

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended: December 31, 2016

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

Commission file number 1-9444

CEDAR FAIR, L.P.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of incorporation or organization)

34-1560655

(I.R.S. Employer Identification No.)

One Cedar Point Drive

Sandusky, Ohio

(Address of principal executive offices)

44870-5259

(Zip Code)

Registrant's telephone number, including area code: (419) 626-0830

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Depository Units (Representing Limited Partner Interests)	New York Stock Exchange
<u>Securities registered pursuant to Section 12(g) of the Act: None</u>	

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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

Large accelerated filer	<input checked="" type="checkbox"/>		Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	(Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of Depositary Units held by non-affiliates of the Registrant based on the closing price of such units on June 24, 2016 of \$58.15 per unit was approximately \$3,196,504,279.

Number of Depositary Units representing limited partner interests outstanding as of February 2, 2017 : 56,199,709

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Form 10-K incorporates by reference certain information from the Registrant's definitive proxy statement to be used in connection with its annual meeting of unitholders to be held in June.

The Exhibit Index is located on [page 67](#)

Page 1 of 74 pages

CEDAR FAIR, L.P.
2016 FORM 10-K CONTENTS

	<u>PAGE</u>
<u>PART I</u>	
Item 1. Business	3
Item 1A. Risk Factors	8
Item 1B. Unresolved Staff Comments	12
Item 2. Properties	12
Item 3. Legal Proceedings	13
Item 4. Mine Safety Disclosures	13
<u>PART II</u>	
Item 5. Market for Registrant's Depositary Units, Related Unitholder Matters and Issuer Purchases of Depositary Units	13
Item 6. Selected Financial Data	15
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	17
Item 7A. Quantitative and Qualitative Disclosures About Market Risk	28
Item 8. Financial Statements and Supplementary Data	28
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	59
Item 9A. Controls and Procedures	59
Item 9B. Other Information	61
<u>PART III</u>	
Item 10. Directors, Executive Officers and Corporate Governance	61
Item 11. Executive Compensation	61
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Unitholder Matters	62
Item 13. Certain Relationships and Related Transactions, and Director Independence	62
Item 14. Principal Accounting Fees and Services	62
<u>PART IV</u>	
Item 15. Exhibits, Financial Statement Schedules	63
Item 16. Form 10-K Summary	66
<u>Signatures</u>	66
<u>Exhibit Index</u>	67
Consent	71
Certifications	72

PART I

ITEM 1. BUSINESS.

Introduction

Cedar Fair, L.P. (together with its affiliated companies, the "Partnership") 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. The Partnership is one of the largest regional amusement park operators in the world and owns eleven amusement parks, two separately gated outdoor water parks, one indoor water park and five hotels.

In 2016, the Partnership entertained more than 25 million visitors. All of the Partnership's 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 & Wildwater Kingdom ("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. The Partnership manages and operates Gilroy Gardens Family Theme Park in Gilroy, California.

The Partnership also owns and operates the Castaway Bay Indoor Waterpark Resort in Sandusky, Ohio, and two separately gated outdoor water parks located adjacent to Cedar Point and Knott's Berry Farm. With limited exceptions, all rides and attractions at the amusement and water parks are owned and operated by the Partnership. The Partnership owns land on which Cedar Point Sports Center is located. The sports park will open in 2017 and will be operated by a third party.

The Partnership's 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. 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, virtually all of the operating revenues of these parks are generated during an approximately 130- to 140-day operating season. Beginning in 2016, California's Great America extended its operating season to include WinterFest, a new holiday event operating during November and December extending the operating season by approximately 20 to 25 days. In 2017, Carowinds, Worlds of Fun, and Kings Island will also extend their operating seasons to include WinterFest. Knott's Berry Farm continues to be open daily on a year-round basis. Castaway Bay is 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 young people ages 12 through 24 and families. 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.

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. Cedar Point is believed to be the largest seasonal amusement park in the United States, measured by the number of rides and attractions and the hourly ride capacity. Attractive to both families and thrill-seekers, the park features 17 world-class 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 Soak City, to be renamed in 2017 as Cedar Point Shores Water Park, a separately gated water park that features more than 15 water rides and attractions.

The Partnership also owns and operates four 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 two outdoor pools. Located near the Causeway entrance to the park, Breakers Express, renamed Cedar Point's Express Hotel in 2017, is a limited-service seasonal hotel. In addition to Hotel Breakers and Breakers Express, Cedar Point offers the lake-front Sandcastle Suites Hotel, which features suites, a courtyard pool, tennis courts and a contemporary waterfront restaurant.

The Partnership also owns and operates 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.

The Partnership owns and operates the Cedar Point Causeway across Sandusky Bay. This Causeway is a major access route to Cedar Point. The Partnership also owns dormitory facilities located near the park that houses approximately 4,000 of the park's seasonal employees.

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

The Partnership owns the acreage from the former Wildwater Kingdom seasonal water-park located near Cleveland, Ohio. The Partnership ceased operations of this water park 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 the Partnership in late 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.

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

The Partnership also owns and operates the Knott's Berry Farm Hotel, a full-service hotel located adjacent to Knott's Berry Farm, which features a pool, tennis courts 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 the Partnership in June 2006. It contains numerous attractions, including 15 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 featuring music artists from around the world.

Kings Island

Kings Island, a combination amusement and water park located near Cincinnati, Ohio, first opened in 1972 and was acquired by the Partnership in June 2006. Kings Island is one of the largest seasonal amusement parks in the United States, measured by the number of rides and attractions and the hourly ride capacity. The park features a children's area that has been consistently named the "Best Kids' Area in the World" by *Amusement Today*. In 2017, Kings Island will host WinterFest, a seasonal event in November and December including holiday shows and festivities. 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 the Partnership in June 2006. In 2017, Carowinds will host WinterFest, a seasonal event in November and December including holiday shows and festivities. 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, a camping area that features a convenience and merchandise store, laundry facilities, and a swimming pool. The campground features RV sites, tent and pop-up sites, and luxury cabins.

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 the Partnership in 1992. Dorney Park is one of the largest amusement parks in the Northeastern United States and the park's major markets include Philadelphia, Lancaster, Harrisburg, York, Scranton, Wilkes-Barre, Hazleton and the Lehigh Valley, Pennsylvania; New York City; and New Jersey.

Kings Dominion

Kings Dominion, a combination amusement and water park located near Richmond, Virginia, first opened in 1975 and was acquired by the Partnership in June 2006. The park's market area includes Richmond and Norfolk, Virginia; Raleigh, North Carolina; Baltimore, Maryland and Washington, D.C.

Additionally, the park offers Kings Dominion Camp Wilderness Campground, a camping area featuring luxury cabins, a swimming pool, playground, volleyball courts, and laundry facilities.

The Partnership also owns a dormitory facility located adjacent to Kings Dominion that houses up to 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 the Partnership in June 2006. In 2016, California's Great America hosted the inaugural WinterFest, a seasonal event in November and December including holiday shows and festivities. The park draws its visitors primarily from San Jose, San Francisco, Sacramento, Modesto and Monterey, among other cities in northern California.

Valleyfair

Valleyfair, which opened in 1976 and was acquired by the Partnership's predecessor in 1978, is a combination amusement and water park located near Minneapolis-St. Paul in Shakopee, Minnesota. It is the largest amusement park in 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.

The Partnership also owns a dormitory facility located adjacent to Valleyfair that houses approximately 400 of the park's seasonal employees.

Worlds of Fun

Worlds of Fun, which opened in 1973 and was acquired by the Partnership in 1995, is a combination amusement and water park located in Kansas City, Missouri. In 2017, Worlds of Fun will host WinterFest, a seasonal event in November and December including holiday shows and festivities. 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 arcade games.

Michigan's Adventure

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

CAPITAL EXPENDITURES AND WORKING CAPITAL

The Partnership believes 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 from October through May, 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.

During the operating season, the Partnership carries 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 the Partnership's peak borrowing requirements in April and May as the seasonal parks complete preparations for opening. Revolving credit borrowings are reduced with the Partnership's positive cash flow during the seasonal operating period.

COMPETITION

The Partnership competes for discretionary spending with all aspects of the recreation industry within its primary market areas, including other destination and regional amusement parks. The Partnership also competes 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. The Partnership believes that its 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

The Partnership's properties and operations are subject to a variety of federal, state and local environmental, health and safety laws and regulations. Currently, the Partnership believes it is in substantial compliance with applicable requirements under these laws and regulations. However, such requirements have generally become more strict 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 the Partnership's maintenance and ride operations personnel before being placed into operation for our guests. The parks are also periodically inspected by the Partnership's 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

The Partnership has approximately 2,100 full-time employees. During the operating season, the Partnership employs in aggregate approximately 43,500 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 the Partnership. Approximately 350 of Dorney Park's seasonal employees, 200 of Carowinds' seasonal employees, 100 of Worlds of Fun's seasonal employees, and 100 of Kings Island's seasonal employees live in dormitories rented by the Partnership. The Partnership maintains training programs for all new employees and believes that it maintains good relations with its employees.

AVAILABLE INFORMATION

Copies of the Partnership's annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K and all amendments to those reports as filed or furnished with the SEC are available without charge upon written request to the Partnership's Investor Relations Office or through its website (www.cedarfair.com).

We use our website www.cedarfair.com as a channel of distribution of the Partnership's information. The information we post through this channel may be deemed material. Accordingly, investors should monitor this channel, in addition to following our news releases, SEC filings, and public conference calls and webcasts. The contents of our website shall not be deemed to be incorporated herein by reference.

You may read and copy any materials filed with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, DC 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site at <http://www.sec.gov> that contains the Partnership's reports, proxy statements and other information. See Item 6 for Selected Financial Data, including net revenues, net income (loss) and total assets. See Note 13 to the Consolidated Financial Statements for condensed financial information for Canada's Wonderland Company.

SUPPLEMENTAL ITEM. Executive Officers of Cedar Fair

Name	Age	Position(s)
Matthew A. Ouimet	58	Matt Ouimet has served as Chief Executive Officer since January 2012 and served as President from June 2011 through October 2016. Before joining Cedar Fair, he served in multiple roles from 2009 through 2010 at Corinthian Colleges, including President and Chief Executive Officer. Prior to joining Corinthian Colleges, he served as President, Hotel Group for Starwood Hotels and Resorts Worldwide from 2006 through 2008. In addition, Matt is a 20-year veteran of the amusement park and hospitality industry, including 17 years at the Walt Disney Company, where he held positions including Senior Vice President, Finance and Business Development, and Chief Financial Officer of the Disney Development Company; Executive General Manager of Disney Vacation Club; and President of Disney Cruise Line and of Disneyland Resort.
Richard A. Zimmerman	56	Richard Zimmerman was promoted to President in October 2016, and has served 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.
Brian C. Witherow	50	Brian 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.
Kelley S. Semmelroth	52	Kelley 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.
Duffield E. Milkie	51	Duff 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.
H. Philip Bender	61	Phil Bender has served as Executive Vice President, Operations since November 2010, previously serving as Regional Vice President beginning in June 2006. Prior to being promoted to a corporate executive, he served as Vice President and General Manager of Worlds of Fun / Oceans of Fun from 2000 through 2006.
Robert A. Decker	56	Rob 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.
David R. Hoffman	48	Dave 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 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.
Craig A. Heckman	53	Craig 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.

ITEM 1A. RISK FACTORS.

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 the Partnership's 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. Four of our 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 conditions or events described as risk factors 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.

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 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.

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. 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.

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.

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 20 years. The loss of services of our key employees could have a material adverse effect on our business.

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 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.

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 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 we cannot assure you that credit performance will not be materially worse than anticipated, and, as a result, 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.

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

As of December 31, 2016, after giving consideration to current outstanding interest-rate swap arrangements, most of our indebtedness under our term loan facility accrues interest that is either fixed or swapped to a fixed rate. After the expiration of outstanding interest-rate swap agreements, certain of our borrowings may 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.

Our 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
- designate our subsidiaries as unrestricted subsidiaries.

The 2013 Credit Agreement includes two Financial Condition Covenants, which if breached for any reason and not cured, could result in an event of default under the agreement. At the end of the fourth quarter of 2016 and 2015, the first of these, the Consolidated Leverage Ratio, was set at a maximum of 5.50 x and 5.75 x consolidated total debt (excluding the revolving debt)-to-consolidated EBITDA, respectively. The ratio decreased by 0.25 x at the beginning of the second quarter of 2016. The final decrease will occur at the beginning of the second quarter of 2017 when the ratio will reach its minimum of 5.25 x. The second of these ratios, the Consolidated Fixed Charge Coverage Ratio, is set at a minimum of 1.1 x (consolidated total fixed charges-to-consolidated EBITDA). As of December 31, 2016 and 2015, we were in compliance with these Financial Condition Covenants and all other covenants under the 2013 Credit Agreement. The 2013 Credit Agreement allows Restricted Payments of up to \$60 million annually so long as no default or event of default has occurred and is continuing and so long as the Partnership would be in compliance with certain financial ratios after giving effect to the payments. Additional Restricted Payments are allowed to be made based on an Excess-Cash-Flow formula should our pro-forma Consolidated Leverage Ratio be less than or equal to 5.00 x.

The indentures governing our notes also include annual Restricted Payment limitations and additional permitted payment formulas. We can make Restricted Payments of \$60 million annually so long as no default or event of default has occurred and is continuing. Our ability to make additional Restricted Payments is permitted should our pro forma Total Indebtedness-to-Consolidated-Cash-Flow Ratio be less than or equal to 5.00 x.

The amount of our 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 fulfilling our obligations under our debt agreements.

We had \$1,568.7 million of outstanding indebtedness as of December 31, 2016 (after giving effect to \$15.9 million of outstanding letters of credit under our revolving credit facility).

The amount of our indebtedness could have important consequences. 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; and
- make it more difficult for us to satisfy our obligations with respect to our indebtedness, 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 agreements governing other indebtedness.

In addition, we may not be able to generate sufficient cash flow from operations, or be able to draw under our revolving credit facility or otherwise, in an amount sufficient to fund our liquidity needs, including the payment of principal and interest on our debt obligations. 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. 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 in the future 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 our credit agreement and the indenture governing our notes, may restrict us from adopting some of these alternatives. In the absence of such 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.

Despite the amount of our indebtedness, we may be able to incur significant additional amounts of debt, which could further exacerbate the risks associated with the amount of our indebtedness.

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 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.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 2. PROPERTIES.

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

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

The Partnership controls, 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 the Partnership 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 a subsidiary of the Partnership.

(2) The Partnership leases 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 terminate at the Partnership's discretion.

(3) In addition to the acreage above, the Partnership also owns approximately 670 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 the Consolidated Financial Statements for further information regarding the closure of the waterpark.

All of the Partnership's 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 Partnership's 2013 Credit Agreement. The Partnership considers its properties to be well maintained, in good condition and adequate for its present uses and business requirements.

ITEM 3. LEGAL PROCEEDINGS.

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II**ITEM 5. MARKET FOR REGISTRANT'S DEPOSITARY UNITS, RELATED UNITHOLDER MATTERS AND ISSUER PURCHASES OF DEPOSITARY UNITS.**

Cedar Fair, L.P. Depositary Units representing limited partner interests are listed for trading on The New York Stock Exchange under the symbol "FUN". As of February 2, 2017, there were approximately 5,500 registered holders of Cedar Fair, L.P. Depositary Units, representing limited partner interests. Attention is directed to Item 12 in this Form 10-K for information regarding the Partnership's equity incentive plan, which information is incorporated herein by reference. The cash distributions declared and the high and low prices of the Partnership's units for each quarter of the past two years are shown in the table below:

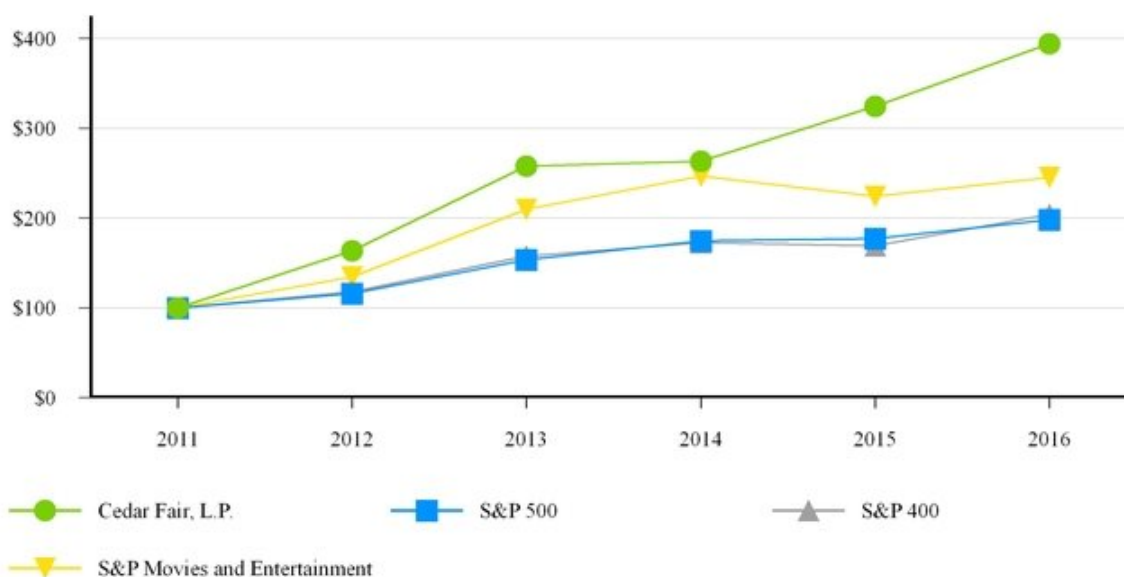
Quarters	Distributions per LP Unit	LP Unit Price	
		High	Low
2016			
Fourth Quarter	\$ 0.855	\$ 64.90	\$ 56.23
Third Quarter	0.825	63.40	56.30
Second Quarter	0.825	60.03	56.17
First Quarter	0.825	60.23	48.46
2015			
Fourth Quarter	\$ 0.825	\$ 59.00	\$ 50.60
Third Quarter	0.750	58.12	48.94
Second Quarter	0.750	60.64	54.78
First Quarter	0.750	58.94	47.00

The Partnership's 2013 Credit Agreement includes provisions that allow the Partnership to make Restricted Payments up to \$60 million annually at the discretion of the Board of Directors, so long as no default or event of default has occurred and is continuing and so long as the Partnership would be in compliance with certain financial ratios after giving effect to the payments. Additional Restricted Payments are allowed to be made based on an Excess-Cash-Flow formula should the Partnership's pro-forma Consolidated Leverage Ratio be less than or equal to 5.00 x.

Pursuant to the terms of the indentures governing the Partnership's June 2014 and March 2013 notes, the Partnership can make Restricted Payments of \$60 million annually so long as no default or event of default has occurred and is continuing; and the Partnership's ability to make additional Restricted Payments is permitted should the Partnership's pro forma Total Indebtedness-to-Consolidated-Cash-Flow Ratio be less than or equal to 5.00 x.

Unitholder Return Performance Graph

The graph below shows a comparison of the five-year cumulative total return (assuming all distributions/dividends reinvested) for Cedar Fair, L.P. limited partnership units, the S&P 500 Index, the S&P 400 Index, and the S&P - Movies and Entertainment Index, assuming investment of \$100 on December 30, 2011.



	Base Period		Return				
	2011		2012	2013	2014	2015	2016
Cedar Fair, L.P.	\$ 100.00	\$	163.76	\$ 257.55	\$ 263.18	\$ 324.45	\$ 393.98
S&P 500	100.00		116.00	153.57	174.60	177.01	198.18
S&P 400	100.00		117.88	157.37	172.74	168.98	204.03
S&P Movies and Entertainment	100.00		134.64	209.45	246.78	223.97	245.01

ITEM 6. SELECTED FINANCIAL DATA.

	Years Ended December 31,				
	2016	2015 ⁽¹⁾	2014 ⁽²⁾	2013 ⁽³⁾	2012 ⁽⁴⁾
	(In thousands, except per unit and per capita amounts)				
Statement of Operations					
Net revenues	\$ 1,288,721	\$ 1,235,778	\$ 1,159,605	\$ 1,134,572	\$ 1,068,454
Operating income	316,939	295,331	278,332	301,761	233,675
Income before taxes	249,106	134,414	114,100	128,447	133,614
Net income	177,688	112,222	104,215	108,204	101,857
Net income per unit - basic	\$ 3.18	\$ 2.01	\$ 1.88	\$ 1.95	\$ 1.83
Net income per unit - diluted	\$ 3.14	\$ 1.99	\$ 1.86	\$ 1.94	\$ 1.82
Balance Sheet Data					
Total assets	\$ 1,973,181	\$ 1,963,020	\$ 2,004,448	\$ 1,975,406	\$ 1,964,475
Working capital surplus (deficit)	(47,007)	(14,645)	(3,767)	18,023	(5,280)
Long-term debt	1,534,211	1,536,676	1,534,244	1,491,086	1,484,974
Partners' equity	60,519	57,009	96,217	139,131	154,451
Distributions					
Declared per limited partner unit	\$ 3.33	\$ 3.08	\$ 2.85	\$ 2.58	\$ 1.60
Paid per limited partner unit	\$ 3.33	\$ 3.08	\$ 2.85	\$ 2.58	\$ 1.60
Other Data					
Depreciation and amortization	\$ 131,876	\$ 125,631	\$ 124,286	\$ 122,487	\$ 126,306
Adjusted EBITDA ⁽⁵⁾	481,248	459,238	431,280	425,430	390,954
Capital expenditures	160,656	175,865	166,719	120,488	96,232
Attendance ⁽⁶⁾	25,104	24,448	23,305	23,519	23,300
In-park per capita spending ⁽⁷⁾	\$ 46.90	\$ 46.20	\$ 45.54	\$ 44.15	\$ 41.95

- (1) Operating results for 2015 include a non-cash charge of \$8.6 million for the impairment of a long-lived asset at Cedar Point. Balance Sheet Data measures for 2015 have been restated to include the impact of ASU 2015-03 resulting in the reclassification of unamortized debt issuance cost amounts from other assets to long-term debt of \$19.7 million, and to include the impact of ASU 2015-17 resulting in the reclassification of current deferred tax assets to net against deferred tax liabilities which reduced both amounts by \$12.2 million.
- (2) Operating results for 2014 include a charge of \$29.3 million for the loss on early debt extinguishment and a non-cash charge of \$2.4 million for the impairment of long-lived assets at Wildwater Kingdom. Balance Sheet Data measures for 2014 have been restated to include the impact of ASU 2015-03 resulting in the reclassification of unamortized debt issuance cost amounts from other assets to long-term debt of \$24.6 million, and to include the impact of ASU 2015-17 resulting in the reclassification of current deferred tax assets to net against deferred tax liabilities which reduced both amounts by \$9.3 million.
- (3) Operating results for 2013 include a non-cash charge of \$34.6 million for the loss on early debt extinguishment. Balance Sheet Data measures for 2013 have been restated to include the impact of ASU 2015-03 resulting in the reclassification of unamortized debt issuance cost amounts from other assets to long-term debt of \$29.5 million, and to include the impact of ASU 2015-17 resulting in the reclassification of current deferred tax assets to net against deferred tax liabilities which reduced both amounts by \$9.7 million.
- (4) Operating results for 2012 include a non-cash charge of \$25.0 million for the impairment of long-lived assets at Wildwater Kingdom. Balance Sheet Data measures for 2012 have been restated to include the impact of ASU 2015-03 resulting in the reclassification of unamortized debt issuance cost amounts from other assets to long-term debt of \$47.2 million, and to include the impact of ASU 2015-17 resulting in the reclassification of current deferred tax assets to net against deferred tax liabilities which reduced both amounts by \$8.2 million.
- (5) Adjusted EBITDA represents earnings before interest, taxes, depreciation, amortization, other non-cash items, and adjustments as defined in the 2013 Credit Agreement. Adjusted EBITDA is not a measurement 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. Adjusted EBITDA is provided in the discussion of results of operations that follows as a supplemental measure of the Partnership's operating results and is not intended to be a substitute 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. A reconciliation of net income to Adjusted EBITDA is provided below.

- (6) Attendance includes number of guest visits to the Partnership's amusement parks and separately gated outdoor water parks.
- (7) 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 related to concessionaire arrangements, divided by total attendance. Revenues from resort, marina, sponsorship and all other out-of-park operations are excluded from per capita statistics.

We believe that Adjusted EBITDA (earnings before interest, taxes, depreciation, amortization, other non-cash items, and adjustments as defined in the 2013 Credit Agreement) 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. Adjusted EBITDA is provided in the discussion of results of operations that follows as a supplemental measure of our operating results and is not intended to be a substitute for operating income, net income or cash flows from operating activities as defined under generally accepted accounting principles. In addition, Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

The table below sets forth a reconciliation of Adjusted EBITDA to net income for the periods indicated:

(In thousands)	Years Ended December 31,				
	2016	2015	2014	2013	2012
Net income	\$ 177,688	\$ 112,222	\$ 104,215	\$ 108,204	\$ 101,857
Interest expense	83,863	86,849	96,286	103,071	110,619
Interest income	(177)	(64)	(126)	(154)	(68)
Provision for taxes	71,418	22,192	9,885	20,243	31,757
Depreciation and amortization	131,876	125,631	124,286	122,487	126,306
EBITDA	464,668	346,830	334,546	353,851	370,471
Loss on early debt extinguishment	—	—	29,261	34,573	—
Net effect of swaps	(1,197)	(6,884)	(2,062)	6,883	(1,492)
Non-cash foreign currency (gain) loss	(14,345)	80,946	40,883	29,085	(9,181)
Equity-based compensation	18,496	15,470	12,536	5,535	3,265
Loss on impairment/retirement of fixed assets, net	12,587	20,873	9,757	2,539	30,336
Gain on sale of other assets	—	—	(921)	(8,743)	(6,625)
Class action settlement costs	—	259	4,953	—	—
Other ⁽¹⁾	1,039	1,744	2,327	1,707	4,180
Adjusted EBITDA	<u>\$ 481,248</u>	<u>\$ 459,238</u>	<u>\$ 431,280</u>	<u>\$ 425,430</u>	<u>\$ 390,954</u>

- (1) Consists of certain costs as defined in the Company's 2013 Credit Agreement and prior credit agreements. 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, contract termination costs, and severance expenses.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Business Overview

We generate our revenues primarily from sales of (1) admission to our parks, (2) food, merchandise and games inside our parks, and (3) hotel rooms, extra-charge attractions, and food and other attractions outside our parks. Our principal costs and expenses, which include salaries and wages, advertising, maintenance, operating supplies, 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 the allocation of 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.

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

	Years Ended December 31,					
	2016		2015		2014	
	(In thousands, except per capita spending and percentages)					
Net revenues:						
Admissions	\$ 716,189	55.6 %	\$ 687,442	55.6 %	\$ 661,455	57.0 %
Food, merchandise and games	407,673	31.6 %	398,019	32.2 %	365,528	31.5 %
Accommodations, extra-charge products and other	164,859	12.8 %	150,317	12.2 %	132,622	11.4 %
Net revenues	1,288,721	100.0 %	1,235,778	100.0 %	1,159,605	100.0 %
Operating costs and expenses	827,319	64.2 %	793,943	64.2 %	748,151	64.5 %
Depreciation and amortization	131,876	10.2 %	125,631	10.2 %	124,286	10.7 %
Loss on impairment / retirement of fixed assets, net	12,587	1.0 %	20,873	1.7 %	9,757	0.8 %
Gain on sale of other assets	—	— %	—	— %	(921)	(0.1)%
Operating income	316,939	24.6 %	295,331	23.9 %	278,332	24.0 %
Interest and other expense, net	83,686	6.5 %	86,785	7.0 %	96,160	8.3 %
Net effect of swaps	(1,197)	(0.1)%	(6,884)	(0.6)%	(2,062)	(0.2)%
Loss on early debt extinguishment	—	— %	—	— %	29,261	2.5 %
Unrealized / realized foreign currency (gain) loss	(14,656)	(1.1)%	81,016	6.6 %	40,873	3.5 %
Provision for taxes	71,418	5.5 %	22,192	1.8 %	9,885	0.9 %
Net income	\$ 177,688	13.8 %	\$ 112,222	9.1 %	\$ 104,215	9.0 %
Other data:						
Attendance	25,104		24,448		23,305	
In-park per capita spending	\$ 46.90		\$ 46.20		\$ 45.54	

Critical Accounting Policies

Management's Discussion and Analysis of Financial Condition and Results of Operations 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 the 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 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.

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 assets, including disposition, are less than the carrying value of the assets. The measurement of the impairment loss to be recognized is based on the difference between the fair value and the carrying amounts of the assets. 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 2014, the Partnership concluded based on 2014 operating results and updated forecasts, that a review of the carrying value of operating long-lived assets at Wildwater Kingdom was warranted. After performing its review, the Partnership determined that the park's fixed assets, excluding land, were impaired by \$2.4 million. A charge for this amount was recorded in "Loss on impairment / retirement of fixed assets, net" on the consolidated statement of operations and comprehensive income.

At the end of the fourth quarter of 2015, the Partnership decided to permanently remove from service a long-lived asset at Cedar Point. Accordingly, the Partnership 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" on the consolidated statement of operations and comprehensive income.

During the third quarter of 2016, the Partnership ceased operations of Wildwater Kingdom. At the closure date, the only remaining long-lived asset was the approximate 670 acres of land owned by the Partnership. This land has an associated carrying value of \$17.1 million. The Partnership assessed the remaining asset and concluded there was no impairment during the third quarter of 2016. The associated acreage is classified as assets held-for-sale within "Other Assets" in the consolidated balance sheet.

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.

An impairment loss may be recognized if the carrying value of the reporting unit is higher than its fair value, which is estimated using both an income (discounted cash flow) and market approach. The amount of impairment is determined by comparing the implied fair value of reporting unit goodwill to the carrying value of the goodwill in the same manner as if the reporting unit was being acquired in a business combination. If the implied fair value of goodwill is less than the recorded goodwill, an impairment charge is recorded for the difference. Goodwill and trade-names have been assigned at the reporting unit, or park level, for purposes of impairment testing.

We completed the review of goodwill and other indefinite-lived intangibles as of the first day of the fourth quarter of 2016 and 2015 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 the valuation of our reporting units (parks), 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 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.

Derivative Financial Instruments

Derivative financial instruments are used within our overall risk management program to manage certain interest rate and foreign currency risks. By utilizing a derivative instrument to hedge our exposure to LIBOR rate changes, we are exposed to credit risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. To mitigate this risk, hedging instruments are placed with a counterparty that we believe poses minimal credit risk. We do not use derivative financial instruments for trading purposes.

Derivative financial instruments used in hedging transactions are assessed both at inception and quarterly thereafter to ensure they are effective in offsetting changes in either the fair value or cash flows of the related underlying exposures. 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. Any ineffectiveness is recognized immediately in income. Instruments that do not qualify for hedge accounting or were de-designated are prospectively adjusted to fair value each reporting period through "Net effect of swaps". Additionally, the "Accumulated 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 consolidated statements of operations.

Revenue Recognition

Revenues on multi-use products are recognized over the estimated number of uses expected for each type of product and are adjusted periodically during the operating season prior to the ticket or product expiration, which occurs no later than the close of the operating season or December 31 each year. Other revenues are recognized on a daily basis based on actual guest spending at our facilities, or over the park operating season in the case of certain marina revenues and certain sponsorship revenues. Revenues on multi-use products for the next operating season are deferred in the year received and recognized as revenue in the following operating season.

Admission revenues include amounts paid to gain admission into our parks, including parking fees. Revenues related to extra-charge attractions, including our premium benefit offerings like our front-of-line products, are included in Accommodations, extra-charge products and other revenue.

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 Partnership itself is not subject to corporate income taxes; rather, the Partnership'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, 2015, we had recorded a \$5.7 million valuation allowance related to a \$7.6 million deferred tax asset for foreign tax credit carryforwards. 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 third quarter of 2016, the Partnership recognized a \$1.5 million tax benefit per a release of valuation allowance based on management's updated projection of future foreign tax credit utilization. As of 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.

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.

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 the Partnership's 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 and all other out-of-park operations.

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

2016 vs. 2015

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

	12/31/2016	12/31/2015	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	<u>\$ 316,939</u>	<u>\$ 295,331</u>	<u>\$ 21,608</u>	7.3%
N/M - Not meaningful				
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 revenues	\$ 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, see Item 6, "Selected Financial Data", on page 15.

(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. The Partnership provides Adjusted EBITDA margin because it believes 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 reflects an increase in both attendance and in-park per capita spending, as well as an increase in out-of park revenues compared to the prior year. 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. We expect this to also occur as new WinterFest events open at three additional parks in 2017. 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 reflects favorable performance at our resort properties, increased transaction fees from on-line advanced purchases, an increase in special events at several parks, and proceeds received from a business interruption claim relating to an early season electrical outage at Cedar Point. The overall increase in net revenues is net of an unfavorable impact of foreign currency exchange rates of \$3.7 million related to our Canadian property for fiscal year 2016 compared to the impact of foreign currency for fiscal year 2015.

Operating costs and expenses for the year increased 4.2%, or \$33.4 million, to \$827.3 million from \$793.9 million for 2015. The increase is 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 selling, general, and administrative expenses ("SG&A"). The \$1.8 million increase in cost of goods sold relates to the 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 periods. 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 is net of a favorable impact of foreign currency exchange rates of \$2.3 million related to our Canadian property for fiscal year 2016 compared to the impact of foreign currency for fiscal year 2015.

Depreciation and amortization expense for 2016 increased \$6.2 million compared to the prior year 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 to \$20.9 million in 2015 which reflected an \$8.6 million impairment for a certain long-lived asset at Cedar Point (as discussed in detail in Note 3 to our Consolidated Financial Statements), as well as the retirement of assets during the period 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 relating 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 non-cash benefit to earnings of \$1.2 million for 2016 compared with a \$6.9 million non-cash benefit to earnings for 2015. 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 year, we also recognized a \$14.7 million net benefit to earnings for unrealized/realized foreign currency compared with a \$81.0 million charge to earnings for 2015. Amounts in both periods primarily represented foreign currency movements on the U.S.-dollar denominated debt held at our Canadian property.

For 2016, a provision for taxes of \$71.4 million was recorded to account for publicly traded partnership ("PTP") taxes and income taxes on our corporate subsidiaries. This compares to a provision for taxes recorded for 2015 of \$22.2 million . This increase in tax provision in the current year relates 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 to \$20.0 million in 2015. For 2017, cash taxes to be paid or payable are estimated to range from \$55 million to \$65 million. The increase in cash taxes relates 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 is a result of higher attendance, in particular from growth in the Partnership's fall and winter seasonal events, higher in-park per capita spending, and stronger out-of-park revenues compared to the prior year. 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.

Results of Operations

2015 vs. 2014

The following table presents key operating and financial information for the years ended December 31, 2015 and 2014:

	12/31/2015	12/31/2014	Increase (Decrease)	
			\$	%
(Amounts in thousands, except for per capita spending)				
Net revenues	\$ 1,235,778	\$ 1,159,605	\$ 76,173	6.6%
Operating costs and expenses	793,943	748,151	45,792	6.1%
Depreciation and amortization	125,631	124,286	1,345	1.1%
Loss on impairment/retirement of fixed assets, net	20,873	9,757	11,116	N/M
Gain on sale of other assets	—	(921)	921	N/M
Operating income	<u>\$ 295,331</u>	<u>\$ 278,332</u>	<u>\$ 16,999</u>	6.1%
N/M - Not meaningful				
Other Data:				
Adjusted EBITDA ⁽¹⁾	\$ 459,238	\$ 431,280	\$ 27,958	6.5%
Adjusted EBITDA margin ⁽²⁾	37.2%	37.2%	—	—%
Attendance	24,448	23,305	1,143	4.9%
In-park per capita spending	\$ 46.20	\$ 45.54	\$ 0.66	1.4%
Out-of-park revenue	\$ 137,698	\$ 127,156	\$ 10,542	8.3%

(1) For additional information regarding Adjusted EBITDA, including how we define and use Adjusted EBITDA, as well as a reconciliation from net income, see Item 6, "Selected Financial Data", on page 15.

(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. The Partnership provides Adjusted EBITDA margin because it believes the measure provides a meaningful metric of operating profitability.

Consolidated net revenues totaled \$1,235.8 million in 2015, increasing \$76.2 million, from \$1,159.6 million in 2014. This reflected an increase in attendance and in-park per capita spending and an increase in out-of-park revenues compared to 2014. Attendance for the year was positively impacted by strong season pass visitation, which we believe was driven by our strong capital program. The 1.4%, or \$0.66, increase in in-park per capita spending was mainly attributable to the continued increases in admissions pricing and growth in our food and beverage programs. The 8.3%, or \$10.5 million, increase in out-of-park revenues was due primarily to improved results at our resort properties, in particular at Hotel Breakers at Cedar Point. The increase in net revenues was net of a \$20.1 million unfavorable impact of foreign currency exchange in 2015 compared to 2014.

Operating costs and expenses in 2015 increased \$45.8 million, or 6.1%, to \$739.9 million from \$748.2 million in 2014. The increase was the result of a \$9.6 million increase in cost of goods sold, a \$21.5 million increase in operating expenses, and a \$14.6 million increase in selling, general, and administrative expenses ("SG&A"). The \$9.6 million increase in cost of goods sold was largely related to increases in attendance levels. Cost of goods sold as a percentage of revenues was comparable for both years. The \$21.5 million increase in operating expenses was due to several items. First, we experienced an increase in labor costs due to normal merit increases, market-based and minimum-wage rate increases, and additional operating hours. Second, maintenance expense increased primarily due to increases in ride maintenance and infrastructure improvements, in particular at Cedar Point. Third, operating supplies increased primarily due to increased attendance and operating hours year-over-year. Lastly, self-insurance costs increased due to increases in estimated reserves based on higher attendance volume and wage levels. The \$14.6 million increase in SG&A was primarily due to two items. First, we experienced an increase in labor costs due to normal merit increases and incentive compensation. Second, operating supplies increased due primarily to costs associated with special event promotional activities, continued expenditures related to our technology and security initiatives, and merchant fees. The increase in operating costs and expenses was net of a \$10.2 million favorable impact of foreign currency exchange in 2015 compared to 2014.

Depreciation and amortization expense for 2015 increased 1.1%, or \$1.3 million. Loss on impairment/retirement of fixed assets, net for 2015 was \$20.9 million, reflecting the impairment of a certain long-lived asset at Cedar Point (as discussed in detail in Note 3 to our Consolidated Financial Statements) and the retirement of assets during the period at several of our properties, as compared to \$9.8 million in 2014 which reflected a \$2.4 million impairment of assets at Wildwater Kingdom and the retirement of assets during the period at several of our properties.

After the items above, operating income for the period decreased \$17.0 million to \$295.3 million for 2015 from operating income of \$278.3 million for 2014.

Interest expense for 2015 decreased by \$9.4 million to \$86.8 million, from \$96.3 million for 2014. The decrease was due to the lower interest rate on the June 2014 notes compared to the July 2010 notes which were outstanding for half of 2014.

The net effect of our swaps resulted in a non-cash benefit to earnings of \$6.9 million for 2015 compared with a \$2.1 million non-cash benefit to earnings for 2014. 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 2015, we also recognized a \$81.0 million charge to earnings for unrealized/realized foreign currency losses compared with a \$40.9 million charge to earnings for 2014. Both amounts primarily represented foreign currency movements on the U.S.-dollar denominated debt held at our Canadian property.

For 2015, a provision for taxes of \$22.2 million was recorded to account for publicly traded partnership ("PTP") taxes and income taxes on our corporate subsidiaries. This compares to a provision for taxes recorded for 2014 of \$9.9 million. This increase in tax provision in 2015 related largely to improved operating results and due to the valuation allowance reduction of \$1.1 million recorded in 2014. Cash taxes paid in 2015 were \$20.0 million compared to \$11.2 million in 2014.

After the items above, net income for 2015 totaled \$112.2 million, or \$1.99 per diluted limited partner unit, compared with net income of \$104.2 million, or \$1.86 per diluted unit, for 2014.

For 2015, Adjusted EBITDA increased to \$459.2 million from \$431.3 million for 2014. The \$28.0 million increase in Adjusted EBITDA was a direct result of higher attendance, higher in-park per capita spending, and stronger out-of-park revenues compared to 2014. Partially offsetting these revenue increases were increases in operating costs and expenses associated with increased labor, initiatives, and other planned year-over-year cost increases. Over this same period, our Adjusted EBITDA margin remained flat.

Financial Condition

We ended 2016 in sound condition with respect to both liquidity and cash flow. The working capital ratio (current assets divided by current liabilities) was 0.8 as of December 31, 2016 and was 0.9 as of December 31, 2015. 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

Net cash from operating activities in 2016 increased \$15.2 million to \$357.4 million from \$342.2 million in 2015. The increase in operating cash flows between years was primarily attributable to changes in working capital.

Net cash from operating activities in 2015 increased \$5.1 million to \$342.2 million from \$337.1 million in 2014. The increase in operating cash flows between years was primarily attributable to the increase in the operating results of our parks in 2015 over 2014 and a decrease in interest payments.

Investing Activities

Investing activities consist principally of capital investments we make in our parks and resort properties. During 2016, cash spent on capital expenditures totaled \$160.7 million as we continued to reinvest in our properties. 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 a preferred equity investment in a non-public entity for \$2.0 million. During 2014, cash spent on capital expenditures totaled \$166.7 million. During 2014, we also sold a non-core asset for net proceeds of \$1.4 million.

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 2017 operating season, we will be investing approximately \$135 million on infrastructure and marketable capital, and anticipate investing an additional \$30 million to \$40 million as we invest in incremental opportunities such as WinterFest, resort properties and sports facilities. Infrastructure and marketable capital investments will include a new world-class wooden roller coaster at Kings Island, Mystic Timbers, an expanded and newly themed water park at Cedar Point (renamed Cedar Point Shores Water Park), an expanded water park at Knott's Berry Farm, and many other new attractions at all of our parks. As stated, we are also looking forward to Carowinds, Worlds of Fun and Kings Island joining California's Great America in extending their seasons with a new WinterFest holiday event. In addition, the inaugural season of Cedar Point Sports Center, a state-of-the-art youth sporting complex with multi-purpose fields for various events and tournaments, will occur in 2017. Lastly, in combination with the new sports park, the Partnership has begun the expansion of Cedar Point's resort accommodations, including a complete transformation of Breakers Express into Cedar Point's Express Hotel in 2017.

Financing Activities

Net cash utilized for financing activities in 2016 totaled \$193.6 million, compared with \$174.2 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 the current year.

Net cash utilized for financing activities in 2015 totaled \$174.2 million, compared with \$155.2 million in 2014. This increase in net cash utilized for financing activities is due to an increase in distributions paid to partners in 2015.

Liquidity and Capital Resources

In June 2014, the Partnership issued \$450 million of 5.375% senior unsecured notes ("June 2014 notes"), maturing in 2024. The net proceeds from the offering of the June 2014 notes were used to redeem in full all of the Partnership's \$405 million of 9.125% July 2010 senior unsecured notes that were scheduled to mature in 2018, to satisfy and discharge the indenture governing the notes that were redeemed and for general corporate purposes.

The Partnership's June 2014 notes pay interest semi-annually in June and December, with the principal due in full on June 1, 2024. Prior to June 1, 2017, up to 35% of the notes may be redeemed with the net cash proceeds of certain equity offerings at a price equal to 105.375% together with accrued and unpaid interest. 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.

In March 2013, the Partnership issued \$500 million of 5.25% senior unsecured notes ("March 2013 notes"), maturing in 2021. Concurrently with this offering, we entered into an \$885 million credit agreement (the "2013 Credit Agreement"), which included a \$630 million senior secured term loan facility and a \$255 million senior secured revolving credit facility. The terms of the senior secured term loan facility include a maturity date of March 6, 2020 and bear an interest rate at a rate of London InterBank Offering Rate ("LIBOR") plus 250 basis points (bps) with a LIBOR floor of 75 bps. The term loan amortizes at \$6.3 million annually. The net proceeds from the notes and borrowings under the 2013 Credit Agreement were used to repay in full all amounts outstanding under the previous credit facilities. The facilities provided under the 2013 Credit agreement are collateralized by substantially all of the assets of the Partnership.

The Partnership's March 2013 notes pay interest semi-annually in March and September, with the principal due in full on March 15, 2021. The notes may be redeemed, in whole or in part, at any time prior to March 15, 2017 at a price equal to 103.938% 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. The notes may be redeemed after this date, in whole or in part, at various prices depending on the date redeemed.

Terms of the 2013 Credit Agreement include a revolving credit facility of a combined \$255 million. Under the 2013 Credit Agreement, the Canadian portion of the revolving credit facility has a sub-limit of \$15 million. U.S. denominated and Canadian denominated loans made under the revolving credit facility bear interest at a rate of LIBOR plus 225 bps (with no LIBOR floor). The revolving credit facility is scheduled to mature in March 2018 and also provides for the issuance of documentary and standby letters of credit. The 2013 Credit Agreement requires the Partnership to pay a commitment fee of 38 bps per annum on the unused portion of the credit facilities.

As of December 31, 2016, before reduction for 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 our revolving credit facility. As of December 31, 2015, before reduction of debt issuance costs, we had \$608.9 million of variable-rate term debt, \$950.0 million of outstanding fixed-rate notes, and no borrowings outstanding under our revolving credit facility. After letters of credit, which totaled \$15.9 million at December 31, 2016 and \$16.3 million at December 31, 2015, we had available borrowings under our revolving credit facility of \$239.1 million and \$238.7 million respectively. The maximum outstanding balances under our revolving credit facility was \$101.0 million during 2016 and \$85.0 million during 2015. During the second quarter of 2016, \$6.0 million of term debt was prepaid, which has resulted in no principal payments due until the third quarter of 2017.

As of December 31, 2016, we have four interest rate swap agreements that effectively convert \$500 million of variable-rate debt to fixed rates. These swaps, which mature on December 31, 2020 and fix LIBOR at a weighted average rate of 2.64%, were not designated as cash flow hedges. In January 2016, the Partnership amended each of its four interest rate swap agreements to extend each of the maturities by two years and fix LIBOR at a rate of 2.64%. As of December 31, 2015, the four interest rate swap agreements, prior to amendment, were designated as cash flow hedges, matured on December 31, 2018 and fixed LIBOR at a weighted average rate of 2.94%. Additional detail regarding our swap arrangements is provided in Note 6 to our Consolidated Financial Statements.

On December 31, 2016, the fair market value of our swap portfolio was a liability of \$17.7 million compared to a liability of \$22.9 million in 2015. The fair value of our swap portfolio at 2016 and 2015 was classified as long-term and recorded in "Derivative Liability". Additional detail regarding our current and historical swap arrangements is provided in Note 6 to our Consolidated Financial Statements.

The 2013 Credit Agreement includes two Financial Condition Covenants, which if breached for any reason and not cured, could result in an event of default. At the end of the fourth quarter of 2016 and 2015, the first of these, the Consolidated Leverage Ratio, was set at a maximum of 5.50 x and 5.75 x consolidated total debt (excluding the revolving debt)-to-consolidated EBITDA, respectively. This required ratio decreased by 0.25 x at the beginning of the second quarter of 2016. The final decrease will occur at the beginning of the second quarter of 2017 when the ratio will reach its minimum of 5.25 x. The second of these ratios, the Consolidated Fixed Charge Coverage Ratio, is set at a minimum of 1.1 x (consolidated total fixed charges-to-consolidated EBITDA). As of December 31, 2016 and 2015, the Partnership was in compliance with these Financial Condition Covenants and all other covenants under the 2013 Credit Agreement.

The Partnership is allowed to make Restricted Payments, as defined in the 2013 Credit Agreement, of up to \$60 million annually, so long as no default or event of default has occurred and is continuing and so long as the Partnership would be in compliance with certain financial ratios after giving effect to the payments. Additional Restricted Payments are allowed to be made based on an Excess-Cash-Flow formula should the Partnership's pro-forma Consolidated Leverage Ratio be less than or equal to 5.00 x. Pursuant to the terms of the indentures governing the Partnership's June 2014 and March 2013 notes, the Partnership can make Restricted Payments of \$60 million annually so long as no default or event of default has occurred and is continuing; and our ability to make additional Restricted Payments is permitted should the Partnership's pro forma Total Indebtedness-to-Consolidated-Cash-Flow Ratio be less than or equal to 5.00 x.

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

In accordance with these debt provisions, on November 2, 2016, we announced the declaration of a distribution of \$0.855 per limited partner unit, which was paid on December 15, 2016. Also, on February 22, 2017, we announced the declaration of a distribution of \$0.855 per limited partner unit, which will be payable on March 15, 2017.

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, 2016 :

(In thousands)	Payments Due by Period				
	Total	2017	2018-2019	2020-2021	2022 - Thereafter
Long-term debt ⁽¹⁾	\$ 1,962,500	\$ 86,186	\$ 178,799	\$ 1,186,702	\$ 510,813
Capital expenditures ⁽²⁾	50,236	35,005	15,231	—	—
Lease & other obligations ⁽³⁾	150,828	24,391	17,030	12,749	96,658
Total	\$ 2,163,564	\$ 145,582	\$ 211,060	\$ 1,199,451	\$ 607,471

- (1) Represents maturities and mandatory prepayments on long-term debt obligations, fixed interest on senior notes, variable interest on term debt assuming current LIBOR interest rates, and the impact of our various derivative contracts. See Note 5 to our 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, 2016 .
- (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 December 31, 2016 . 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 consolidated statement 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 consolidated statement of operations.

As of December 31, 2016 , before reduction for debt issuance costs, we had \$950.0 million of fixed-rate senior unsecured notes and \$602.9 million of variable-rate term debt. After considering the impact of interest rate swap agreements, most of our outstanding long-term debt represents fixed-rate debt. Assuming an average balance on our revolving credit borrowings of approximately \$23 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 \$6.3 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 year.

A uniform 10% strengthening of the U.S. dollar relative to the Canadian dollar would result in a \$3.0 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 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.

Forward Looking Statements

Some of the statements contained in this report (including the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section) that are not historical in nature are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements as to our expectations, beliefs and strategies regarding the future. These forward-looking statements may involve risks and uncertainties that are difficult to predict, may be beyond our control and could cause actual results to differ materially from those described in such statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Important factors, including those listed under Item 1A in this Form 10-K could adversely affect our future financial performance and cause actual results, or our beliefs or strategies, to differ materially from our expectations. We do not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the filing date of this document.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The information appearing under the subheading “Quantitative and Qualitative Disclosures about Market Risk” under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 27 of this Report is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

Quarterly operating results for 2016 and 2015 are presented in the table below (in thousands, except per unit amounts):

Unaudited				Net income (loss) per limited partner unit-basic	Net income (loss) per limited partner unit- diluted
	Net revenues	Operating income (loss)	Net income (loss)		
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 ⁽¹⁾	191,966	20,104	(6,796)	(0.12)	(0.12)
2016 Total	\$ 1,288,721	\$ 316,939	\$ 177,688	3.18	3.14
2015					
1st Quarter	\$ 46,817	\$ (69,633)	\$ (83,833)	\$ (1.50)	\$ (1.50)
2nd Quarter	377,408	93,027	57,583	1.03	1.02
3rd Quarter	644,637	277,692	164,151	2.94	2.92
4th Quarter ⁽²⁾	166,916	(5,755)	(25,679)	(0.46)	(0.46)
2015 Total	\$ 1,235,778	\$ 295,331	\$ 112,222	2.01	1.99

(1) The fourth quarter of 2016 includes favorable results from fall and winter seasonal events as well as the benefit of strong post-season expense management.

(2) The fourth quarter of 2015 included a non-cash charge of \$8.6 million for the impairment of a long-lived asset at Cedar Point.

Note: To assure that our highly seasonal operations will not result in misleading comparisons of interim periods, the Partnership 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.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and the Unitholders of Cedar Fair, L.P.
Sandusky, Ohio

We have audited the accompanying consolidated balance sheets of Cedar Fair, L.P. and subsidiaries (the "Partnership") as of December 31, 2016 and 2015, and the related consolidated statements of operations and comprehensive income, partners' equity, and cash flows for each of the three years in the period ended December 31, 2016. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Cedar Fair, L.P. and subsidiaries as of December 31, 2016 and 2015, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2016, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Partnership's internal control over financial reporting as of December 31, 2016, based on the criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 24, 2017 expressed an unqualified opinion on the Partnership's internal control over financial reporting.

/s/ DELOITTE & TOUCHE LLP

Cleveland, Ohio
February 24, 2017

CEDAR FAIR, L.P.
CONSOLIDATED BALANCE SHEETS
(In thousands)

	12/31/2016	12/31/2015
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 122,716	\$ 119,557
Receivables	35,414	29,494
Inventories	26,276	25,029
Other current assets	11,270	9,946
	195,676	184,026
Property and Equipment:		
Land	265,961	267,782
Land improvements	402,013	381,191
Buildings	663,982	647,514
Rides and equipment	1,643,770	1,561,234
Construction in progress	58,299	50,962
	3,034,025	2,908,683
Less accumulated depreciation	(1,494,805)	(1,393,805)
	1,539,220	1,514,878
Goodwill	179,660	210,811
Other Intangibles, net	37,837	35,895
Other Assets	20,788	17,410
	\$ 1,973,181	\$ 1,963,020
LIABILITIES AND PARTNERS' EQUITY		
Current Liabilities:		
Current maturities of long-term debt	\$ 2,775	\$ 2,475
Accounts payable	20,851	17,122
Deferred revenue	82,765	69,514
Accrued interest	9,986	9,910
Accrued taxes	58,958	41,937
Accrued salaries, wages and benefits	30,358	26,916
Self-insurance reserves	27,063	23,996
Other accrued liabilities	9,927	6,801
	242,683	198,671
Deferred Tax Liability	104,885	129,763
Derivative Liability	17,721	22,918
Other Liabilities	13,162	17,983
Long-Term Debt:		
Term debt	594,228	598,346
Notes	939,983	938,330
	1,534,211	1,536,676
Commitments and Contingencies (Note 10)		
Partners' Equity:		
Special L.P. interests	5,290	5,290
General partner	—	—
Limited partners, 56,201 and 56,018 units outstanding at December 31, 2016 and December 31, 2015, respectively	52,288	48,428
Accumulated other comprehensive income	2,941	3,291
	60,519	57,009
	\$ 1,973,181	\$ 1,963,020

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

CEDAR FAIR, L.P.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In thousands, except per unit amounts)

	Years Ended December 31,		
	2016	2015	2014
Net revenues:			
Admissions	\$ 716,189	\$ 687,442	\$ 661,455
Food, merchandise and games	407,673	398,019	365,528
Accommodations, extra-charge products and other	164,859	150,317	132,622
	<u>1,288,721</u>	<u>1,235,778</u>	<u>1,159,605</u>
Costs and expenses:			
Cost of food, merchandise and games revenues	106,608	104,827	95,208
Operating expenses	538,881	517,626	496,079
Selling, general and administrative	181,830	171,490	156,864
Depreciation and amortization	131,876	125,631	124,286
Loss on impairment / retirement of fixed assets, net	12,587	20,873	9,757
Gain on sale of other assets	—	—	(921)
	<u>971,782</u>	<u>940,447</u>	<u>881,273</u>
Operating income	316,939	295,331	278,332
Interest expense	83,863	86,849	96,286
Net effect of swaps	(1,197)	(6,884)	(2,062)
Loss on early debt extinguishment	—	—	29,261
Unrealized/realized foreign currency (gain) loss	(14,656)	81,016	40,873
Interest income	(177)	(64)	(126)
Income before taxes	249,106	134,414	114,100
Provision for taxes	71,418	22,192	9,885
Net income	177,688	112,222	104,215
Net income allocated to general partner	2	1	1
Net income allocated to limited partners	<u>\$ 177,686</u>	<u>\$ 112,221</u>	<u>\$ 104,214</u>
Net income	\$ 177,688	\$ 112,222	\$ 104,215
Other comprehensive income (loss), (net of tax):			
Cumulative foreign currency translation adjustment	(3,700)	16,655	5,931
Unrealized gain (loss) on cash flow hedging derivatives	3,350	(2,734)	(1,553)
Other comprehensive income (loss), (net of tax)	(350)	13,921	4,378
Total comprehensive income	<u>\$ 177,338</u>	<u>\$ 126,143</u>	<u>\$ 108,593</u>
Basic earnings per limited partner unit:			
Weighted average limited partner units outstanding	55,933	55,745	55,548
Net income per limited partner unit	<u>\$ 3.18</u>	<u>\$ 2.01</u>	<u>\$ 1.88</u>
Diluted earnings per limited partner unit:			
Weighted average limited partner units outstanding	56,562	56,362	55,992
Net income per limited partner unit	<u>\$ 3.14</u>	<u>\$ 1.99</u>	<u>\$ 1.86</u>

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

CEDAR FAIR, L.P.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Years Ended December 31,		
	2016	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 177,688	\$ 112,222	\$ 104,215
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation and amortization	131,876	125,631	124,286
Loss on early debt extinguishment	—	—	29,261
Non-cash foreign currency (gain) loss on debt	(14,771)	81,608	39,088
Non-cash equity based compensation expense	10,958	7,265	9,668
Non-cash deferred income tax expense (benefit)	10,662	(16,056)	(2,961)
Other non-cash expenses	13,300	15,321	11,236
Change in operating assets and liabilities:			
(Increase) decrease in receivables	(5,887)	(2,276)	(6,235)
(Increase) decrease in inventories	(1,208)	607	46
(Increase) decrease in other assets	(53)	(875)	3,021
Increase (decrease) in accounts payable	(407)	3,243	884
Increase (decrease) in deferred revenue	13,099	9,149	16,965
Increase (decrease) in accrued interest	13	359	(12,554)
Increase (decrease) in accrued taxes	16,888	20,965	2,319
Increase (decrease) in accrued salaries and wages	5,804	(6,997)	4,998
Increase (decrease) in self-insurance reserves	3,026	881	(133)
Increase (decrease) in other liabilities	(3,561)	(8,830)	12,999
Net cash from operating activities	357,427	342,217	337,103
CASH FLOWS FOR INVESTING ACTIVITIES			
Capital expenditures	\$ (160,656)	\$ (175,865)	\$ (166,719)
Proceeds from sale of assets	—	—	1,377
Purchase of preferred equity investment	—	(2,000)	—
Purchase of identifiable intangible assets	(577)	—	—
Net cash for investing activities	(161,233)	(177,865)	(165,342)
CASH FLOWS FOR FINANCING ACTIVITIES			
Note borrowings	—	—	450,000
Term debt payments	(6,000)	—	(10,000)
Note payments, including early termination penalties	—	—	(426,148)
Distributions paid to partners	(187,182)	(172,614)	(159,432)
Payment of debt issuance costs	—	—	(9,795)
Tax effect of units involved in treasury unit transactions	(422)	(1,589)	140
Net cash for financing activities	(193,604)	(174,203)	(155,235)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	569	(2,432)	(2,742)
CASH AND CASH EQUIVALENTS			
Net increase (decrease) for the year	3,159	(12,283)	13,784
Balance, beginning of year	119,557	131,840	118,056
Balance, end of year	\$ 122,716	\$ 119,557	\$ 131,840
SUPPLEMENTAL INFORMATION			
Cash payments for interest expense	\$ 82,015	\$ 84,963	\$ 104,198
Interest capitalized	2,331	3,094	2,983
Cash payments for income taxes, net of refunds	44,502	19,976	11,162
Capital expenditures in accounts payable	5,425	2,357	12,262

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

CEDAR FAIR, L.P.
CONSOLIDATED STATEMENTS OF PARTNERS' EQUITY
(In thousands, except per unit amounts)

	Years Ended December 31,		
	2016	2015	2014
Limited Partnership Units Outstanding			
Beginning balance	56,018	55,828	55,716
Limited partnership unit options exercised	46	50	19
Limited partnership unit forfeitures	(1)	(1)	(2)
Issuance of limited partnership units related to compensation	138	141	95
	<u>56,201</u>	<u>56,018</u>	<u>55,828</u>
Limited Partners' Equity			
Beginning balance	\$ 48,428	\$ 101,556	\$ 148,847
Net income	177,686	112,221	104,214
Partnership distribution declared (2016 - \$3.33; 2015 - \$3.08; 2014 - \$2.85)	(187,180)	(172,614)	(159,430)
Expense recognized for limited partnership unit options	5	580	890
Tax effect of units involved in treasury unit transactions	(422)	(1,589)	140
Issuance of limited partnership units related to compensation	13,771	8,274	6,895
	<u>52,288</u>	<u>48,428</u>	<u>101,556</u>
General Partner's Equity			
Beginning balance	—	1	2
Partnership distribution declared	(2)	(2)	(2)
Net income	2	1	1
	<u>—</u>	<u>—</u>	<u>1</u>
Special L.P. Interests	<u>5,290</u>	<u>5,290</u>	<u>5,290</u>
Accumulated Other Comprehensive Income (Loss)			
Cumulative foreign currency translation adjustment:			
Beginning balance	22,591	5,936	5
Current year activity, net of tax (\$2,127 in 2016; (\$9,050) in 2015; (\$3,410) in 2014)	(3,700)	16,655	5,931
	<u>18,891</u>	<u>22,591</u>	<u>5,936</u>
Unrealized loss on cash flow hedging derivatives:			
Beginning balance	(19,300)	(16,566)	(15,013)
Current year activity, net of tax ((\$650) in 2016; \$625 in 2015; \$288 in 2014)	3,350	(2,734)	(1,553)
	<u>(15,950)</u>	<u>(19,300)</u>	<u>(16,566)</u>
	<u>2,941</u>	<u>3,291</u>	<u>(10,630)</u>
Total Partners' Equity	<u>\$ 60,519</u>	<u>\$ 57,009</u>	<u>\$ 96,217</u>

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Notes To Consolidated Financial Statements

(1) Partnership Organization:

Cedar Fair, L.P. (together with its affiliated companies, the "Partnership") is a Delaware limited partnership that commenced operations in 1983 when it acquired Cedar Point, Inc., and became a publicly traded partnership in 1987. The Partnership's general partner is Cedar Fair Management, Inc., an Ohio corporation (the "General Partner"), whose shares are held by an Ohio trust. The General Partner owns a 0.001% interest in the Partnership's income, losses and cash distributions, except in defined circumstances, and has full responsibility for management of the Partnership. At December 31, 2016 there were 56,200,555 outstanding limited partnership units listed on The New York Stock Exchange, net of 861,428 units held in treasury. At December 31, 2015, there were 56,017,824 outstanding limited partnership units listed, net of 1,044,159 units held in treasury.

The General Partner may, with the approval of a specified percentage of the limited partners, make additional capital contributions to the Partnership, but is only obligated to do so if the liabilities of the Partnership cannot otherwise be paid or there exists a negative balance in its capital account at the time of its withdrawal from the Partnership. The General Partner, in accordance with the terms of the Partnership Agreement, is required to make regular cash distributions on a quarterly basis of all the Partnership's available cash, as defined in the Partnership Agreement. In accordance with the Partnership agreement and restrictions within the Partnership's 2013 Credit Agreement, the General Partner paid \$3.33 per limited partner unit in distributions, or approximately \$187.2 million in aggregate, in 2016.

(2) Summary of Significant Accounting Policies:

The following policies are used by the Partnership in its preparation of the accompanying consolidated financial statements.

Principles of Consolidation

The consolidated financial statements include the accounts of the Partnership and its subsidiaries, all of which are wholly owned. Intercompany transactions and balances are eliminated in consolidation.

Foreign Currency

The financial statements of the Partnership's Canadian subsidiary are measured using the Canadian dollar as its functional currency. Assets and liabilities are translated into U.S. dollars at current currency exchange rates, while income and expenses are translated at average monthly currency exchange rates. Translation gains and losses are included as components of accumulated other comprehensive income in partners' equity.

In 2016, the Partnership recognized a \$14.7 million benefit to earnings for unrealized/realized foreign currency gains, \$14.8 million of which related to U.S.-dollar denominated debt held at its Canadian property. In 2015, the Partnership recognized a \$81.0 million charge to earnings for unrealized/realized foreign currency losses, \$81.6 million of which represented an unrealized foreign currency loss on the U.S.-dollar denominated debt held at its Canadian property. In 2014, the Partnership recognized a \$40.9 million charge to earnings for unrealized/realized foreign currency losses, \$39.1 million of which represented an unrealized foreign currency loss on the U.S.-dollar denominated debt held at its Canadian property. All other foreign currency transaction gains and losses included in the 2016, 2015 and 2014 consolidated statements of operations were not material.

Segment Reporting

Each of the Partnership'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 Partnership'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 of the Partnership's business. Although the Partnership 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 Partnership operates within a single reportable segment of amusement/water parks with accompanying resort facilities.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during each period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Partnership considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents.

Inventories

The Partnership's inventories primarily consist of purchased products, such as merchandise and food, for sale to its customers. Inventories are stated at the lower of cost or market using the first-in, first-out (FIFO) or average cost methods of accounting at the park level.

Property and Equipment

Property and equipment are recorded at cost. Expenditures made to maintain such assets in their original operating condition are expensed as incurred, and improvements and upgrades are generally capitalized. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. Depreciation expense totaled \$131.2 million in 2016, \$125.5 million in 2015, and \$124.3 million in 2014.

The estimated useful lives of the assets are as follows:

Land improvements	Approximately	25 years
Buildings	25 years -	40 years
Rides	Approximately	20 years
Equipment	3 years -	10 years

Impairment of Long-Lived Assets

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 360 "Property, Plant, and Equipment" requires that long-lived assets be reviewed for impairment upon the occurrence of events or changes in circumstances that would indicate that the carrying value 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 assets. 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.

Goodwill

FASB ASC 350 "Intangibles - Goodwill and Other" requires that goodwill be tested for impairment. An impairment charge would be recognized for the amount, if any, by which the carrying amount of goodwill exceeds its implied fair value. The fair value of a reporting unit and the related implied fair value of its respective goodwill are established using a combination of an income (discounted cash flow) approach and market approach. Goodwill is reviewed annually for impairment, or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. All of the Partnership's goodwill is allocated to its reporting units and goodwill impairment tests are performed at the reporting unit level. The Partnership performed its annual goodwill impairment test as of the first days of the fourth quarter for 2016 and 2015, respectively, and concluded there was no impairment of the carrying value of goodwill in either period.

Other Intangible Assets

The Partnership's other intangible assets consist primarily of trade-names and license and franchise agreements. The Partnership assesses the indefinite-lived trade-names for impairment separately from goodwill. After considering the expected use of the trade-names and reviewing any legal, regulatory, contractual, obsolescence, demand, competitive or other economic factors that could limit the useful lives of the trade-names, in accordance with FASB ASC 350, the Partnership determined that the trade-names had indefinite lives. Pursuant to FASB ASC 350, indefinite-lived intangible assets are reviewed, along with goodwill, annually for impairment or more frequently if impairment indicators arise. The Partnership's license and franchise agreements are amortized over the life of the agreement, generally ranging from four to twenty years.

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 amounts are accrued for when claim amounts become probable and estimable. Reserves for identified claims are based upon the Partnership's 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 the Partnership's own claims data history. All reserves are periodically reviewed for changes in facts and circumstances, and adjustments are made as necessary. As of December 31, 2016 and 2015, the accrued self-insurance reserves totaled \$27.1 million and \$24.0 million, respectively.

Derivative Financial Instruments

The Partnership is exposed to market risks, primarily resulting from changes in interest rates and currency exchange rates. To manage these risks, it may enter into derivative transactions pursuant to its overall financial risk management program. The Partnership does not use derivative financial instruments for trading purposes.

The Partnership accounts for the use of derivative financial instruments according to FASB ASC 815 "Derivatives and Hedging". For derivative instruments that hedge the exposure of variability in short-term rates, designated 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. Any ineffectiveness is recognized immediately in income. Derivative financial instruments used in hedging transactions are assessed both at inception and quarterly thereafter to ensure they are effective in offsetting changes in either the fair value or cash flows of the related underlying exposures. Instruments that do not qualify for hedge accounting or were designated are prospectively adjusted to fair value each reporting period through "Net effect of swaps".

Revenue Recognition

Revenues on multi-use products are recognized over the estimated number of uses expected for each type of product and are adjusted periodically during the operating season prior to the ticket or product expiration, which occurs no later than the close of the operating season or December 31 each year. Other revenues are recognized on a daily basis based on actual guest spending at our facilities, or over the park operating season in the case of certain marina revenues and certain sponsorship revenues. Revenues on multi-use products for the next operating season are deferred in the year received and recognized as revenue in the following operating season.

Admission revenues include amounts paid to gain admission into the Partnership's parks, including parking fees. Revenues related to extra-charge attractions, including premium benefit offerings like front-of-line products, are included in Accommodations, extra-charge products and other revenue.

Advertising Costs

The Partnership expenses all costs associated with its advertising, promotion and marketing programs as incurred, or for certain costs, over each park's operating season. Advertising expense totaled \$60.8 million in 2016, \$58.7 million in 2015 and \$58.4 million in 2014. Certain prepaid costs incurred through year-end for the following year's advertising programs are included in other current assets.

Unit-Based Compensation

The Partnership accounts for unit-based compensation in accordance with FASB ASC 718 "Compensation - Stock Compensation" which requires measurement of compensation cost for all equity-based awards at fair value on the date of grant and recognition of compensation over the service period for awards expected to vest. The Partnership uses a binomial option-pricing model for all grant date estimations of fair value.

Income Taxes

The Partnership's legal entity structure includes both partnerships and corporate subsidiaries. As a publicly traded partnership, the Partnership is subject to an entity-level tax (the "PTP tax"). Accordingly, the Partnership itself is not subject to corporate income taxes; rather, the Partnership's tax attributes (except those of the corporate subsidiaries) are included in the tax returns of its partners. The Partnership's corporate subsidiaries are subject to entity-level income taxes.

Neither the Partnership's financial reporting income, nor the cash distributions to unitholders, can be used as a substitute for the detailed tax calculations that the Partnership must perform annually for its partners. Net income from the Partnership is not treated as "passive income" for federal income tax purposes. As a result, partners subject to the passive activity loss rules are not permitted to offset income from the Partnership with passive losses from other sources.

The Partnership's 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. The effect on deferred tax assets and liabilities of a change in tax law is recognized in income at the time of enactment of such change in tax law. Any interest or penalties due for payment of income taxes are included in the provision for income taxes. The Partnership's total provision for taxes includes PTP taxes owed (see Note 9 to the Consolidated Financial Statements).

Earnings Per Unit

For purposes of calculating the basic and diluted earnings per limited partner unit, no adjustments have been made to the reported amounts of net income. The unit amounts used in calculating the basic and diluted earnings per limited partner unit for the years ended December 31, 2016, December 31, 2015, and December 31, 2014 are as follows:

	Years Ended December 31,		
	2016	2015	2014
	(In thousands, except per unit amounts)		
Basic weighted average units outstanding	55,933	55,745	55,548
Effect of dilutive units:			
Deferred units (Note 7)	31	23	6
Performance units (Note 7)	181	72	31
Restricted units (Note 7)	288	358	195
Unit options (Note 7)	129	141	123
Phantom units (Note 7)	—	23	89
Diluted weighted average units outstanding	56,562	56,362	55,992
Net income per unit - basic	\$ 3.18	\$ 2.01	\$ 1.88
Net income per unit - diluted	\$ 3.14	\$ 1.99	\$ 1.86

The effect of out-of-the-money and/or antidilutive unit options for 2016, 2015, and 2014, respectively, had they not been out of the money or antidilutive, would have been immaterial in all periods presented.

Adopted Accounting Pronouncements

In April 2015, the FASB issued Accounting Standards Update No. 2015-03, Simplifying the Presentation of Debt Issuance Costs ("ASU 2015-03"). The amendments in ASU 2015-03 require that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct reduction from the carrying value of the corresponding debt liability, consistent with debt discounts. This ASU requires retrospective adoption and is effective for annual and interim periods beginning after December 15, 2015. The Partnership adopted this guidance and applied retrospective treatment. The impact of the adoption of this guidance resulted in the reclassification of the unamortized debt issuance cost amounts from other assets to long-term debt on the consolidated balance sheet of \$19.7 million at December 31, 2015.

In November 2015, the FASB issued Accounting Standards Update No. 2015-17, Balance Sheet Classification of Deferred Taxes ("ASU 2015-17"). The amendments in ASU 2015-17 require that deferred tax assets and liabilities be classified as non-current in the balance sheet. This ASU is effective for fiscal years beginning after December 15, 2016 and for interim periods within those fiscal years with early adoption permitted. The guidance may be applied either prospectively to all deferred tax liabilities and assets, or retrospectively to all periods presented. The Partnership adopted this guidance early and applied retrospective treatment. The impact of the adoption of this guidance resulted in the reclassification of the current deferred tax asset to net against the deferred tax liability in the consolidated balance sheet, which reduced both the current deferred tax asset and deferred tax liability by \$12.2 million at December 31, 2015.

New Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers ("ASU 2014-09"). The amendments in ASU 2014-09 provide for a single, principles-based model for revenue recognition that replaces the existing revenue recognition guidance. ASU 2014-09 is effective for annual and interim periods beginning after December 15, 2017 and will replace most existing revenue recognition guidance under U.S. GAAP when it becomes effective. It permits the use of either a retrospective or cumulative effect transition method, and early adoption is not permitted. The Partnership currently expects to adopt this standard in the first quarter of 2018. The Partnership anticipates the primary impact of the adoption on our consolidated financial statements will be the additional required disclosures around revenue recognition in the notes to the consolidated financial statements. The Partnership does not anticipate adoption of the standard to have a material effect on the consolidated financial statements.

In February 2016, the FASB issued Accounting Standards Update No. 2016-02, Leases ("ASU 2016-02"). The amendments in ASU 2016-02 provide that most leases will now be recorded on the balance sheet. ASU 2016-02 is effective for annual and interim periods beginning after December 15, 2018 and will replace most existing lease guidance under U.S. GAAP when it becomes effective. This ASU requires a modified transition method for existing leases and applies to the earliest period presented in the financial statements. The Partnership is in the process of evaluating the effect this standard will have on the consolidated financial statements and related disclosures.

In March 2016, the FASB issued Accounting Standards Update No. 2016-09, Improvements to Employee Share-Based Payment Accounting ("ASU 2016-09"). The amendments in ASU 2016-09 are meant to simplify the current accounting for share-based payment transactions, specifically the accounting for income taxes, award classification, cash flow presentation, and accounting for forfeitures. ASU 2016-09 is effective for annual and interim periods beginning after December 15, 2016, and early adoption is permitted. The Partnership expects to adopt this standard in the first quarter of 2017 utilizing the methods dictated by the standard. The Partnership does not anticipate the adoption of the standard to have a material effect on the consolidated financial statements.

(3) Long-Lived Assets:

Long-lived assets are reviewed for impairment upon the occurrence of events or changes in circumstances that would indicate that the carrying value of the assets may not be recoverable. 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. 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; 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.

The long-lived asset impairment test involves a two-step process. The first step is a comparison of each asset group's carrying value to its estimated undiscounted future cash flows expected to result from the use of the assets, including disposition. Projected future cash flows reflect management's best estimates of economic and market conditions over the projected period, including growth rates in revenues and costs, estimates of future expected changes in operating margins and cash expenditures. Other significant estimates and assumptions include terminal value growth rates. If the carrying value of the asset group is higher than its undiscounted future cash flows, there is an indication that impairment exists and the second step must be performed to measure the amount of impairment loss. The amount of impairment is determined by comparing the fair value of the asset group to its carrying value in a manner consistent with the highest and best use of those assets. The Partnership estimates fair value of operating assets using an income (discounted cash flows) approach, which uses an asset group's projection of estimated operating results and cash flows that is discounted using a weighted-average cost of capital reflective of current market conditions. If the fair value of the assets is less than their carrying value, an impairment charge is recorded for the difference.

Non-operating assets are evaluated for impairment based on changes in market conditions. When changes in market conditions are observed, impairment is estimated using a market-based approach. If the estimated fair value of the non-operating assets is less than their carrying value, an impairment charge is recorded for the difference.

At the end of the fourth quarter of 2014, the Partnership concluded based on 2014 operating results and updated forecasts, that a review of the carrying value of operating long-lived assets at Wildwater Kingdom was warranted. After performing its review, the Partnership determined that the park's fixed assets, excluding land, were impaired by \$2.4 million. A charge for this amount was recorded in "Loss on impairment / retirement of fixed assets, net" on the consolidated statement of operations and comprehensive income.

At the end of the fourth quarter of 2015, the Partnership decided to permanently remove from service a long-lived asset at Cedar Point. Accordingly, the Partnership 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" on the consolidated statement of operations and comprehensive income.

During the third quarter of 2016, the Partnership ceased operations of Wildwater Kingdom. At the closure date, the only remaining long-lived asset was the approximate 670 acres of land owned by the Partnership. This land has an associated carrying value of \$17.1 million. The Partnership assessed the remaining asset and concluded there was no impairment during the third quarter of 2016. The associated acreage is classified as assets held-for-sale within "Other Assets" in the consolidated balance sheet.

(4) 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.

The goodwill impairment test involves a two-step process. The first step is a comparison of each reporting unit's fair value to its carrying value. The Partnership estimates fair value using both an income (discounted cash flows) and market approach. The income approach uses a reporting unit's projection of estimated operating results and cash flows that is discounted using a weighted-average cost of capital that reflects current market conditions. The projection uses management's best estimates of economic and market conditions over the projected period including growth rates in revenues and costs, estimates of future expected changes in operating margins and cash expenditures. Other significant estimates and assumptions include terminal value growth rates, future estimates of capital expenditures and changes in future working capital requirements. A market approach estimates fair value by applying cash flow multiples to the reporting unit's operating performance. The multiples are derived from comparable publicly traded companies with similar operating and investment characteristics of the reporting units.

If the carrying value of the reporting unit is higher than its fair value, there is an indication that impairment may exist and the second step must be performed to measure the amount of impairment loss. The amount of impairment is determined by comparing the implied fair value of reporting unit goodwill to the carrying value of the goodwill in the same manner as if the reporting unit was being acquired in a business combination. If the implied fair value of goodwill is less than the recorded goodwill, an impairment charge is recorded for the difference.

A relief-from-royalty model is used to determine whether the fair value of trade-names exceed their carrying amounts. The fair value of the trade-names is determined as the present value of fees avoided by owning the respective trade-name.

A summary of changes in the Partnership's carrying value of goodwill for the years ended December 31, 2016 and December 31, 2015 is as follows:

(In thousands)	Goodwill (gross)	Accumulated Impairment Losses	Goodwill (net)
Balance at December 31, 2014	\$ 308,159	\$ (79,868)	\$ 228,291
Foreign currency exchange translation	(17,480)	—	(17,480)
Balance at December 31, 2015	290,679	(79,868)	210,811
Deferred income tax adjustment related to Canadian disregarded entity ⁽¹⁾	(33,945)	—	(33,945)
Foreign currency exchange translation	2,794	—	2,794
Balance at December 31, 2016	\$ 259,528	\$ (79,868)	\$ 179,660

(1) See Note 9 to the Consolidated Financial Statements.

As of December 31, 2016 and December 31, 2015, the Partnership's other intangible assets consisted of the following:

(In thousands)	Weighted Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
December 31, 2016				
Other intangible assets:				
Trade names	—	\$ 35,603	\$ —	\$ 35,603
License / franchise agreements	5.4 years	3,326	1,092	2,234
Total other intangible assets		<u>\$ 38,929</u>	<u>\$ 1,092</u>	<u>\$ 37,837</u>
December 31, 2015				
Other intangible assets:				
Trade names	—	\$ 35,208	\$ —	\$ 35,208
License / franchise agreements	8.4 years	1,067	380	687
Total other intangible assets		<u>\$ 36,275</u>	<u>\$ 380</u>	<u>\$ 35,895</u>

Amortization expense of other intangible assets for 2016, 2015 and 2014 was immaterial and is expected to be immaterial going forward.

(5) Long-Term Debt:

Long-term debt as of December 31, 2016 and December 31, 2015 consisted of the following:

(In thousands)	December 31, 2016	December 31, 2015
Revolving credit facility (due 2018)	\$ —	\$ —
Term debt ⁽¹⁾		
March 2013 U.S. term loan averaging 3.25% (due 2013-2020)	602,850	608,850
Notes		
June 2014 U.S. fixed rate note at 5.375% (due 2024)	450,000	450,000
March 2013 U.S. fixed rate note at 5.25% (due 2021)	500,000	500,000
	<u>1,552,850</u>	<u>1,558,850</u>
Less current portion	2,775	2,475
	<u>1,550,075</u>	<u>1,556,375</u>
Less debt issuance costs	15,864	19,699
	<u>\$ 1,534,211</u>	<u>\$ 1,536,676</u>

(1) These average interest rates do not reflect the effect of interest rate swap agreements entered into on variable-rate term debt (see Note 6 to the Consolidated Financial Statements).

In March 2013, the Partnership issued \$500 million of 5.25% senior unsecured notes ("March 2013 notes"), maturing in 2021. Concurrently with this offering, the Partnership entered into an \$885 million credit agreement (the "2013 Credit Agreement"), which included a \$630 million senior secured term loan facility and a \$255 million senior secured revolving credit facility. The terms of the senior secured term loan facility include a maturity date of March 6, 2020 and an interest rate of London InterBank Offering Rate ("LIBOR") plus 250 basis points (bps) with a LIBOR floor of 75 bps. The term loan amortizes at \$6.3 million annually. During the second quarter of 2016, \$6.0 million of term debt was prepaid, which has resulted in no principal payments due until the third quarter of 2017. The net proceeds from the March 2013 notes and borrowings under the 2013 Credit Agreement were used to repay in full all amounts outstanding under the previous credit facilities. The facilities provided under the 2013 Credit Agreement are collateralized by substantially all of the assets of the Partnership.

In June 2014, the Partnership issued \$450 million of 5.375% senior unsecured notes ("June 2014 notes"), maturing in 2024. The net proceeds from the offering of the June 2014 notes were used to redeem in full all of the Partnership's \$405 million of 9.125% July 2010 senior unsecured notes that were scheduled to mature in 2018 (and which included \$5.6 million of Original Issue Discount ("OID") to yield 9.375%), to satisfy and discharge the indenture governing the notes that were redeemed and for general corporate purposes.

Cedar Fair, L.P., Canada's Wonderland Company ("Cedar Canada"), and Magnum Management Corporation ("Magnum") are the co-issuers of the notes and co-borrowers of the senior secured credit facilities. In December 2014, the Partnership amended its credit agreement in order to add Millennium Operations, LLC, a newly converted wholly-owned limited liability company, as a co-borrower in connection with the Partnership's on-going long term tax planning efforts. The amendment was effective beginning on January 1, 2015. Both the notes and senior secured credit facilities have been fully and unconditionally guaranteed, on a joint and several basis, by each 100% owned subsidiary of Cedar Fair (other than Cedar Canada and Magnum). There are no non-guarantor subsidiaries.

Revolving Credit Loans

Terms of the 2013 Credit Agreement include a revolving credit facility of a combined \$255 million. Under the 2013 Credit Agreement, the Canadian portion of the revolving credit facility has a sub-limit of \$15 million. U.S. denominated and Canadian denominated loans made under the revolving credit facility bear interest at a rate of LIBOR plus 225 bps (with no LIBOR floor). The revolving credit facility is scheduled to mature in March 2018 and also provides for the issuance of documentary and standby letters of credit. As of December 31, 2016, no borrowings under the revolving credit facility were outstanding and standby letters of credit totaled \$15.9 million. After letters of credit, the Partnership had \$239.1 million of available borrowings under its revolving credit facility as of December 31, 2016. The maximum outstanding balance during 2016 was \$101.0 million under the revolving credit facility. The 2013 Credit Agreement requires the Partnership to pay a commitment fee of 38 bps per annum on the unused portion of the credit facilities.

Term Debt

The credit facilities provided under the 2013 Credit Agreement include a \$630 million U.S. term loan maturing in March 2020. As of December 31, 2016, the U.S. term loan bore interest at a rate of LIBOR plus 250 bps, with a LIBOR floor of 75 bps.

At December 31, 2016, the scheduled annual maturities of term debt were as follows:

(In thousands)	2017	2018	2019	2020	2021	2022 & Beyond	Total
U.S. term loan maturing in 2020	\$ 2,775	\$ 6,300	\$ 6,300	\$ 587,475	\$ —	\$ —	\$ 602,850

The Partnership may prepay some or all of its term debt maturing in 2020 without premium or penalty at any time.

Notes

The Partnership's March 2013 notes pay interest semi-annually in March and September, with the principal due in full on March 15, 2021. The notes may be redeemed, in whole or in part, at any time prior to March 15, 2017 at a price equal to 103.938% of the principal amount of the notes redeemed, together with accrued and unpaid interest, if any, to the redemption date. The notes may be redeemed after this date, in whole or in part, at various prices depending on the date redeemed.

The Partnership's June 2014 notes pay interest semi-annually in June and December, with the principal due in full on June 1, 2024. Prior to June 1, 2017, up to 35% of the notes may be redeemed with the net cash proceeds of certain equity offerings at a price equal to 105.375% together with accrued and unpaid interest. 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.

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

Covenants

The 2013 Credit Agreement includes two Financial Condition Covenants, which if breached for any reason and not cured, could result in an event of default. At the end of the fourth quarter of 2016 and 2015, the first of these, the Consolidated Leverage Ratio, was set at a maximum of 5.50 x and 5.75 x consolidated total debt (excluding the revolving debt)-to-consolidated EBITDA, respectively. This required ratio decreased by 0.25 x at the beginning of the second quarter of 2016. The final decrease will occur at the beginning of the second quarter of 2017 when the ratio will reach its minimum of 5.25 x. The second of these required ratios, the Consolidated Fixed Charge Coverage Ratio, is set at a minimum of 1.1 x (consolidated total fixed charges-to-consolidated EBITDA). As of December 31, 2016 and 2015, the Partnership was in compliance with these Financial Condition Covenants and all other covenants under the 2013 Credit Agreement.

The Partnership is allowed to make Restricted Payments, as defined in the 2013 Credit Agreement, of up to \$60 million annually, so long as no default or event of default has occurred and is continuing and so long as the Partnership would be in compliance with certain financial ratios after giving effect to the payments. Additional Restricted Payments are allowed to be made based on an Excess-Cash-Flow formula should the Partnership's pro-forma Consolidated Leverage Ratio be less than or equal to 5.00 x. Pursuant to the terms of the indentures governing the Partnership's June 2014 and March 2013 notes, the Partnership can make Restricted Payments of \$60 million annually so long as no default or event of default has occurred and is continuing; and the Partnership's ability to make additional Restricted Payments is permitted should the Partnership's pro forma Total Indebtedness-to-Consolidated-Cash-Flow Ratio be less than or equal to 5.00 x.

(6) Derivative Financial Instruments:

Derivative financial instruments are used within the Partnership's overall risk management program to manage certain interest rate and foreign currency risks. By utilizing a derivative instrument to hedge our exposure to LIBOR rate changes, the Partnership is exposed to counterparty credit risk, in particular the failure of the counterparty to perform under the terms of the derivative contract. To mitigate this risk, hedging instruments are placed with a counterparty that the Partnership believes poses minimal credit risk. The Partnership does not use derivative financial instruments for trading purposes.

In the first quarter of 2016, the Partnership amended each of its four interest rate swap agreements to extend each of the maturities by two years to December 31, 2020 and effectively convert \$500 million of variable-rate debt at a rate of 2.64% . As a result of the amendments, the previously existing interest rate swaps were de-designated, and the amounts recorded in AOCI are being amortized into earnings through the original December 31, 2018 maturity. The amended interest rate swap agreements are not designated as hedging instruments. There were no other changes to the terms of the agreements beyond those disclosed. Prior to de-designation, as of December 31, 2015, the interest rate swap agreements effectively converted \$500 million of variable-rate debt at a rate of 2.94% .

The fair market value of the Partnership's swap portfolio was a liability of \$17.7 million and \$22.9 million , as of December 31, 2016 and 2015, respectively, and was recorded on the consolidated balance sheet within "Derivative Liability" as listed below.

(In thousands)	December 31, 2016	December 31, 2015
Derivatives designated as hedging instruments:		
Interest rate swaps	\$ —	\$ (22,918)
Total derivatives designated as hedging instruments:	—	(22,918)
Derivatives not designated as hedging instruments:		
Interest rate swaps	(17,721)	—
Total derivatives not designated as hedging instruments:	(17,721)	—
Net derivative liability	\$ (17,721)	\$ (22,918)

Derivatives Designated as Hedging Instruments

Changes in fair value of highly effective hedges are recorded as a component of AOCI in the balance sheet. Any ineffectiveness is recognized immediately in income. Amounts recorded as a component of accumulated other comprehensive income are reclassified into earnings in the same period the forecasted transactions affect earnings. As a result of the first quarter of 2016 amendments, the previously existing interest rate swap agreements were de-designated and the amended interest rate swap agreements were not designated as hedging instruments. As of December 31, 2016, the Partnership has no designated derivatives; therefore, no amount of designated derivatives are forecasted to be reclassified into earnings in the next twelve months.

Derivatives Not Designated as Hedging Instruments

Instruments that do not qualify for hedge accounting or were de-designated are prospectively adjusted to fair value each reporting period through "Net effect of swaps" within the consolidated statements of operations and comprehensive income. The amounts that were previously recorded as a component of AOCI prior to de-designation are reclassified to earnings, and a corresponding realized gain or loss is recognized when the forecasted cash flow occurs. As a result of the first quarter of 2016 amendments, the previously existing interest rate swap agreements were de-designated, and the amounts previously recorded in AOCI are being amortized into earnings through the original December 2018 maturity. As of December 31, 2016, approximately \$18.9 million of losses remain in AOCI related to the effective cash flow hedge contracts prior to de-designation, \$9.5 million of which will be reclassified to earnings within the next twelve months.

The following table summarizes the effect of derivative instruments on income and other comprehensive income for the years ended December 31, 2016 and December 31, 2015:

(In thousands)	Amount of Gain (Loss) recognized in OCI on Derivatives (Effective Portion)		Amount and Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)			Amount and Location of Gain (Loss) Recognized in Income on Derivatives		
	Year ended 12/31/16	Year ended 12/31/15	Designated Derivatives	Year ended 12/31/16	Year ended 12/31/15	Derivatives Not Designated	Year ended 12/31/16	Year ended 12/31/15
Interest rate swaps	\$ (4,671)	\$ (8,269)	Interest Expense	\$ (851)	\$ (517)	Net effect of swaps	\$ 9,868	\$ 11,791

For 2016, the Partnership recognized \$9.9 million of gains on the derivatives not designated as cash flow hedges and \$8.7 million of expense representing the regular amortization of amounts in AOCI. The net effect of these amounts resulted in a benefit to earnings for the year of \$1.2 million recorded in "Net effect of swaps."

For 2015, the Partnership recognized \$11.8 million of gains on the derivatives not designated as cash flow hedges and \$4.9 million of expense representing the regular amortization of amounts in AOCI. The net effect of these amounts resulted in a benefit to earnings for the year of \$6.9 million recorded in "Net effect of swaps."

(7) Partners' Equity:

Special L.P. Interests

In accordance with the Partnership Agreement, certain partners were allocated \$5.3 million of 1987 and 1988 taxable income (without any related cash distributions) for which they received Special L.P. Interests. The Special L.P. Interests do not participate in cash distributions and have no voting rights. However, the holders of Special L.P. Interests will receive in the aggregate \$5.3 million upon liquidation of the Partnership.

Equity-Based Incentive Plan

The 2016 Omnibus Incentive Plan was approved by the Partnership's unitholders in June 2016 and allows the awarding of up to 2.8 million unit options and other forms of equity as determined by the Compensation Committee of the Board of Directors as an element of compensation to senior management and other key employees. The 2016 Omnibus Incentive Plan supersedes the 2008 Omnibus Incentive Plan which was approved by the Partnership's unitholders in May 2008 and allowed the awarding of up to 2.5 million unit options and other forms of equity. Outstanding awards under the 2008 Omnibus Incentive Plan continue to be in effect and are governed by the terms of that plan. The 2016 Omnibus Incentive Plan provides an opportunity for officers, directors, and eligible persons to acquire an interest in the growth and performance of the Partnership's units and provides employees annual and long-term incentive awards as determined by the Board of Directors. Under the 2016 Omnibus Incentive Plan, the Compensation Committee of the Board of Directors may grant unit options, unit appreciation rights, restricted units, performance awards, other unit awards, cash incentive awards and unrestricted unit awards.

Awards Payable in Cash or Equity

Phantom Units

During 2016, no "phantom units" were awarded. "Phantom unit" awards generally vest over an approximate four -year period and can be settled with cash, limited partnership units, or a combination of both, as determined by the Compensation Committee. The effect of "phantom unit" awards has been included in the diluted earnings per unit calculation for 2015 and 2014, as a portion of the awards were expected to be paid in limited partnership units during those years. Approximately \$0.8 million and \$1.7 million in compensation expense related to liability "phantom unit" awards was recognized in 2015 and 2014, respectively. No compensation expense related to liability "phantom unit" awards was recognized in 2016. These amounts are included in "Selling, General and Administrative Expense" in the accompanying consolidated statements of operations and comprehensive income. As of December 31, 2015, the Partnership had settled all outstanding "phantom unit" awards.

Performance Units

During 2016, none of these types of "performance units" were awarded. The number of "performance units" issuable under these awards are contingently based upon certain performance targets over a three -year period and these awards can be paid with cash, limited partnership units, or a combination of both as determined by the Compensation Committee, after the end of the performance period. Certain of these types of performance units were awarded in prior years. The effect of these outstanding "performance unit" awards for which the performance condition has been met has been included in the diluted earnings per unit calculation, as a portion of the awards are expected to be settled in limited partnership units. The effect of these outstanding "performance unit" awards for which the performance condition has not been met has been excluded from the diluted earnings per unit calculation. Approximately \$4.6 million, \$8.0 million and \$5.3 million in 2016, 2015 and 2014, respectively, were recorded in compensation expense related to these types of "performance units" and are included in "Selling, General and Administrative Expense" in the accompanying consolidated statements of operations and comprehensive income.

As of December 31, 2016, the Partnership had 151,316 "performance units" outstanding, all of which have been accrued for as a liability at the December 30, 2016 closing price of \$64.20 per unit. The estimated aggregate market value of "performance units" contingently issuable under these types of awards at year-end has been reflected on the consolidated balance sheet recorded in "Accrued salaries, wages and benefits" as all outstanding units are current and have a balance of \$9.7 million as of December 31, 2016. As of December 31, 2015, the current and long-term portions were \$7.4 million and \$5.4 million, respectively. As of December 31, 2016, there was no unamortized compensation related to unvested "performance unit" awards of this type. The Partnership expects to settle the remaining outstanding "performance unit" awards of this type upon vesting during 2017.

Deferred Units

During 2016, 11,220 "deferred units" were awarded at a grant price of \$64.20. Compensation expense related to "deferred units" vests ratably over a one -year period and the settlement of these units is deferred until the individual's service to the Partnership ends. The "deferred units" accumulate distribution-equivalents upon determination of the number of units attributable to the participant and will be paid when the restriction ends. The effect of outstanding "deferred unit" awards has been included in the diluted earnings per unit calculation, as a portion of the awards are expected to be settled in limited partnership units. Approximately \$1.0 million, \$0.8 million, and \$0.5 million in 2016, 2015, and 2014, respectively, were recorded in compensation expense related to "deferred units" and are included in "Selling, General, and Administrative Expense" in the accompanying consolidated statement of operations and comprehensive income.

As of December 31, 2016, the Partnership had 35,311 "deferred units" outstanding and vested at the December 30, 2016 closing price of \$64.20 per unit. The estimated aggregate market value of the "deferred units" at year-end has been reflected as a liability on the consolidated balance sheet, with the current portion being recorded in "Other accrued liabilities" and the long-term portion in "Other Liabilities." As of December

31, 2016 and 2015, the market value of the "deferred units" totaled \$2.3 million and \$1.3 million, respectively, all of which was classified as current. As of December 31, 2016, there was no unamortized expense related to unvested "deferred unit" awards.

Awards Payable in Equity

Performance Units

During 2016, 109,605 "performance units" were awarded at a weighted-average grant price of \$57.57 per unit. The number of "performance units" issuable under these awards are contingently based upon certain performance targets over the three -year vesting period. The annual performance awards and the related forfeitable distribution equivalents, generally are paid out in the first quarter following the performance period in limited partnership units. The 2014 "performance units" payable in equity were retention grant units that are to be paid out in limited partnership units in December 2017 and December 2018 following a three -year performance period and the forfeitable distribution equivalents would be paid in cash at that same time. The effect of these types of outstanding "performance unit" awards, for which the performance conditions have been met, have been included in the diluted earnings per unit calculation. The effect of these outstanding "performance unit" awards which the performance conditions have not been met, have been excluded from the diluted earnings per unit calculation. Approximately \$7.5 million, \$3.7 million, and \$1.4 million in 2016, 2015, and 2014, respectively, were recorded in compensation expense related to "performance units" under this award and are included in "Selling, General and Administrative Expense" in the accompanying consolidated statements of operations and comprehensive income. As of December 31, 2016, the amount of forfeitable distribution equivalents accrued and recorded on the consolidated balance sheet in "Other Liabilities" was approximately \$1.1 million.

As of December 31, 2016, the Partnership had 487,864 "performance units" outstanding, 231,785 of which have been accrued for within equity. As of December 31, 2016, unamortized compensation related to these unvested "performance unit" awards totaled approximately \$14.4 million, which is expected to be amortized over a weighted average period of 2.2 years. The Partnership expects to settle 62,117 of these outstanding "performance units" upon vesting during 2017.

Restricted Units

During 2016, 96,536 "restricted units" were awarded. Compensation expense related to 73,068 of the restricted units vests ratably over a three -year period, the restrictions on these units lapse upon vesting, and they were awarded at a weighted-average grant price of \$57.57. During the time of restriction, these units accumulate forfeitable distribution-equivalents, which, when the units are fully vested, will be paid in the form accrued. Compensation expense related to the remaining 23,468 restricted units vest following a three-year cliff vesting period and were awarded at a weighted-average grant price of \$60.37. During the vesting period, the units accumulate forfeitable distribution-equivalents, which, when the units are fully vested, will also be paid in the form accrued. Approximately \$3.9 million, \$4.1 million, and \$3.7 million in 2016, 2015, and 2014, respectively, were recorded in compensation expense related to "restricted units" and are included in "Selling, General, and Administrative Expense" in the accompanying consolidated statement of operations and comprehensive income. As of December 31, 2016, the amount of forfeitable distribution equivalents accrued and recorded on the consolidated balance sheet in "Other Liabilities" was approximately \$0.8 million.

As of December 31, 2016, the Partnership had 284,328 "restricted units" outstanding, 136,285 of which have been accrued for within equity. In addition, as of December 31, 2016, unamortized compensation expense related to unvested "restricted unit" awards totaled approximately \$8.5 million, which is expected to be amortized over a weighted average period of 2.4 years. The Partnership expects to settle 65,264 of these outstanding "restricted units" upon vesting during 2017.

Unit Options

The Partnership's "unit options" are issued with an exercise price no less than the market closing price of the Partnership's units on the day before the date of grant. Outstanding "unit options" vest ratably over a three -year period and have a maximum term of ten years. As of December 31, 2016, the Partnership had 399,941 fixed-price "unit options" outstanding under the 2008 Omnibus Incentive Plan. No options have been granted under the 2016 Omnibus Incentive Plan.

None of these "unit options" were granted during 2016 and 2015. Non-cash compensation expense relating to unit options in 2016, 2015, and 2014 totaled \$0.0 million, \$0.6 million, and \$0.9 million, respectively.

A summary of "unit option" activity for the years ended December 31, 2016 and December 31, 2015 is as follows:

	2016		2015	
	Unit Options	Weighted Average Exercise Price	Unit Options	Weighted Average Exercise Price
Outstanding, beginning of year	506,990	\$ 34.50	622,316	\$ 34.03
Exercised	(107,049)	34.80	(109,575)	31.79
Forfeited	—	—	(5,751)	35.58
Outstanding, end of year	399,941	\$ 34.42	506,990	\$ 34.50
Options exercisable, end of year	399,941	\$ 34.42	478,688	\$ 34.36

There was no cash received from "unit option" exercises in 2016, 2015 and 2014.

The following table summarizes the vested "unit options" outstanding as of December 31, 2016:

Type	Range of Exercise Prices	Unit Options	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
Outstanding at year-end	\$ 29.53 — \$ 36.95	399,941	5.8 years	\$ 34.42
Aggregate intrinsic value (\$'s in thousands)		\$ 11,910		

A summary of the status of the Partnership's non-vested "unit options" as of December 31, 2016 is as follows:

	Unit Options	Weighted Average Exercise Price
Nonvested, beginning of year	28,302	\$ 36.95
Vested	(28,302)	36.95
Nonvested, end of year	—	\$ —

The total intrinsic value of "unit options" exercised during the years ended December 31, 2016, 2015 and 2014 were \$2.8 million, \$3.0 million, and \$1.0 million, respectively.

The Partnership has a policy of issuing limited partnership units from treasury to satisfy "unit option" exercises and expects its treasury unit balance to be sufficient for 2017 based on estimates of "unit option" exercises for that period.

(8) Retirement Plans:

The Partnership has trustee, noncontributory retirement plans for the majority of its full-time employees. Contributions are discretionary and amounts accrued were approximately \$4.2 million in 2016, \$4.3 million in 2015 and \$4.3 million in 2014. Additionally, the Partnership has a trustee, contributory retirement plan for the majority of its full-time employees. This plan permits employees to contribute specified percentages of their salary, matched up to a limit by the Partnership. Matching contributions, net of forfeitures, approximated \$2.4 million in 2016, \$2.3 million in 2015 and \$2.1 million in 2014.

In addition, approximately 250 employees are covered by union-sponsored, multi-employer pension plans for which approximately \$1.7 million, \$1.5 million and \$1.5 million were contributed for the years ended December 31, 2016, 2015, and 2014, respectively. The Partnership has no plans to withdraw from any of the multi-employer plans. The Partnership believes that the liability resulting from any such withdrawal, as defined by the Multi-employer Pension Plan Amendments Act of 1980, would not be material.

(9) Income and Partnership Taxes:

Federal and state tax legislation in 1997 provided a permanent income tax exemption to existing publicly traded partnerships (PTP), such as Cedar Fair, L.P., with a PTP tax levied on partnership gross income (net revenues less cost of food, merchandise and games) beginning in 1998. In addition, income taxes are recognized for the amount of taxes payable by the Partnership's corporate subsidiaries for the current year and for the impact of deferred tax assets and liabilities that represent future tax consequences of events that have been recognized differently in the financial statements than for tax purposes. As such, the Partnership's "Provision for taxes" includes amounts for both the PTP tax and for income taxes on the Partnership's corporate subsidiaries.

The Partnership's 2016 tax provision totals \$71.4 million, which consists of an \$11.4 million provision for the PTP tax and a \$60.0 million provision for income taxes. This compares to the Partnership's 2015 tax provision of \$22.2 million, which consisted of a \$11.7 million provision for the PTP tax and a \$10.5 million provision for income taxes, and the 2014 tax provision of \$9.9 million, which consisted of a \$9.6 million provision for the PTP tax and a \$0.3 million provision for income taxes. The calculation of the provision for taxes involves significant estimates and assumptions and actual results could differ from those estimates.

Significant components of income (loss) before taxes for the years ended December 31, 2016, December 31, 2015 and December 31, 2014 are as follows:

(In thousands)	2016	2015	2014
Domestic	\$ 223,626	\$ 209,268	\$ 186,389
Foreign	25,480	(74,854)	(72,289)
Total income before taxes	\$ 249,106	\$ 134,414	\$ 114,100

The provision (benefit) for income taxes was comprised of the following for the years ended December 31, 2016, December 31, 2015 and December 31, 2014:

(In thousands)	2016	2015	2014
Income taxes:			
Current federal	\$ 40,440	\$ 22,232	\$ 4,513
Current state and local	5,729	3,767	1,413
Current foreign	3,188	530	(2,692)
Total current	49,357	26,529	3,234
Deferred federal, state and local	5,766	4,842	9,239
Deferred foreign	4,896	(20,898)	(12,200)
Total deferred	10,662	(16,056)	(2,961)
Total provision for income taxes	\$ 60,019	\$ 10,473	\$ 273

The provision (benefit) for income taxes for the Partnership's corporate subsidiaries differs from the amount computed by applying the U.S. federal statutory income tax rate of 35% to the Partnership's income (loss) before taxes.

The sources and tax effects of the differences are as follows:

(In thousands)	2016	2015	2014
Income tax provision based on the U.S. federal statutory tax rate	\$ 87,187	\$ 47,045	\$ 39,935
Partnership income not includible in corporate income	(38,702)	(39,279)	(39,922)
State and local taxes, net of federal income tax benefit	6,323	3,504	1,786
Valuation allowance	(1,473)	—	(1,112)
Tax credits	(1,066)	(1,253)	(997)
Change in U.S. tax law	7,366	—	—
Nondeductible expenses and other	384	456	583
Total provision for income taxes	\$ 60,019	\$ 10,473	\$ 273

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of deferred tax assets and liabilities as of December 31, 2016 and 2015 are as follows:

(In thousands)	2016	2015
Deferred tax assets:		
Options and deferred compensation	\$ 15,716	\$ 13,957
Accrued expenses	6,875	6,775
Foreign tax credits	7,679	7,603
Tax attribute carryforwards	1,987	3,767
Derivatives	2,698	3,619
Foreign currency	10,414	19,182
Deferred revenue	4,455	4,648
Deferred tax assets	49,824	59,551
Valuation allowance	(4,207)	(5,680)
Net deferred tax assets	45,617	53,871
Deferred tax liabilities:		
Property	(136,831)	(171,316)
Intangibles	(13,671)	(12,318)
Deferred tax liabilities	(150,502)	(183,634)
Net deferred tax liability	\$ (104,885)	\$ (129,763)

During the fourth quarter of 2016, management reassessed its accounting for the deferred income tax effects related to its Canadian disregarded entity temporary differences that were recorded in purchase accounting at the time of the acquisition. As a result, to appropriately reflect these tax effects, the Company recorded an adjustment that reduced deferred tax liabilities and goodwill by \$33.9 million as of December 31, 2016. The adjustment did not impact the statements of operations and comprehensive income or cash flows for any period presented.

The Partnership records 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, 2015, the Partnership had recorded a \$5.7 million valuation allowance related to a \$7.6 million deferred tax asset for foreign tax credit carryforwards. 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 third quarter of 2016, the Partnership recognized a \$1.5 million tax benefit from a release of valuation allowance based on management's updated projection of future foreign tax credit utilization. The valuation allowance had previously been reduced by \$0.0 million and \$1.1 million for the years ended December 31, 2015 and 2014, respectively. Further, the Partnership believes based on its update of long term estimates of domestic and foreign source income that no additional adjustments to the valuation allowance are warranted. As of December 31, 2016, the Partnership had a \$7.7 million deferred tax asset for foreign tax credit carryforwards and a related \$4.2 million valuation allowance.

During December 2016, the U.S. Department of Treasury adopted final regulations impacting the recognition of foreign currency gains and losses for the purpose of calculating U.S. taxable income. The regulations change the taxability of future recognized foreign currency gains and losses upon repatriation from a foreign subsidiary. Accordingly, during the fourth quarter the Partnership, using the Fresh Start Transition Method provided in the regulations, recomputed and recorded the future reported tax consequences of the change in tax law. The Partnership recognized an increase in provision for taxes and deferred tax liabilities of \$7.4 million related to these changes.

Additionally, as of December 31, 2016, the Partnership had \$2.0 million of tax attribute carryforwards consisting entirely of the tax effect of state net operating loss carryforwards. Unused state net operating loss carryforwards will expire from 2018 to 2028. The Partnership expects to fully realize these tax attribute carryforwards. As such, no valuation allowance has been recorded relating to these tax attribute carryforwards.

The Partnership has recorded a deferred tax asset of \$3.0 million and a deferred tax liability of \$12.7 million as of December 31, 2016 and 2015, respectively, to account for the tax effect of derivatives and foreign currency translation adjustments included in other comprehensive income.

The Partnership has unrecognized income tax benefits as of December 31, 2016. The following is a reconciliation of beginning and ending unrecognized tax benefits:

(In thousands)	Unrecognized Tax Benefits
Balance at December 31, 2014	\$ 1,200
Increase from 2015 tax positions	—
Increase from 2014 tax positions	200
Decrease from settlements with taxing authority	—
Decrease from expiration of statute of limitations	(300)
Balance at December 31, 2015	1,100
Increase from 2016 tax positions	—
Increase from 2015 tax positions	100
Decrease from settlements with taxing authority	—
Decrease from expiration of statute of limitations	(300)
Balance at December 31, 2016	\$ 900

At December 31, 2016, a total of \$0.9 million of unrecognized tax benefits was recorded for state and local income tax positions. There were \$1.1 million of unrecognized tax positions during 2015 and \$1.2 million unrecognized tax positions during 2014. If recognized, the tax benefits would decrease the Partnership taxes by \$0.9 million .

The Partnership recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. Related to the unrecognized tax benefits noted, the Partnership accrued interest of \$0.3 million and penalties of \$0.2 million during 2016. The Partnership does not anticipate a significant change to the amount of unrecognized tax benefits over the next 12 months.

The Partnership and its corporate subsidiaries are subject to taxation in the U.S., Canada and various state and local jurisdictions. The tax returns of the Partnership are subject to examination by state and federal tax authorities. With few exceptions, the Partnership and its corporate subsidiaries are no longer subject to examination by the major taxing authorities for tax years before 2012.

(10) Operating Lease Commitments and Contingencies:

Operating Lease Commitments

The Partnership has commitments under various operating leases at its parks. Future minimum lease payments under non-cancelable operating leases as of December 31, 2016 are as follows:

(In thousands)	Future Minimum Lease Payments
Year:	
2017	\$ 8,922
2018	7,859
2019	6,771
2020	5,871
2021	5,677
Thereafter	96,658
Total	\$ 131,758

The amount due after 2021 includes the land lease at California's Great America which is renewable in 2039. Lease expense, which includes short-term rentals for equipment and machinery, for 2016, 2015 and 2014 totaled \$12.8 million , \$14.5 million and \$12.7 million , respectively.

Contingencies

The Partnership is also a party to a number of lawsuits arising in the normal course of business. In the opinion of management, none of these matters are expected to have a material effect in the aggregate on the Partnership's financial statements.

(11) Fair Value Measurements:

The FASB's Accounting Standards Codification (ASC) 820 "Fair Value Measurements" emphasizes that fair value is a market-based measurement that should be determined based on assumptions (inputs) that market participants would use in pricing an asset or liability. Inputs may be observable or unobservable, and valuation techniques used to measure fair value should maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Accordingly, FASB ASC 820 establishes a hierarchical disclosure framework that ranks the quality and reliability of information used to determine fair values. The hierarchy is associated with the level of pricing observability utilized in measuring fair value and defines three levels of inputs to the fair value measurement process. Quoted prices are the most reliable valuation inputs, whereas model values that include inputs based on unobservable data are the least reliable. Each fair value measurement must be assigned to a level corresponding to the lowest level input that is significant to the fair value measurement in its entirety.

The three broad levels of inputs defined by the fair value hierarchy are as follows:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The table below presents the balances of assets and liabilities measured at fair value as of December 31, 2016 and December 31, 2015 on a recurring basis as well as the fair values of other financial instruments:

(In thousands)	Consolidated Balance Sheet Level	Fair Value Hierarchy Level	December 31, 2016		December 31, 2015	
			Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets (liabilities) measured on a recurring basis:						
Interest rate swap agreements not designated as cash flow hedges	Derivative Liability	Level 2	\$ (17,721)	\$ (17,721)	—	—
Interest rate swap agreements designated as cash flow hedges	Derivative Liability	Level 2	—	—	\$ (22,918)	\$ (22,918)
Other financial assets (liabilities):						
Term debt	Long-Term Debt ⁽¹⁾	Level 2	\$ (600,075)	\$ (603,075)	\$ (606,375)	\$ (604,859)
March 2013 notes	Long-Term Debt ⁽¹⁾	Level 1	\$ (500,000)	\$ (510,000)	\$ (500,000)	\$ (507,500)
June 2014 notes	Long-Term Debt ⁽¹⁾	Level 1	\$ (450,000)	\$ (462,375)	\$ (450,000)	\$ (453,375)

(1) Carrying values of long-term debt balances are before reductions of debt issuance costs of \$15.9 million and \$19.7 million as of December 31, 2016 and December 31, 2015, respectively.

Fair values of the interest rate swap agreements are determined using significant inputs, including LIBOR forward curves, which are considered Level 2 observable market inputs. In addition, the Partnership considered the effect of its credit and non-performance risk on the fair values provided and recognized an adjustment decreasing the net derivative liability by an immaterial amount as of December 31, 2016 and December 31, 2015.

The carrying value of cash and cash equivalents, revolving credit loans, accounts receivable, current portion of term debt, accounts payable, and accrued liabilities approximates fair value because of the short maturity of these instruments. There were no assets measured at fair value on a non-recurring basis as of December 31, 2016.

(12) Changes in Accumulated Other Comprehensive Income ("AOCI"):

The following tables reflect the changes in AOCI related to limited partners' equity for the twelve-month periods ended December 31, 2016 and December 31, 2015 :

Changes in Accumulated Other Comprehensive Income by Component ⁽¹⁾

(In thousands)	Gains and Losses on Cash Flow Hedges	Foreign Currency Items	Total
Balance at December 31, 2015	\$ (19,300)	\$ 22,591	\$ 3,291
Other comprehensive income (loss) before reclassifications, net of tax \$711 and \$2,127	(3,960)	(3,700)	(7,660)
Amounts reclassified from accumulated other comprehensive income, net of tax (\$1,361) ⁽²⁾	7,310	—	7,310
Net other comprehensive income (loss)	3,350	(3,700)	(350)
Balance at December 31, 2016	\$ (15,950)	\$ 18,891	\$ 2,941

(1) All amounts are net of tax. Amounts in parentheses indicate debits.

(2) See Reclassifications Out of Accumulated Other Comprehensive Income table below for reclassification details.

Changes in Accumulated Other Comprehensive Income by Component ⁽¹⁾

(In thousands)	Gains and Losses on Cash Flow Hedges	Foreign Currency Items	Total
Balance at December 31, 2014	\$ (16,566)	\$ 5,936	\$ (10,630)
Other comprehensive income (loss) before reclassifications, net of tax \$1,258 and (\$9,050)	(7,008)	16,655	9,647
Amounts reclassified from accumulated other comprehensive income, net of tax (\$633) ⁽²⁾	4,274	—	4,274
Net other comprehensive income (loss)	(2,734)	16,655	13,921
Balance at December 31, 2015	\$ (19,300)	\$ 22,591	\$ 3,291

(1) All amounts are net of tax. Amounts in parentheses indicate debits.

(2) See Reclassifications Out of Accumulated Other Comprehensive Income table below for reclassification details.

Reclassifications Out of Accumulated Other Comprehensive Income ⁽¹⁾

Details about Accumulated Other Comprehensive Income Components	Amount Reclassified from Accumulated Other Comprehensive Income		Affected Line Item in the Statement Where Net Income is Presented
(In thousands)	12 Months ended 12/31/2016	12 Months ended 12/31/2015	
Interest rate contracts	\$ 8,671	\$ 4,907	Net effect of swaps
Provision for taxes	(1,361)	(633)	Benefit for taxes
Gains and losses on cash flow hedges	\$ 7,310	\$ 4,274	Net of tax

(1) Amounts in parentheses indicate gains.

(13) Consolidating Financial Information of Guarantors and Issuers:

Cedar Fair, L.P., Canada's Wonderland Company ("Cedar Canada"), and Magnum Management Corporation ("Magnum") are the co-issuers of the Partnership's 5.375% and 5.25% notes (see Note 5 to the Consolidated Financial Statements). The notes have been fully and unconditionally guaranteed, on a joint and several basis, by each 100% owned subsidiary of Cedar Fair (other than Cedar Canada and Magnum) that guarantees the Partnership's senior secured credit facilities. There are no non-guarantor subsidiaries.

The following consolidating schedules present condensed financial information for Cedar Fair, L.P., Cedar Canada, and Magnum, the co-issuers, and each 100% owned subsidiary of Cedar Fair (other than Cedar Canada and Magnum), the guarantors (on a combined basis), as of December 31, 2016 and December 31, 2015 and for the years ended December 31, 2016 , December 31, 2015 , and December 31, 2014 . In lieu of providing separate audited financial statements for the guarantor subsidiaries, the accompanying condensed consolidating financial statements have been included.

CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING BALANCE SHEET
DECEMBER 31, 2016
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ —	\$ —	\$ 65,563	\$ 58,178	\$ (1,025)	\$ 122,716
Receivables	—	1,409	28,019	576,975	(570,989)	35,414
Inventories	—	—	1,371	24,905	—	26,276
Other current assets	173	796	2,229	9,833	(1,761)	11,270
	173	2,205	97,182	669,891	(573,775)	195,676
Property and Equipment, net	—	844	175,358	1,363,018	—	1,539,220
Investment in Park	798,076	937,626	200,075	324,282	(2,260,059)	—
Goodwill	674	—	59,381	119,605	—	179,660
Other Intangibles, net	—	—	13,255	24,582	—	37,837
Deferred Tax Asset	—	33,303	—	—	(33,303)	—
Other Assets	—	2,000	108	18,680	—	20,788
	<u>\$ 798,923</u>	<u>\$ 975,978</u>	<u>\$ 545,359</u>	<u>\$ 2,520,058</u>	<u>\$ (2,867,137)</u>	<u>\$ 1,973,181</u>
LIABILITIES AND PARTNERS' EQUITY						
Current Liabilities:						
Current maturities of long-term debt	\$ —	\$ 572	\$ 64	\$ 2,139	\$ —	\$ 2,775
Accounts payable	428,396	145,258	740	18,471	(572,014)	20,851
Deferred revenue	—	—	5,601	77,164	—	82,765
Accrued interest	4,613	3,207	2,057	109	—	9,986
Accrued taxes	405	18,653	—	41,661	(1,761)	58,958
Accrued salaries, wages and benefits	—	29,227	1,131	—	—	30,358
Self-insurance reserves	—	12,490	1,321	13,252	—	27,063
Other accrued liabilities	2,282	3,018	193	4,434	—	9,927
	435,696	212,425	11,107	157,230	(573,775)	242,683
Deferred Tax Liability	—	—	12,838	125,350	(33,303)	104,885
Derivative Liability	10,633	7,088	—	—	—	17,721
Other Liabilities	—	1,236	—	11,926	—	13,162
Long-Term Debt:						
Term debt	—	123,672	13,598	456,958	—	594,228
Notes	292,075	203,140	444,768	—	—	939,983
	292,075	326,812	458,366	456,958	—	1,534,211
Equity	60,519	428,417	63,048	1,768,594	(2,260,059)	60,519
	<u>\$ 798,923</u>	<u>\$ 975,978</u>	<u>\$ 545,359</u>	<u>\$ 2,520,058</u>	<u>\$ (2,867,137)</u>	<u>\$ 1,973,181</u>

CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING BALANCE SHEET
DECEMBER 31, 2015
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 77,007	\$ —	\$ 39,106	\$ 3,444	\$ —	\$ 119,557
Receivables	—	1,292	27,788	547,361	(546,947)	29,494
Inventories	—	121	1,222	23,686	—	25,029
Other current assets	188	1,261	1,332	8,781	(1,616)	9,946
	77,195	2,674	69,448	583,272	(548,563)	184,026
Property and Equipment, net	—	5,593	176,390	1,332,895	—	1,514,878
Investment in Park	724,592	911,910	179,529	27,862	(1,843,893)	—
Goodwill	674	—	90,531	119,606	—	210,811
Other Intangibles, net	—	—	12,832	23,063	—	35,895
Deferred Tax Asset	—	14,080	—	—	(14,080)	—
Other Assets	—	14,414	210	2,786	—	17,410
	<u>\$ 802,461</u>	<u>\$ 948,671</u>	<u>\$ 528,940</u>	<u>\$ 2,089,484</u>	<u>\$ (2,406,536)</u>	<u>\$ 1,963,020</u>
LIABILITIES AND PARTNERS' EQUITY						
Current Liabilities:						
Current maturities of long-term debt	\$ —	\$ 1,008	\$ 57	\$ 1,410	\$ —	\$ 2,475
Accounts payable	433,621	115,135	810	14,503	(546,947)	17,122
Deferred revenue	—	85	4,397	65,032	—	69,514
Accrued interest	4,602	3,221	2,056	31	—	9,910
Accrued taxes	1,066	—	—	42,487	(1,616)	41,937
Accrued salaries, wages and benefits	—	22,166	1,026	3,724	—	26,916
Self-insurance reserves	—	7,437	1,400	15,159	—	23,996
Other accrued liabilities	1,355	1,531	167	3,748	—	6,801
	440,644	150,583	9,913	146,094	(548,563)	198,671
Deferred Tax Liability	—	—	21,979	121,864	(14,080)	129,763
Derivative Liability	13,396	9,522	—	—	—	22,918
Other Liabilities	—	6,705	—	11,278	—	17,983
Long-Term Debt:						
Term debt	—	244,101	13,691	340,554	—	598,346
Notes	291,412	202,679	444,239	—	—	938,330
	291,412	446,780	457,930	340,554	—	1,536,676
Equity						
	57,009	335,081	39,118	1,469,694	(1,843,893)	57,009
	<u>\$ 802,461</u>	<u>\$ 948,671</u>	<u>\$ 528,940</u>	<u>\$ 2,089,484</u>	<u>\$ (2,406,536)</u>	<u>\$ 1,963,020</u>

CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME
For the Year Ended December 31, 2016
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
Net revenues	\$ 144,042	\$ 320,945	\$ 117,962	\$ 1,234,075	\$ (528,303)	\$ 1,288,721
Costs and expenses:						
Cost of food, merchandise and games revenues	—	—	9,868	96,740	—	106,608
Operating expenses	—	303,974	42,820	720,390	(528,303)	538,881
Selling, general and administrative	3,029	68,422	10,151	100,228	—	181,830
Depreciation and amortization	—	35	14,816	117,025	—	131,876
Loss on impairment / retirement of fixed assets, net	—	—	159	12,428	—	12,587
	3,029	372,431	77,814	1,046,811	(528,303)	971,782
Operating income (loss)	141,013	(51,486)	40,148	187,264	—	316,939
Interest expense, net	32,643	24,114	25,403	1,526	—	83,686
Net effect of swaps	(473)	(724)	—	—	—	(1,197)
Unrealized / realized foreign currency (gain) loss	—	—	(14,660)	4	—	(14,656)
Other (income) expense	250	(83,657)	3,925	79,482	—	—
Income from investment in affiliates	(80,295)	(73,132)	(20,545)	(27,628)	201,600	—
Income before taxes	188,888	81,913	46,025	133,880	(201,600)	249,106
Provision for taxes	11,200	1,621	18,396	40,201	—	71,418
Net income	\$ 177,688	\$ 80,292	\$ 27,629	\$ 93,679	\$ (201,600)	\$ 177,688
Other comprehensive income (loss), (net of tax):						
Cumulative foreign currency translation adjustment	(3,700)	—	(3,700)	—	3,700	(3,700)
Unrealized gain on cash flow hedging derivatives	3,350	1,060	—	—	(1,060)	3,350
Other comprehensive income (loss), (net of tax)	(350)	1,060	(3,700)	—	2,640	(350)
Total comprehensive income (loss)	\$ 177,338	\$ 81,352	\$ 23,929	\$ 93,679	\$ (198,960)	\$ 177,338

CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME
For the Year Ended December 31, 2015
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
Net revenues	\$ 145,571	\$ 240,817	\$ 112,217	\$ 1,118,384	\$ (381,211)	\$ 1,235,778
Costs and expenses:						
Cost of food, merchandise and games revenues	—	372	8,878	95,577	—	104,827
Operating expenses	1,063	179,139	42,814	675,821	(381,211)	517,626
Selling, general and administrative	3,081	55,551	10,358	102,500	—	171,490
Depreciation and amortization	—	37	14,326	111,268	—	125,631
Loss on impairment / retirement of fixed assets, net	—	—	417	20,456	—	20,873
	4,144	235,099	76,793	1,005,622	(381,211)	940,447
Operating income	141,427	5,718	35,424	112,762	—	295,331
Interest expense, net	34,204	28,210	25,381	(1,010)	—	86,785
Net effect of swaps	(3,820)	(3,064)	—	—	—	(6,884)
Unrealized / realized foreign currency loss	—	—	81,016	—	—	81,016
Other (income) expense	750	(18,649)	3,883	14,016	—	—
(Income) loss from investment in affiliates	(13,523)	(15,141)	(20,100)	27,480	21,284	—
Income (loss) before taxes	123,816	14,362	(54,756)	72,276	(21,284)	134,414
Provision (benefit) for taxes	11,594	840	(27,274)	37,032	—	22,192
Net income (loss)	\$ 112,222	\$ 13,522	\$ (27,482)	\$ 35,244	\$ (21,284)	\$ 112,222
Other comprehensive income (loss), (net of tax):						
Cumulative foreign currency translation adjustment	16,655	—	16,655	—	(16,655)	16,655
Unrealized loss on cash flow hedging derivatives	(2,734)	(1,021)	—	—	1,021	(2,734)
Other comprehensive income (loss), (net of tax)	13,921	(1,021)	16,655	—	(15,634)	13,921
Total comprehensive income (loss)	\$ 126,143	\$ 12,501	\$ (10,827)	\$ 35,244	\$ (36,918)	\$ 126,143

CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME
For the Year Ended December 31, 2014
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
Net revenues	\$ 159,454	\$ 295,252	\$ 121,249	\$ 1,034,056	\$ (450,406)	\$ 1,159,605
Costs and expenses:						
Cost of food, merchandise and games revenues	—	273	8,985	85,950	—	95,208
Operating expenses	5,371	195,899	47,013	698,202	(450,406)	496,079
Selling, general and administrative	5,791	102,021	11,318	37,734	—	156,864
Depreciation and amortization	38,341	294	16,910	68,741	—	124,286
Loss on impairment / retirement of fixed assets, net	2,621	2,463	2,445	2,228	—	9,757
Gain on sale of other assets	—	—	—	(921)	—	(921)
	52,124	300,950	86,671	891,934	(450,406)	881,273
Operating income (loss)	107,330	(5,698)	34,578	142,122	—	278,332
Interest expense, net	42,440	28,718	34,249	(9,247)	—	96,160
Net effect of swaps	(1,595)	(467)	—	—	—	(2,062)
Loss on early debt extinguishment	—	—	29,261	—	—	29,261
Unrealized / realized foreign currency loss	—	—	40,873	—	—	40,873
Other (income) expense	750	(12,920)	2,482	9,688	—	—
(Income) loss from investment in affiliates	(48,622)	(12,899)	(21,236)	25,658	57,099	—
Income (loss) before taxes	114,357	(8,130)	(51,051)	116,023	(57,099)	114,100
Provision (benefit) for taxes	10,142	(8,473)	(25,396)	33,612	—	9,885
Net income (loss)	\$ 104,215	\$ 343	\$ (25,655)	\$ 82,411	\$ (57,099)	\$ 104,215
Other comprehensive income, (net of tax):						
Cumulative foreign currency translation adjustment	5,931	—	5,931	—	(5,931)	5,931
Unrealized loss on cash flow hedging derivatives	(1,553)	(66)	—	—	66	(1,553)
Other comprehensive income, (net of tax)	4,378	(66)	5,931	—	(5,865)	4,378
Total comprehensive income	\$ 108,593	\$ 277	\$ (19,724)	\$ 82,411	\$ (62,964)	\$ 108,593

CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2016
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
NET CASH FROM (FOR) OPERATING ACTIVITIES	\$ 118,833	\$ (29,235)	\$ 33,918	\$ 237,262	\$ (3,351)	\$ 357,427
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES						
Intercompany receivables (payments) receipts	—	—	—	(24,562)	24,562	—
Purchase of identifiable intangible assets	—	—	(29)	(548)	—	(577)
Capital expenditures	—	—	(7,863)	(152,793)	—	(160,656)
Net cash from (for) investing activities	—	—	(7,892)	(177,903)	24,562	(161,233)
CASH FLOWS FROM (FOR) FINANCING ACTIVITIES						
Term debt payments	—	(1,237)	(138)	(4,625)	—	(6,000)
Intercompany payables (payments) receipts	(6,332)	30,894	—	—	(24,562)	—
Distributions paid to partners	(189,508)	—	—	—	2,326	(187,182)
Tax effect of units involved in treasury unit transactions	—	(422)	—	—	—	(422)
Net cash from (for) financing activities	(195,840)	29,235	(138)	(4,625)	(22,236)	(193,604)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	—	—	569	—	—	569
CASH AND CASH EQUIVALENTS						
Net increase (decrease) for the year	(77,007)	—	26,457	54,734	(1,025)	3,159
Balance, beginning of year	77,007	—	39,106	3,444	—	119,557
Balance, end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 65,563</u>	<u>\$ 58,178</u>	<u>\$ (1,025)</u>	<u>\$ 122,716</u>

CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2015
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
NET CASH FROM (FOR) OPERATING ACTIVITIES	\$ 89,637	\$ (4,853)	\$ 38,579	\$ 221,001	\$ (2,147)	\$ 342,217
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES						
Intercompany receivables (payments) receipts	—	—	(3,252)	(55,294)	58,546	—
Purchase of preferred equity investment	—	(2,000)	—	—	—	(2,000)
Capital expenditures	—	—	(7,663)	(168,202)	—	(175,865)
Net cash from (for) investing activities	—	(2,000)	(10,915)	(223,496)	58,546	(177,865)
CASH FLOWS FROM (FOR) FINANCING ACTIVITIES						
Intercompany payables (payments) receipts	82,131	8,060	(31,645)	—	(58,546)	—
Distributions paid to partners	(174,761)	—	—	—	2,147	(172,614)
Tax effect of units involved in treasury unit transactions	—	(1,589)	—	—	—	(1,589)
Net cash from (for) financing activities	(92,630)	6,471	(31,645)	—	(56,399)	(174,203)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	—	—	(2,432)	—	—	(2,432)
CASH AND CASH EQUIVALENTS						
Net increase (decrease) for the year	(2,993)	(382)	(6,413)	(2,495)	—	(12,283)
Balance, beginning of year	80,000	382	45,519	5,939	—	131,840
Balance, end of year	<u>\$ 77,007</u>	<u>\$ —</u>	<u>\$ 39,106</u>	<u>\$ 3,444</u>	<u>\$ —</u>	<u>\$ 119,557</u>

CEDAR FAIR, L.P.
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2014
(In thousands)

	Cedar Fair L.P. (Parent)	Co-Issuer Subsidiary (Magnum)	Co-Issuer Subsidiary (Cedar Canada)	Guarantor Subsidiaries	Eliminations	Total
NET CASH FROM (FOR) OPERATING ACTIVITIES	\$ 138,669	\$ 12,384	\$ 9,772	\$ 180,251	\$ (3,973)	\$ 337,103
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES						
Intercompany receivables (payments) receipts	—	13,794	—	(79,456)	65,662	—
Proceeds from sale of assets	—	—	—	1,377	—	1,377
(Purchase) sale of subsidiary interest	(12,024)	12,024	—	—	—	—
Capital expenditures	(64,837)	(270)	(16,072)	(85,540)	—	(166,719)
Net cash from (for) investing activities	(76,861)	25,548	(16,072)	(163,619)	65,662	(165,342)
CASH FLOWS FROM (FOR) FINANCING ACTIVITIES						
Note borrowings	—	—	450,000	—	—	450,000
Note payments, including early termination penalties	—	—	(426,148)	—	—	(426,148)
Term debt payments	(5,698)	(4,072)	(230)	—	—	(10,000)
Intercompany payables (payments) receipts	110,763	(37,762)	5,159	(14,030)	(64,130)	—
Distributions paid to partners	(161,873)	—	—	—	2,441	(159,432)
Payment of debt issuance costs	—	—	(9,795)	—	—	(9,795)
Tax effect of units involved in treasury unit transactions	—	140	—	—	—	140
Net cash from (for) financing activities	(56,808)	(41,694)	18,986	(14,030)	(61,689)	(155,235)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	—	—	(2,742)	—	—	(2,742)
CASH AND CASH EQUIVALENTS						
Net increase (decrease) for the year	5,000	(3,762)	9,944	2,602	—	13,784
Balance, beginning of year	75,000	4,144	35,575	3,337	—	118,056
Balance, end of year	\$ 80,000	\$ 382	\$ 45,519	\$ 5,939	\$ —	\$ 131,840

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

The Partnership maintains a system of controls and procedures designed to ensure that information required to be disclosed by the Partnership in its reports under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified by the Commission and that such information is accumulated and communicated to the Partnership's management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. As of December 31, 2016, the Partnership's management, with the participation of the Partnership's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Partnership's disclosure controls and procedures. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Partnership's disclosure controls and procedures were effective as of December 31, 2016.

Management's Report on Internal Control over Financial Reporting

The Partnership's management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Partnership's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Management, with the participation of the Partnership's Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of the Partnership's internal control over financial reporting as of December 31, 2016. In making this assessment, it used the criteria described in "Internal Control - Integrated Framework" (2013) issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. As a result of its assessment, management concluded that, as of December 31, 2016, the Partnership's internal control over financial reporting was effective. Deloitte & Touche LLP, the independent registered public accounting firm that audited the financial statements included in this Form 10-K, has issued an attestation report on the Partnership's internal control over financial reporting.

Changes in Internal Control over Financial Reporting

There were no changes in the Partnership's internal control over financial reporting that occurred during the fourth quarter of 2016 that have materially affected, or are reasonably likely to materially affect, the Partnership's internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Unitholders of Cedar Fair, L.P.
Sandusky, Ohio

We have audited the internal control over financial reporting of Cedar Fair, L.P. and subsidiaries (the "Partnership") as of December 31, 2016, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Partnership's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Partnership's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Partnership maintained, in all material respects, effective internal control over financial reporting as of December 31, 2016, based on the criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2016 of the Partnership and our report dated February 24, 2017 expressed an unqualified opinion on those financial statements.

/s/ DELOITTE & TOUCHE LLP

Cleveland, Ohio
February 24, 2017

ITEM 9B. OTHER INFORMATION.

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Cedar Fair Management, Inc., an Ohio corporation owned by an Ohio trust, is the General Partner of the Partnership and has full responsibility for the management of the Partnership. For additional information, attention is directed to Note 1 of the Consolidated Financial Statements.

A. Identification of Directors:

The information required by this item is incorporated by reference to the material in our Proxy Statement to be used in connection with the annual meeting of limited partner unitholders to be held in June 2017 (the “Proxy Statement”) under the captions “Proposal One. Election of Directors”, “Board Committees”, and “Section 16(a) Beneficial Ownership Reporting Compliance”.

B. Identification of Executive Officers:

Information regarding executive officers of the Partnership is included in this Annual Report on Form 10-K under the caption “Supplemental Item. Executive Officers of Cedar Fair” in Item 1 of Part I and is incorporated herein by reference.

C. Code of Ethics and Certifications:

In accordance with Section 406 of the Sarbanes-Oxley Act of 2002 and Item 406 of Regulation S-K, the Partnership has adopted a Code of Conduct and Ethics (the “Code”), which applies to all directors, officers and employees of the Partnership, including the Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer. A copy of the Code is available on the Internet at the Investor Relations section of our web site (www.cedarfair.com).

The Partnership submitted an unqualified Section 303A.12(a) Chief Executive Officer certification to the New York Stock Exchange on July 8, 2016, stating that the Partnership was in compliance with the NYSE's Corporate Governance Listing Standards. The Chief Executive Officer and Chief Financial Officer certifications under Section 302 of the Sarbanes-Oxley Act are included as exhibits to this Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this item is incorporated by reference to the material in our Proxy Statement under the captions “Executive Compensation”, “Compensation Committee Interlocks and Insider Participation”, and “Compensation Committee Report”.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED UNITHOLDER MATTERS.

The information required by this item is incorporated by reference to the material in our Proxy Statement under the caption “Security Ownership of Certain Beneficial Owners and Management”.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information concerning units authorized or available for issuance under our equity compensation plan as of December 31, 2016:

Plan Category	Number of units to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b) ⁽¹⁾	Number of units remaining available for future issuance under equity compensation plans (excluding units reflected in column (a)) (c)
Equity compensation plans approved by unitholders	1,169,352	\$ 34.42	2,863,654
Equity compensation plans not approved by unitholders	—	—	—
Total	1,169,352	\$ 34.42	2,863,654

(1) The weighted average price in column (b) represents the weighted average price of 399,941 unit options outstanding.

Attention is directed to Note 7 of the Consolidated Financial Statements for additional information regarding the Partnership's equity incentive plans.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information required by this item is incorporated by reference to the material in our Proxy Statement under the captions “Certain Relationships and Related Transactions”, “Board of Directors”, and “Board Committees”.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The information required by this item is incorporated by reference to the material in our Proxy Statement under the caption “Independent Registered Public Accounting Firm Services and Fees”.

PART IV**ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.****A. 1. Financial Statements**

The following consolidated financial statements of the Registrant, the notes thereto and the related Report of Independent Registered Public Accounting Firm are filed under Item 8 of this Report:

	<u>Page</u>
(i) Report of Independent Registered Public Accounting Firm.	<u>29</u>
(ii) Consolidated Balance Sheets - December 31, 2016 and 2015.	<u>30</u>
(iii) Consolidated Statements of Operations and Comprehensive Income - Years ended December 31, 2016, 2015, and 2014.	<u>31</u>
(iv) Consolidated Statements of Cash Flows - Years ended December 31, 2016, 2015, and 2014.	<u>32</u>
(v) Consolidated Statements of Partners' Equity - Years ended December 31, 2016, 2015, and 2014.	<u>33</u>
(vi) Notes to Consolidated Financial Statements - December 31, 2016, 2015, and 2014.	<u>34</u>

A. 2. Financial Statement Schedules

All schedules are omitted as the information is not required or is otherwise furnished.

A. 3. Exhibits

The exhibits listed below are incorporated herein by reference to prior SEC filings by the Registrant or are included as exhibits in this Form 10-K.

<u>Exhibit Number</u>	<u>Description</u>
3.1	Cedar Fair, L.P. Certificate of Limited Partnership. Incorporated herein by reference to Exhibit 3.6 to the Registration Statement on Form S-4 (File No. 333-172773) filed on March 11, 2011.
3.2	Sixth Amended and Restated Agreement of Limited Partnership of Cedar Fair, L.P. Incorporated herein by reference to Exhibit 3.1 to the Registrant's Form 10-Q (File No. 001-09444) filed November 4, 2011.
3.3	Regulations of Cedar Fair Management Inc. Incorporated herein by reference to Exhibit 3.2 to the Registrant's Form 10-Q (File No. 001-09444) filed November 4, 2011.
4.1	Indenture, by and among Cedar Fair, L.P., Canada's Wonderland Company, and Magnum Management Corporation, as issuers, the guarantors named therein, and The Bank of New York Mellon, as trustee, dated as of March 6, 2013 (including form of 5.25% Senior Note due 2021). Incorporated herein by reference to Exhibit 4.1 to the Registrant's Form 8-K filed on March 8, 2013.
4.2	Registration Rights Agreement, among Cedar Fair, L.P., Canada's Wonderland Company, and Magnum Management Corporation, as issuers, the guarantors named therein, and J.P. Morgan Securities Inc., as representative of the initial purchasers named therein, dated March 6, 2013. Incorporated herein by reference to Exhibit 4.3 to the Registrant's Form 8-K filed on March 8, 2013.
4.3	Indenture, dated as of June 3, 2014, by and among Cedar Fair, L.P., Canada's Wonderland Company and Magnum Management Corporation, as issuers, the guarantors named therein and The Bank of New York Mellon, as trustee (including Form of 5.375% Senior Note due 2024). Incorporated herein by reference to Exhibit 4.1 to the Registrant's Form 8-K filed on June 3, 2014.
4.4	Registration Rights Agreement, dated June 3, 2014, by and among Cedar Fair, L.P., Canada's Wonderland Company and Magnum Management Corporation, as issuers, the guarantors named therein and J.P. Morgan Securities LLC, on behalf of itself and as representative of the initial purchasers named therein. Incorporated herein by reference to Exhibit 4.3 to the Registrant's Form 8-K filed on June 3, 2014.
10.1	Cedar Fair, L.P. Amended and Restated Executive Severance Plan dated July 18, 2007. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-09444) filed on August 3, 2007. (+)
10.2	Cedar Fair, L.P. Amended and Restated Supplemental Retirement Program dated July 18, 2007. Incorporated herein by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-09444) filed on August 3, 2007. (+)
10.3	Cedar Fair, L.P. 2008 Supplemental Retirement Program dated February 4, 2008. Incorporated herein by reference to Exhibit 10.5 to the Registrant's Annual Report on Form 10-K (File No. 001-09444) filed on February 29, 2008. (+)
10.4	Cedar Fair, L.P. 2008 Omnibus Incentive Plan dated as of May 15, 2008. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K (File No. 001-09444) filed on May 20, 2008. (+)
10.5	Form of Indemnification Agreement. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K (File No. 001-09444) filed November 1, 2011. (+)
10.6	2008 Omnibus Incentive Plan Form of Restricted Unit Award Agreement. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed March 28, 2012. (+)
10.7	2008 Omnibus Incentive Plan Form of Option Award Agreement. Incorporated herein by reference to Exhibit 10.2 to the Registrant's Form 8-K filed March 28, 2012. (+)
10.8	2008 Omnibus Incentive Plan Form of Performance Award Agreement. Incorporated herein by reference to Exhibit 10.3 to the Registrant's Form 8-K filed March 28, 2012. (+)

Exhibit Number	Description
10.9	Credit Agreement, among Cedar Fair, L.P., Magnum Management Corporation and Canada's Wonderland Company as borrowers, the several lenders from time to time party thereto, JPMorgan Chase Bank, N.A. as administrative agent and collateral agent and the other parties thereto, dated March 6, 2013. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed on March 8, 2013.
10.10	Amendment No. 1, dated September 30, 2013, to Credit Agreement, among Cedar Fair, L.P., Magnum Management Corporation and Canada's Wonderland Company as borrowers, the several lenders from time to time party thereto, JPMorgan Chase Bank, N.A. as administrative agent and collateral agent and the other parties thereto. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 10-Q filed on November 7, 2013.
10.11	Amended and Restated Employment Agreement by and among Cedar Fair, L.P., Cedar Fair Management, Inc., Magnum Management Corporation and Matthew A. Ouimet, dated October 21, 2013. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed October 21, 2013. (+)
10.12	Cedar Fair, L.P. 2008 Omnibus Incentive Plan Performance Award Agreement, dated March 31, 2014, by and between Magnum Management Corporation and Matthew A. Ouimet. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed on April 4, 2014. (+)
10.13	Cedar Fair, L.P. 2008 Omnibus Incentive Plan Form of Restricted Unit Award Agreement. Incorporated herein by reference to Exhibit 10.2 to the Registrant's Form 10-Q filed on May 9, 2014. (+)
10.14	Cedar Fair, L.P. 2008 Omnibus Incentive Plan Form of Deferred Unit Award Agreement. Incorporated herein by reference to Exhibit 10.3 to the Registrant's Form 10-Q filed on May 9, 2014. (+)
10.15	Amendment No. 2, dated December 18, 2014, to Credit Agreement, among Cedar Fair, L.P., Magnum Management Corporation and Canada's Wonderland Company as borrowers, the several lenders from time to time party thereto, JPMorgan Chase Bank, N.A. as administrative agent and collateral agent and the other parties thereto. Incorporated herein by reference to Exhibit 10.18 to the Registrant's Form 10-K filed on February 26, 2016.
10.16	Section 16 Officer Standard Form of Employment Contract (non-CEO) (December 2014). Incorporated herein by reference to Exhibit 10.31 to the Registrant's Form 10-K filed on February 26, 2015. (+)
10.17	Cedar, L.P. 2008 Omnibus Incentive Plan Form of Performance Unit Award Agreement. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 10-Q filed on May 1, 2015. (+)
10.18	Cedar Fair, L.P. 2008 Omnibus Incentive Plan Form of Deferred Unit Award Agreement (2016 Version). Incorporated herein by reference to Exhibit 10.21 to the Registrant's Form 10-K filed on February 26, 2016. (+)
10.19	Amended and Restated Employment Agreement, dated June 8, 2016, by and among Cedar Fair L.P., Cedar Fair Management, Inc., Magnum Management Corporation, and Matthew A. Ouimet. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed on June 9, 2016. (+)
10.20	Cedar Fair L.P., 2016 Omnibus Incentive Plan. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed on June 14, 2016. (+)
10.21	2016 Omnibus Incentive Plan Form of Restricted Unit Award Agreement. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed October 26, 2016. (+)
10.22	2016 Omnibus Incentive Plan Form of Performance Award Agreement. Incorporated herein by reference to Exhibit 10.2 to the Registrant's Form 8-K filed October 26, 2016. (+)
12.1	Computation of Ratio of Earnings to Fixed Charges
21	Subsidiaries of Cedar Fair, L.P.
23	Consent of Independent Registered Public Accounting Firm
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from the Partnership's Annual Report on Form 10-K for the year ended December 31, 2016 formatted in Extensible Business Reporting Language (XBRL): (i) the Consolidated Statements of Operations and Comprehensive Income, (ii) the Consolidated Balance Sheets, (iii) the Consolidated Statements of Cash Flows, (iv) the Consolidated Statements of Partners' Equity, and (v) related notes.

(+) Management contract or compensatory plan or arrangement.

ITEM 16. FORM 10-K SUMMARY.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CEDAR FAIR, L.P.
(Registrant)

DATED: February 24, 2017 By: Cedar Fair Management, Inc.
General Partner

/S/ Matthew A. Ouimet

Matthew A. Ouimet

Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
/S/ Matthew A. Ouimet	Chief Executive Officer	February 24, 2017
Matthew A. Ouimet	Director	
/S/ Brian C. Witherow	Executive Vice President and Chief Financial Officer	February 24, 2017
Brian C. Witherow	(Principal Financial Officer)	
/S/ David R. Hoffman	Senior Vice President and Chief Accounting Officer	February 24, 2017
David R. Hoffman	(Principal Accounting Officer)	
/S/ Eric L. Affeldt	Chairman	February 24, 2017
Eric L. Affeldt		
/S/ Gina D. France	Director	February 24, 2017
Gina D. France		
/S/ Daniel J. Hanrahan	Director	February 24, 2017
Daniel J. Hanrahan		
/S/ Tom Klein	Director	February 24, 2017
Tom Klein		
/S/ D. Scott Olivet	Director	February 24, 2017
D. Scott Olivet		
/S/ John M. Scott III	Director	February 24, 2017
John M. Scott III		
/S/ Lauri M. Shanahan	Director	February 24, 2017
Lauri M. Shanahan		
/S/ Debra Smithart-Oglesby	Director	February 24, 2017
Debra Smithart-Oglesby		

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>	<u>Page</u>
3.1	Cedar Fair, L.P. Certificate of Limited Partnership. Incorporated herein by reference to Exhibit 3.6 to the Registration Statement on Form S-4 (File No. 333-172773) filed on March 11, 2011.	*
3.2	Sixth Amended and Restated Agreement of Limited Partnership of Cedar Fair, L.P. Incorporated herein by reference to Exhibit 3.1 to the Registrant's Form 10-Q (File No. 001-09444) filed November 4, 2011.	*
3.3	Regulations of Cedar Fair Management Inc. Incorporated herein by reference to Exhibit 3.2 to the Registrant's Form 10-Q (File No. 001-09444) filed November 4, 2011.	*
4.1	Indenture, by and among Cedar Fair, L.P., Canada's Wonderland Company, and Magnum Management Corporation, as issuers, the guarantors named therein, and The Bank of New York Mellon, as trustee, dated as of March 6, 2013 (including form of 5.25% Senior Note due 2021). Incorporated herein by reference to Exhibit 4.1 to the Registrant's Form 8-K filed on March 8, 2013.	*
4.2	Registration Rights Agreement, among Cedar Fair, L.P., Canada's Wonderland Company, and Magnum Management Corporation, as issuers, the guarantors named therein, and J.P. Morgan Securities Inc., as representative of the initial purchasers named therein, dated March 6, 2013. Incorporated herein by reference to Exhibit 4.3 to the Registrant's Form 8-K filed on March 8, 2013.	*
4.3	Indenture, dated as of June 3, 2014, by and among Cedar Fair, L.P., Canada's Wonderland Company and Magnum Management Corporation, as issuers, the guarantors named therein and The Bank of New York Mellon, as trustee (including Form of 5.375% Senior Note due 2024). Incorporated herein by reference to Exhibit 4.1 to the Registrant's Form 8-K filed on June 3, 2014.	*
4.4	Registration Rights Agreement, dated June 3, 2014, by and among Cedar Fair, L.P., Canada's Wonderland Company and Magnum Management Corporation, as issuers, the guarantors named therein and J.P. Morgan Securities LLC, on behalf of itself and as representative of the initial purchasers named therein. Incorporated herein by reference to Exhibit 4.3 to the Registrant's Form 8-K filed on June 3, 2014.	*
10.1	Cedar Fair, L.P. Amended and Restated Executive Severance Plan dated July 18, 2007. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-09444) filed on August 3, 2007. (+)	*
10.2	Cedar Fair, L.P. Amended and Restated Supplemental Retirement Program dated July 18, 2007. Incorporated herein by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-09444) filed on August 3, 2007. (+)	*
10.3	Cedar Fair, L.P. 2008 Supplemental Retirement Program dated February 4, 2008. Incorporated herein by reference to Exhibit 10.5 to the Registrant's Annual Report on Form 10-K (File No. 001-09444) filed on February 29, 2008. (+)	*
10.4	Cedar Fair, L.P. 2008 Omnibus Incentive Plan dated as of May 15, 2008. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K (File No. 001-09444) filed on May 20, 2008. (+)	*
10.5	Form of Indemnification Agreement. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K (File No. 001-09444) filed November 1, 2011. (+)	*
10.6	2008 Omnibus Incentive Plan Form of Restricted Unit Award Agreement. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed March 28, 2012. (+)	*
10.7	2008 Omnibus Incentive Plan Form of Option Award Agreement. Incorporated herein by reference to Exhibit 10.2 to the Registrant's Form 8-K filed March 28, 2012. (+)	*
10.8	2008 Omnibus Incentive Plan Form of Performance Award Agreement. Incorporated herein by reference to Exhibit 10.3 to the Registrant's Form 8-K filed March 28, 2012. (+)	*

EXHIBIT INDEX (continued)

<u>Exhibit Number</u>	<u>Description</u>	<u>Page</u>
10.9	Credit Agreement, among Cedar Fair, L.P., Magnum Management Corporation and Canada's Wonderland Company as borrowers, the several lenders from time to time party thereto, JPMorgan Chase Bank, N.A. as administrative agent and collateral agent and the other parties thereto, dated March 6, 2013. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed on March 8, 2013.	*
10.10	Amendment No. 1, dated September 30, 2013, to Credit Agreement, among Cedar Fair, L.P., Magnum Management Corporation and Canada's Wonderland Company as borrowers, the several lenders from time to time party thereto, JPMorgan Chase Bank, N.A. as administrative agent and collateral agent and the other parties thereto. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 10-Q filed on November 7, 2013.	*
10.11	Amended and Restated Employment Agreement by and among Cedar Fair, L.P., Cedar Fair Management, Inc., Magnum Management Corporation and Matthew A. Ouimet, dated October 21, 2013. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed October 21, 2013. (+)	*
10.12	Cedar Fair, L.P. 2008 Omnibus Incentive Plan Performance Award Agreement, dated March 31, 2014, by and between Magnum Management Corporation and Matthew A. Ouimet. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed on April 4, 2014. (+)	*
10.13	Cedar Fair, L.P. 2008 Omnibus Incentive Plan Form of Restricted Unit Award Agreement. Incorporated herein by reference to Exhibit 10.2 to the Registrant's Form 10-Q filed on May 9, 2014. (+)	*
10.14	Cedar Fair, L.P. 2008 Omnibus Incentive Plan Form of Deferred Unit Award Agreement. Incorporated herein by reference to Exhibit 10.3 to the Registrant's Form 10-Q filed on May 9, 2014. (+)	*
10.15	Amendment No. 2, dated December 18, 2014, to Credit Agreement, among Cedar Fair, L.P., Magnum Management Corporation and Canada's Wonderland Company as borrowers, the several lenders from time to time party thereto, JPMorgan Chase Bank, N.A. as administrative agent and collateral agent and the other parties thereto. Incorporated herein by reference to Exhibit 10.18 to the Registrant's Form 10-K filed on February 26, 2016.	*
10.16	Section 16 Officer Standard Form of Employment Contract (non-CEO) (December 2014). Incorporated herein by reference to Exhibit 10.31 to the Registrant's Form 10-K filed on February 26, 2015. (+)	*
10.17	Cedar, L.P. 2008 Omnibus Incentive Plan Form of Performance Unit Award Agreement. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 10-Q filed on May 1, 2015. (+)	*
10.18	Cedar Fair, L.P. 2008 Omnibus Incentive Plan Form of Deferred Unit Award Agreement (2016 Version). Incorporated herein by reference to Exhibit 10.21 to the Registrant's Form 10-K filed on February 26, 2016. (+)	*
10.19	Amended and Restated Employment Agreement, dated June 8, 2016, by and among Cedar Fair L.P., Cedar Fair Management, Inc., Magnum Management Corporation, and Matthew A. Ouimet. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed on June 9, 2016. (+)	*
10.20	Cedar Fair L.P., 2016 Omnibus Incentive Plan. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed on June 14, 2016. (+)	*
10.21	2016 Omnibus Incentive Plan Form of Restricted Unit Award Agreement. Incorporated herein by reference to Exhibit 10.1 to the Registrant's Form 8-K filed October 26, 2016. (+)	*
10.22	2016 Omnibus Incentive Plan Form of Performance Award Agreement. Incorporated herein by reference to Exhibit 10.2 to the Registrant's Form 8-K filed October 26, 2016. (+)	*
12.1	Computation of Ratio of Earnings to Fixed Charges	69
21	Subsidiaries of Cedar Fair, L.P.	70
23	Consent of Independent Registered Public Accounting Firm	71
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	72
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	73
32	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	74
101	The following materials from the Partnership's Annual Report on Form 10-K for the year ended December 31, 2015 formatted in Extensible Business Reporting Language (XBRL): (i) the Consolidated Statements of Operations and Comprehensive Income, (ii) the Consolidated Balance Sheets, (iii) the Consolidated Statements of Cash Flows, (iv) the Consolidated Statements of Partners' Equity, and (v) related notes.	*

(+) Management contract or compensatory plan or arrangement.

CEDAR FAIR, L.P.
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(\$'s in thousands)

	Years Ended December 31,				
	2016	2015	2014	2013	2012
Fixed charges:					
Interest expensed	\$ 83,863	\$ 86,849	\$ 96,286	\$ 103,071	\$ 110,619
Interest capitalized	2,331	3,094	2,983	1,610	1,322
Amortization of capitalized debt costs	4,030	4,039	4,602	6,130	10,417
Interest component of rental expense	4,279	4,841	4,220	3,142	2,970
Total fixed charges	<u>\$ 94,503</u>	<u>\$ 98,823</u>	<u>\$ 108,091</u>	<u>\$ 113,953</u>	<u>\$ 125,328</u>
Earnings:					
Net income (loss)	\$ 177,688	\$ 112,222	\$ 104,215	\$ 108,204	\$ 101,857
Add:					
Income tax expense	71,418	22,192	9,885	20,243	31,757
Fixed charges	94,503	98,823	108,091	113,953	125,328
Amortization of capitalized interest	1,134	1,021	897	830	761
Less:					
Interest capitalized	(2,331)	(3,094)	(2,983)	(1,610)	(1,322)
Total earnings	<u>\$ 342,412</u>	<u>\$ 231,164</u>	<u>\$ 220,105</u>	<u>\$ 241,620</u>	<u>\$ 258,381</u>
Ratio of total earnings to total fixed charges	3.6x	2.3x	2.0x	2.1x	2.1x
Excess of total earnings over total fixed charges	\$ 247,909	\$ 132,341	\$ 112,014	\$ 127,667	\$ 133,053

SUBSIDIARIES OF THE REGISTRANT
(As of December 31, 2016)

Name	Jurisdiction of Organization
Millennium Operations LLC	Delaware
Magnum Management Corporation	Ohio
Michigan's Adventure, Inc.	Michigan
Cedar Fair Southwest Inc.	Delaware
Kings Island Company	Delaware
Wonderland Company Inc.	Delaware
Canada's Wonderland Company	Canada (Nova Scotia)
Cedar Point Park LLC	Delaware
Valleyfair LLC	Delaware
Worlds of Fun LLC	Delaware
Dorney Park LLC	Delaware
Knotts Berry Farm LLC	Delaware
Carowinds LLC	Delaware
Kings Dominion LLC	Delaware
Michigans Adventure Park LLC	Delaware
Kings Island Park LLC	Delaware
Geauga Lake LLC	Delaware

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-214245 and 333-152818 on Form S-8 of our reports dated February 24, 2017, relating to the consolidated financial statements of Cedar Fair, L.P. and subsidiaries (the “Partnership”), and the effectiveness of the Partnership's internal control over financial reporting, appearing in this Annual Report on Form 10-K of Cedar Fair, L.P. for the year ended December 31, 2016.

/s/ DELOITTE & TOUCHE LLP

Cleveland, Ohio
February 24, 2017

CERTIFICATION

I, Matthew A. Ouimet, certify that:

- 1) I have reviewed this annual report on Form 10-K of Cedar Fair, L.P.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2017

/s/ Matthew A. Ouimet

Matthew A. Ouimet
Chief Executive Officer

CERTIFICATION

I, Brian C. Witherow, certify that:

- 1) I have reviewed this annual report on Form 10-K of Cedar Fair, L.P.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2017

/s/ Brian C. Witherow

Brian C. Witherow

Executive Vice President and Chief Financial Officer

**CERTIFICATIONS PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Cedar Fair, L.P. (the "Partnership") on Form 10-K for the period ending December 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Partnership certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to our knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

February 24, 2017

/s/ Matthew A. Ouimet

Matthew A. Ouimet

Chief Executive Officer

/s/ Brian C. Witherow

Brian C. Witherow

Executive Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.