Discussion and Analysis describes our compensation philosophy and objectives, our methods for determining the elements and mix of executive compensation, and the reasons that we have elected to pay these particular elements of compensation. The following summary highlights our 2017 business results and the impact of those results on our compensation decisions.

Following the summary is a detailed discussion of our philosophy and practices regarding the compensation awarded to, earned by, and paid to the following individuals, who were our named executive officers for 2017:

- Matthew A. Ouimet, who was our Chief Executive Officer during 2017, and who became Executive Chairman of our Board in 2018;
- Brian C. Witherow, our Executive Vice President and Chief Financial Officer;
- Richard A. Zimmerman, who was our President and Chief Operating Officer during 2017, and who became our President and Chief Executive Officer in 2018;
- Duffield E. Milkie, our Executive Vice President, General Counsel and Corporate Secretary; and
- Kelley Semmelroth, our Executive Vice President and Chief Marketing Officer.

Summary

We believe that our compensation should be closely tied to Company and individual performance. To that end, in 2017:

- We produced another strong operating year, with record full-year net revenues, a strong fourth quarter performance and solid growth across our core revenue metrics, including attendance and in-park per capita spending;
- We achieved these strong near term results while still creating value for our unitholders over the long-term, including the start of a multi-year marketing campaign to strengthen Cedar Point s position as a regional resort destination, continued expansion of our resort facilities, and the introduction of three new WinterFest events which further extends our operating season into November and December;

We celebrated 31 consecutive years of paying a distribution to our unitholders resulting in an average annual return of approximately 17% when taking into account distribution reinvestments; and

By delivering solid 2017 Adjusted EBITDA performance, we exceeded our three-year performance targets, which resulted in our executives earning maximum payouts under their long-term incentive awards.

Compensation Philosophy and Objectives

Our compensation program is designed to incentivize our key employees to drive superior results, to give key employees a proprietary and vested interest in our growth and performance, and to enhance our ability to attract and retain exceptional managerial talent upon whom, in large measure, our sustained growth, progress and profitability depend. Our executive compensation structure rewards both successful individual performance and the consolidated operating results of the Company. Our executive compensation program is in large part designed around the achievement of metrics based on Adjusted EBITDA as the key performance objective.

Adjusted EBITDA represents earnings before interest, taxes, depreciation, amortization, other non-cash items, and adjustments as defined in the 2017 Credit Agreement. We use Adjusted EBITDA as the basis for our key performance measures because it tracks core operating performance closely, it crosses park operating units, and it is easy to track. Further, Adjusted EBITDA is widely used by analysts, investors and comparable companies to evaluate operating performance in our industry.

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Our unitholder approved incentive plan allows us to provide a mix of compensation that drives our management team to achieve strong annual results and to deliver long-term value for all unitholders. Our compensation structure provides us with the flexibility to evolve our compensation philosophy and program from year to year, as the market, our business or the industry requires.

Company Financial Performance

The graphs below illustrate some of the key indicators of the Company s financial health and performance over the five-year fiscal period, 2013-2017.

Cumulative Total Return[1] (156% 5-year total return)

(1) Based upon initial investment of $100 on December 30, 2012 with dividends reinvested and calculated as a straight cumulative return.

Some of our financial results and other accomplishments we achieved for our unitholders in 2017 include:

We achieved our eighth consecutive year of record net revenues, up 3% from 2016 to $1.32 billion;

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We increased attendance by 2% from 2016 to 25.7 million visits, while increasing in-park per capita spending by 1% to $47.30, and achieving out-of-park revenues of $144 million, a less than 2% decrease from our out-of-park revenues for 2016; and

We achieved Adjusted EBITDA of $479 million, representing a $2 million, or less than 1%, decline from the Adjusted EBITDA achieved in the prior year (Adjusted EBITDA is the key performance objective for our executive compensation program because it tracks core operating performance closely, it crosses park operating units, and it is easy to track; see Compensation Philosophy and Objectives section above); and

2 For additional information regarding Adjusted EBITDA, including how we define and use Adjusted EBITDA, as well as a reconciliation from net income (loss), see Summary Summary Historical Consolidated Financial and Other Operating Data.

We delivered returns to our unitholders. In November 2017, we announced that our annualized cash distribution (calculated using the annualized distribution rate upon Board approval in October 2016 and October 2017) would increase 4% to $3.56 per limited partner unit, up from $3.42 per unit in 2017.

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In 2017, we also advanced a number of important long-term initiatives that position us to grow well into the future and that support our mission to be THE place to be for FUN. These include the following:

- We completed important capital investment projects to maximize the market potential of our parks, including introducing Mystic Timbers, a world-class wooden roller coaster at Kings Island, and expanding our two separately-gated water parks at Knott s Berry Farm and Cedar Point;
- We introduced and expanded our immersive special events, such as a month-long celebration at Canada s Wonderland in honor of Canada s 150th anniversary;
- We expanded our daytime Halloween events across all of our parks and introduced three new WinterFest celebrations in November and December. We will be expanding this event to an additional park in 2018;
- Cedar Point launched a new multi-year marketing campaign to position this park as a true regional resort destination;
- We introduced the Cedar Point Sports Center, a state-of-the-art youth sports facility adjacent to Cedar Point, which hosts baseball, softball, soccer and lacrosse tournaments, resulting in a successful inaugural season with over half of the teams traveling from outside the state of Ohio; and
- We announced an exciting array of new rides and attractions to be introduced in our 2018 operating season, including four ground-breaking roller coasters, investments in children s and family attractions and expansion of special events, the opening of a new addition at Cedar Point s historic Hotel Breakers and the introduction of new and upgraded dining venues at five of our parks.

Our Pay Governance Reflects Best Practices

We maintain the following compensation and pay governance best practices:

- A majority of named executive officer compensation is contingent on corporate performance, as described and illustrated in the Elements of 2017 Executive Compensation Compensation Mix 2017 section below;
- We have mandatory unit ownership guidelines of four times salary for our Chief Executive Officer and two times salary for his direct reports;
- Incentive compensation is subject to clawback provisions for our Chief Executive Officer and his direct reports;

We do not provide excise tax gross ups ;

We have an anti-hedging policy that restricts executive officers and directors from engaging in certain transactions such as puts or calls relating to the Company s securities;

We have an anti-pledging policy that prohibits executive officers and directors from pledging the Company s securities or holding its units in margin accounts;

Our Compensation Committee is composed solely of directors who are independent under the standards of the SEC and the NYSE, including the heightened standards applicable to Compensation Committee members;

Our independent Compensation Committee has retained Korn Ferry Hay Group (Korn Ferry) to advise and report directly to the Committee;

We conduct an annual risk assessment of our compensation programs, which is led by Korn Ferry; and

We offer our unitholders the opportunity to cast an advisory vote on our executive compensation every year.

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We received strong unitholder support in our 2016 advisory vote on executive compensation, and our management team continued to deliver record results. We believe that our compensation program is appropriately structured to support our continued growth and success and to incentivize our high-performing executive team. As a result, the Compensation Committee did not make significant changes to our executive compensation program in 2017.

Our executive compensation decisions for 2017 continue to reflect our desire to recognize, incentivize and retain highly-qualified individuals and to align executive compensation with unitholders interests by emphasizing performance-based compensation, directly tying compensation to Company performance and increasing insider equity ownership. As further explained below, each of our executive compensation decisions for 2017, including our decisions to increase base salaries for our executives, to enhance long-term and short-term performance-based incentive awards to certain of our named executive officers and to continue to pay earned long-term incentive plan (LTIP) awards in units, were made to further demonstrate our commitment to these goals.

Consideration of Last Year s Advisory Unitholder Vote on Executive Compensation

At the 2017 Annual Meeting of Limited Partner Unitholders, approximately 94% of the units cast were voted to approve the compensation of the Company s named executive officers. The Compensation Committee believes that the strong unitholder support for the Company s pay practices in 2017 was a clear endorsement of our current performance-based approach, focused on long-term value creation. Therefore, the Compensation Committee has decided generally to continue its approach to executive compensation for 2018 and to maintain our emphasis on performance in the Company s executive compensation structure. The advisory vote at this Annual Meeting and future advisory votes on executive compensation will serve as an additional tool to inform the Compensation Committee in evaluating the alignment of the Company s executive compensation programs with the interests of the Company and its unitholders.

Compensation Performance Measures

As discussed above, our executive compensation program is in large part designed around the achievement of metrics based on Adjusted EBITDA as the key performance objective. Adjusted EBITDA represents earnings before interest, taxes, depreciation, amortization, other non-cash items, and adjustments as defined in the 2017 Credit Agreement. In the compensation context, we use performance goals that compute performance achieved and targets using functional currency Adjusted EBITDA, which differs from the Adjusted EBITDA amounts we report in our earnings releases and financial reports because the compensation metric is calculated using the functional currency of the country where the income or loss was earned (i.e., the Canadian dollar for our Canadian operations). We consistently use functional currency in the compensation program and believe it is the most appropriate measurement to determine incentive compensation because it eliminates artificial increases or decreases based solely on currency fluctuations. In addition, for our cash plan, the targeted and actual performance calculations are based on earnings before incentive-based compensation expenses, which we compute by adding back the cash costs of our performance-based compensation programs to the functional currency Adjusted EBITDA amounts.

Determining Executive Compensation

We combine the compensation elements discussed below in a manner that we believe will optimize each executive s contribution to the Company. We recognize and consider many factors in assessing an individual s value. In general, we work within market-based ranges of base salary commensurate with the executive s scope of responsibilities and use our cash incentive and unit-based award programs to challenge the executive to achieve superior annual and long-term results for the benefit of the Company and its unitholders. Because a significant portion of this compensation is dependent on performance results, an executive s actual total compensation can vary considerably if we have a year that exceeds, or fails to meet, expectations. We believe

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that this is a fair result and appropriately motivates our executives to achieve peak corporate performance over the long term. The range of targeted compensation is position dependent and may reflect how difficult we believe it would be to replace a particular person and his or her skill set.

Role of the Compensation Consultant

The Compensation Committee engaged Korn Ferry, an independent executive compensation consulting firm, to provide information on competitive practices and trends in our industry, to make recommendations regarding the design of our compensation program and to assist with the annual review of compensation practices and an assessment of the effectiveness of these practices. Korn Ferry also assisted with our biannual peer group review, prepared our biannual executive compensation benchmarking study and assisted with a review and comparison of our director compensation practices to market practices. Korn Ferry was retained by and reports directly to the Compensation Committee