

Recommendations:
 Make Tax Information Clear
 Allow unit-holders to have say
 Find ways to compete against rivals
 Comparisons with Rivals

Master Limited Partnerships
 Basic Dynamics
 General Partner
 Limited Partner
 Unit-Holders
 Stable Growth
 High yields and low taxes
 Tax-Free Entity

Introduction:
 Cedar Fair LP and Master Limited Partnerships
 Cedar Fair LP Background
 1997: Forming The MLP
 Very Profitable and Critically Acclaimed Firms



Benefits of MLP

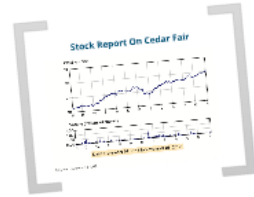
Taxes:
 Tax-free entity level (State and Federal)
 Tax Reform Act of 1986
 K-1 Forms

Benefits: Ownership
 General Partner has small ownership
 Controls assets and decisions in management
 Make Reports for Limited Partners
 Limited Partner has most of the ownership

Competing With Six Flags

Cedar Fair and Six Flags Compared (October 2012)

Six Flags (SDO)	Cedar Fair (FUND)
Operating Margin (%) 17.8	-11.9
ROE (%) 7.08	206.67
D/E 1.5	24.5
Interest Coverage 1.1	1.5
P/E 65.4	16.1
Dividend Yield 3.3	5.4



Weaknesses of MLP

Tax Forms
 Completed Tax Forms
 Extra Paperwork depending on state
 Hard To Understand Tax Forms without Advisor
 Take 45th Minute Reporting

Little Say Allowed From Unit-Holders
 No Say In Management Choices
 Limited options to state opinion
 Corporate lets shareholders have a say

Cedar Fair LP Harvard Case Solution & Analysis

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 Issues With Investor Reporting

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Master Limited Partnerships

Basic Dynamics

General Partner

Limited Partner

Unit-Holders

Stable Growth

High yields and
low taxes

Tax-Free Entity



Benefits of MLP

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Tax Reform Act of 1986

K-1 Forms

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