

Board Summary

Polaris Industries, Inc.
 9955 59th Ave North, Minneapolis, 55442
 Paul Eickhoff, Senior Director of Distribution
 Warehousing and Distribution

Date: May 17, 2018
 Main Location: Carson City

Business Type: New County: Lyon County Development Authority Representative: Andrew Haskin - NNDA

APPLICATION HIGHLIGHTS

- Polaris Industries, Inc. is considering building a 500,000 square foot facility in the Greater Reno Area.
- The proposed project will establish the company's first western United States distribution center.
- In conjunction with direct jobs, the project will also have significant construction related activities such as extending utilities, site preparation and the actual construction of the new building.

PROFILE

Polaris Industries, Inc. designs, engineers, manufactures, and markets power sports vehicles worldwide. The company offers ORVs, including all-terrain vehicles and side-by-side vehicles for recreational and utility use; snowmobiles; motorcycles; and low emission, light duty hauling, passenger, commercial, and industrial vehicles, as well as snow bike conversion kit systems. Polaris Industries, Inc. also produces or supplies various replacement parts and accessories and manufactures, distributes, retails, and installs aftermarket parts and accessories for light trucks, jeeps, sport-utility vehicles, and other four-wheel drive vehicles. In addition, the company sells recreational apparel through a network of dealers and distributors, as well as online. Polaris Industries, Inc. provides some of the best-selling brands in the industry, including RANGER® utility vehicles, RZR® recreational side-by-sides, Victory Motorcycles®, Indian Motorcycle® and GEM® electric vehicles. More recently the company expanded its offerings to include commercial vehicles, military vehicles and the revolutionary Slingshot® 3-wheel moto-roadster. Polaris Industries, Inc. was founded in 1954 and is headquartered in Medina, Minnesota. The company's engineering, manufacturing and distribution facilities are located in Wyoming, Minnesota; Roseau, Minnesota; Osceola, Wisconsin; Spirit Lake, Iowa; Milford, Iowa; Huntsville, Alabama; Vermillion, South Dakota; Spearfish, South Dakota and Wilmington, Ohio. The company also has multiple manufacturing and distribution facilities outside of North America. *Source: Polaris Industries, Inc.*

SIGNIFICANCE OF ABATEMENTS IN THE COMPANY'S DECISION TO RELOCATE/EXPAND

The incentive programs being offered have a significant impact on this project. Other communities, in states also under consideration, have existing building inventory that will not require the construction of a brand-new building. The incentives offered by the State of Nevada will assist in offsetting the significant investment the company will be making for this project. The incentives offered by the State of Nevada will also allow the state to be competitive in regards to the financial business case. *Source: Polaris Industries, Inc.*

REQUIREMENTS	Statutory	Application	Sufficient	% Over / Under
Job Creation	10	64		540%
Average Wage	\$21.95	\$21.95	Company meets	0%
Equipment Capex (SU & MBT)	\$250,000	\$13,652,000	abatement eligibility	5361%
Equipment Capex (PP)	\$250,000	\$13,652,000	requirements	5361%

INCENTIVES	Requested Terms	Estimated \$ Amount
Sales Tax Abmt.	2% for 2 years	\$696,252
Modified Business Tax Abmt.	50% for 4 years	\$68,071
Personal Property Tax Abmt.	50% for 10 years	\$287,198
Total		\$1,051,521

NEVADA BUSINESS LICENSE

- Current Pending Will comply before receiving incentives

JOB CREATION	Contracted	24-Month Projection	5-Year Projection
	10	64	79

OTHER CAPITAL INVESTMENT	Land	Building Purchase	BTS / Building Improvements
	\$5,000,000	\$0	\$28,973,545

ECONOMIC IMPACT ESTIMATES (10-Year Cumulative)	Total	Construction
Total Jobs Supported	127	301
Total Payroll Supported	\$46,944,382	\$10,744,463
Total Output Estimate	\$123,304,076	\$42,726,679

Estimate includes jobs, payroll & output by the company assisted as well as the secondary impacts to other local businesses.

NEW TAX REVENUE ESTIMATES (10-Year Cumulative)	Direct	Indirect	Total
Local Taxes			
Property	\$4,013,610	\$1,488,956	\$5,502,566
Sales	\$960,473	\$405,495	\$1,365,968
Lodging	\$0	\$27,733	\$27,733
State Taxes			
Property	\$198,434	\$134,738	\$333,172
Sales	\$649,696	\$291,055	\$940,751
Modified Business	\$341,805	\$192,812	\$534,617
Lodging	\$0	\$1,261	\$1,261
Total	\$6,164,018	\$2,542,050	\$8,706,068

EMPLOYEE BENEFITS

- Percentage of health insurance covered by company: 80%.
- Health care package cost per employee - \$5,408 annually with options for dependents.
- Overtime, PTO/Sick/Vacation, Merit Increases, Retirement Plan / Profit Sharing / 401(k).

NOTES

- Percentage of revenue generated by the new jobs contained in this application from outside Nevada: 99%.
- The company is also considering Arizona, Utah, Washoe County, Nevada and Storey County, Nevada.



Northern Nevada
Development Authority

704 West Nye Lane
Carson City, NV 89703
775.883.4413

April 5, 2018

Mr. Paul Anderson
Executive Director
Governor's Office of Economic Development
555 E. Washington Ave., Suite 5400
Las Vegas, NV 89101

Dear Mr. Anderson,

Northern Nevada Development Authority (NNDAA) is pleased to provide this letter in support of Polaris Industries Inc.'s application for the Sales & Use Tax Abatement, Modified Business Tax Abatement, and Personal Property Tax Abatement as stated on the attached expansion incentives application.

We have reviewed the application submitted by Polaris Industries and we are working with them in support of their efforts to locate a new distribution center to serve the Western United States in the City of Fernley, Lyon County, Nevada. Should Nevada be selected for this project, the company intends to invest \$34 Million to construct a new 500,000 square foot facility, invest \$13.6 Million in capital equipment, and add 64 new jobs with an average wage of \$21.95 per hour.

NNDAA respectfully requests this application be considered by the Governor's Office of Economic Development and be placed on the May 17, 2018 agenda for review and action.

Best Regards,

A handwritten signature in dark ink, appearing to read "Andrew Haskin", with a long, sweeping horizontal line extending to the right.

Andrew Haskin
Director of Business Development
Northern Nevada Development Authority

Improve the State of Your Business



POLARIS®

Polaris Industries Inc.

9955 59th Avenue North

Plymouth, Minnesota 55442

763-542-0500

763-542-0599 fax

April 4, 2018

Mr. Paul Anderson
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Ave., Suite 5400
Las Vegas, NV 89101

Re: Project EPCOT Application

Dear Mr. Anderson,

Polaris Industries Inc. is a dynamic powersports company with a reputation as a global market leader. The company is poised to grow globally with major markets in North America and around the world.

For this proposed project, Polaris Industries Inc. will be establishing a new western United States distribution center. We have existing distribution centers in Ohio and South Dakota, but we are looking for a western United States presence to maximize efficiency and delivery speed to our customers.

This proposed project will consist of the construction of a brand new 500,000 square foot building in Northern Nevada. We intend to hire 64 employees initially at an average wage of \$21.95 per hour. At Polaris Industries, our employees are a top priority. We provide an excellent benefits package to our distribution center employees. This benefits package includes: medical, dental, and vision benefits 60 days after the employee is hired. Additionally, tuition reimbursement, retirement and profit sharing are also available. The profit sharing program is provided to distribution center employees in the form of cash and/or stock options.

The projected capital investment for this project is approximately \$47.6 million for personal and real property. The company intends on building a brand new 500,000 square foot facility with a total real property investment of \$33 million for the land and construction. The personal property capital investment is estimated at \$13.6 million.

Should Nevada be selected for this project, it is anticipated that the project will locate in the Greater Reno Area. The preferred site is located in the City of Fernley, located in Lyon County. However, sites in Washoe County and Storey County are also being considered. We are also evaluating out of State options in Arizona and Utah. The anticipated start date of the project is Q3 2018, with an operational date of Q2 2019.

The State of Nevada incentives will assist in offsetting the significant investment that the company is making for this project and make the State more competitive. Other communities in other States that are under consideration have existing building inventory that will not require the construction of a brand-new building. In addition, there are incentives being offered by the State and Local governments.

We appreciate your consideration of our application.

Sincerely,

Andy Williams
Vice President, Supply Chain - Parts, Garments & Accessories

ECONOMIC DEVELOPMENT

Incentive Application

Company Name: Polaris Industries Inc.

Date of Application: April 4, 2018

Company is an / a: (check one)

New location in Nevada

Expansion of a Nevada company

Section 1 - Type of Incentives

Please check all that the company is applying for on this application:

Sales & Use Tax Abatement

Sales & Use Tax Deferral

Modified Business Tax Abatement

Recycling Real Property Tax Abatement

Personal Property Tax Abatement

Other: _____

Section 2 - Corporate Information

COMPANY NAME (Legal name under which business will be transacted in Nevada) <u>Polaris Industries Inc.</u>			FEDERAL TAX ID # <u>41-1921490</u>
CORPORATE ADDRESS <u>9955 59th Ave North</u>	CITY / TOWN <u>Minneapolis</u>	STATE / PROVINCE <u>MN</u>	ZIP <u>55442</u>
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above)	CITY / TOWN	STATE / PROVINCE	ZIP
TELEPHONE NUMBER <u>763-847-8439</u>	WEBSITE <u>http://www.polaris.com</u>		
COMPANY CONTACT NAME <u>Paul Eickhoff</u>	COMPANY CONTACT TITLE <u>Senior Director of Distribution</u>		
E-MAIL ADDRESS <u>paul.eickhoff@polaris.com</u>	PREFERRED PHONE NUMBER <u>763-847-8439</u>		

Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development? Yes No

If Yes, list the program awarded, date of approval, and status of the accounts (attach separate sheet if necessary):

Section 3 - Program Requirements

Please check two of the boxes below; the company must meet at least two of the three program requirements:

- A capital investment of \$1,000,000 in eligible equipment in urban areas or \$250,000 in eligible equipment in rural areas are required. This criteria is businesses. In cases of expanding businesses, the capital investment must equal at least 20% of the value of the tangible property owned by the business.
- New businesses locating in urban areas require fifty (50) or more permanent, full-time employees on its payroll by the eighth calendar quarter following quarter in which the abatement becomes effective. In rural areas, the requirement is ten (10) or more. For an expansion, the business must increase employees on its payroll by 10% more than its existing employees prior to expansion, or by 25 (urban) or 6 (rural) employees, whichever is greater.
- In urban areas, the average hourly wage that will be paid by the business to its new employees is at least 100% of the average statewide hourly wage. In rural areas, the average hourly wage will equal or exceed the lesser of the county-wide average hourly wage or statewide average hourly wage.

Note: Criteria is different depending on whether the business is in a county whose population is 100,000 or more or a city whose population is 60,000 or more (i.e., "urban" area), or if the business is in a county whose population is less than 100,000 or a city whose population is less than 60,000 (i.e., "rural" area).

Section 4 - Nevada Facility

Type of Facility:

Headquarters

Service Provider

Technology

Distribution / Fulfillment

Back Office Operations

Manufacturing

Research & Development / Intellectual Property

Other: _____

PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA <u>99%</u>	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) <u>Q2 2019</u>
NAICS CODE / SIC <u>336999</u>	INDUSTRY TYPE <u>Distribution and Manufacturing of Power Sports Equipment</u>

DESCRIPTION OF COMPANY'S NEVADA OPERATIONS

The Nevada operation will serve as the company's parts & accessories distribution facility in the Western United States.

PROPOSED / ACTUAL NEVADA FACILITY ADDRESS <u>Preferred Site - Crossroads Commerce Center</u>	CITY / TOWN <u>Fernley</u>	COUNTY <u>Lyon County</u>	ZIP
-------------------------------------------------------------------------------------------------	-------------------------------	------------------------------	-----

WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP?

Arizona and Utah are the out of State options. Also considering sites in Washoe and Storey Counties

Section 5 - Complete Forms (see additional tabs at the bottom of this sheet for each form listed below)

Check the applicable box when form has been completed.

- 5 (A) Equipment List
- 5 (B) Employment Schedule
- 5 (C) Evaluation of Health Plan, with supporting documents to show the employer paid portion of plan meets the minimum of 65%.

Section 6 - Real Estate & Construction (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up - Plans Over the Next <u>Ten</u> Years	Expansions - Plans Over the Next <u>10</u> Years
<p>Part 1. Are you currently/planning on leasing space in Nevada? <u> No </u></p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost of space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p>If No, skip to Part 2. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? <u> No </u></p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p>Do you plan on making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 3. Are you currently/planning on building a build-to-suit facility in Nevada? <u> Yes </u></p> <p>If Yes *, continue below:</p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? <u> Q3 2018 </u></p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): <u> Q2 2019 </u></p> <p style="padding-left: 40px;">How much space (sq. ft.)? <u> 500,000 </u></p>	<p>Part 1. Are you currently leasing space in Nevada? _____</p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost at current space: _____</p> <p>Due to expansion, will you lease additional space? _____</p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p style="padding-left: 40px;">Expanding at the current facility or a new facility? _____</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much expanded space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost of expanded space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently operating at an owner occupied building in Nevada? _____</p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Current assessed value of real property? _____</p> <p>Due to expansion, will you be making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 3. Do you plan on building or buying a new facility in Nevada? _____</p> <p>If Yes *, continue below:</p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? _____</p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p>
<p>* Please complete Section 7 - Capital Investment for New Operations / Startup.</p>	<p>* Please complete Section 7 - Capital Investment for Expansions below.</p>

BRIEF DESCRIPTION OF CONSTRUCTION PROJECT AND ITS PROJECTED IMPACT ON THE LOCAL ECONOMY (Attach a separate sheet if necessary):

The company will have a brand new 500,000 square foot distribution facility built for this project. There will be a significant impact with the construction related activities such as extending utilities, site preparation and the actual construction of the new building.

Section 7 - Capital Investment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How much capital investment is planned? (Breakout below):	How much capital investment is planned? (Breakout below):
Building Purchase (if buying): <u> \$0 </u>	Building Purchase (if buying): _____
Building Costs (if building / making improvements): <u> \$28,973,545 </u>	Building Costs (if building / making improvements): _____
Land: <u> \$5,000,000 </u>	Land: _____
Equipment Cost: <u> \$13,652,000 </u>	Equipment Cost: _____
Total: <u> \$47,625,545 </u>	Total: _____
	Is the equipment purchase for replacement of existing equipment? _____
	Current assessed value of personal property in NV: _____
	(Must attach the most recent assessment from the County Assessor's Office.)

Section 8 - Employment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of new operations?: <u> 64 </u>	How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?: _____
Average hourly wage of these <u>new</u> employees: <u> \$21.95 </u>	Average hourly wage of these <u>new</u> employees: _____
	How many FTE employees prior to expansion?: _____
	Average hourly wage of these <u>existing</u> employees: _____
	Total number of employees after expansion: _____

* FTE represents a permanent employee who works an average of 30 hours per week or more, is eligible for health care coverage, and whose position is a "primary job" as set forth in NAC 360.474.

OTHER COMPENSATION (Check all that apply):

- | | | | |
|-----------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------------------|---------------------------------------|
| <input checked="" type="checkbox"/> Overtime | <input checked="" type="checkbox"/> Merit increases | <input checked="" type="checkbox"/> Tuition assistance | <input type="checkbox"/> Bonus |
| <input checked="" type="checkbox"/> PTO / Sick / Vacation | <input type="checkbox"/> COLA adjustments | <input checked="" type="checkbox"/> Retirement Plan / Profit Sharing / 401(k) | <input type="checkbox"/> Other: _____ |

BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND ELIGIBILITY REQUIREMENTS (Attach a separate sheet if necessary):

The company provides profit sharing which includes cash and stock to their distribution center employees.

Section 9 - Employee Health Insurance Benefit Program

Is health insurance for employees and an option for dependents offered? Yes (**copy of benefit plan must be attached**) No

Package includes (check all that apply):

- Medical Vision Dental Other: _____

Qualified after (check one):

- Upon employment Three months after hire date Six months after hire date Other: 60 days

Health Insurance Costs:	Percentage of health insurance coverage by (min 65%):
Cost of health insurance for company (annual amount per employee): <u> \$5,408.00 </u>	Company: <u> 80% </u>
Health Plan annual out-of-pocket maximum (individual): <u> \$ 1,404.00 </u>	Employee: <u> 20% </u>

[SIGNATURE PAGE FOLLOWS]

Section 10 - Certification

I, the undersigned, hereby grant to the Governor's Office of Economic Development access to all pertinent and relevant records and documents of the aforementioned company. I understand this requirement is necessary to qualify and to monitor for compliance of all statutory and regulatory provisions pertaining to this application.

Being owner, member, partner, officer or employee with signatory authorization for the company, I do hereby declare that the facts herein stated are true and that all licensing and permitting requirements will be met prior to the commencement of operations. In addition, I and /or the company's legal counsel have reviewed the terms of the GOED Tax Abatement and Incentives Agreement, the company recognizes this agreement is generally not subject to change, and any material revisions have been discussed with GOED in advance of board approval.

Andy Williams
Name of person authorized for signature


Signature

Vice President, Supply Chain - Parts, Garments & Accessories
Title

April 3, 2018
Date

Nevada Governor's Office of Economic Development
555 E. Washington Ave., Ste 5400 • Las Vegas, Nevada 89101 • 702.486.2700 • (Fax) 702.486.2701 • www.diversifynevada.com

Site Selection Factors

Company Name: Polaris Industries Inc.

County: Lyon County

Section I - Site Selection Ratings

Directions: Please rate the select factors by importance to the company's business (1 = very low; 5 = very high). Attach this form to the Incentives Application.

Availability of qualified workforce:	<u>1</u>	Transportation infrastructure:	<u>2</u>
Labor costs:	<u>1</u>	Transportation costs:	<u>2</u>
Real estate availability:	<u>1</u>	State and local tax structure:	<u>3</u>
Real estate costs:	<u>1</u>	State and local incentives:	<u>1</u>
Utility infrastructure:	<u>3</u>	Business permitting & regulatory structure:	<u>3</u>
Utility costs:	<u>4</u>	Access to higher education resources:	<u>4</u>

Please summarize the importance of the abatement program to your decision (please include at least a paragraph summary):

The incentive programs being offered do have a significant impact on this project. With the limited inventory of buildings in Northern Nevada, the company must spend additional capital investment in order to build a new building. The other States under evaluation have the available inventory and are also offering incentives. The incentives being offered by the State of Nevada, allow the State to be competitive in regards to the financial business case.

5(B) Employment Schedule

Company Name: Polaris Industries Inc.

County: Lyon County

Section I - Full-Time Equivalent (FTE) Employees

Directions: Please provide an estimated list of full time employees [columns (a) through (d)] that will be hired and employed by the company by the end of the first eighth quarter of new / expanded operations. For example, if the effective date of new / expanded operations is April 1, 2015, the date would fall in Q2, 2015. The end of the first eighth quarter would be the last day of Q2, 2017 (i.e., June 30, 2017). Attach this form to the Incentives Application.

A qualified employee must be employed at the site of a qualified project, scheduled to work an average minimum of 30 per week, if offered coverage under a plan of health insurance provided by his or her employer, is eligible for health care coverage, and whose position of a "primary job" as set forth in NAC 360.474.

(a) New Hire Position Title/Description	(b) Number of Positions	(c) Average Hourly Wage	(d) Average Weekly Hours	(e) Annual Wage per Position	(f) Total Annual Wages
Operations Manager	1	\$64.22	40	\$133,575.00	\$133,575.00
Human Resources Generalist	1	\$26.67	40	\$55,481.71	\$55,481.71
Industrial Engineer	1	\$40.50	40	\$84,248.42	\$84,248.42
WMS Operations Analyst	1	\$31.61	40	\$65,740.27	\$65,740.27
Warehouse Supervisor	2	\$33.59	40	\$69,865.07	\$139,730.14
Warehouse Lead	4	\$23.70	40	\$49,305.20	\$197,220.82
Warehouse Planner	1	\$20.25	40	\$42,124.21	\$42,124.21
Maintenance Coordinator	1	\$26.20	40	\$54,498.60	\$54,498.60
Warehouse Clerks	5	\$19.01	40	\$39,538.20	\$197,691.00
Warehouse Workers	45	\$15.93	40	\$33,126.60	\$1,490,697.00
Custodians	2	\$15.16	40	\$31,523.70	\$63,047.40
TOTAL	64	\$21.95			\$2,524,054.57

Section 2 - Employment Projections

Directions: Please estimate full-time job growth in Section 2, complete [columns (b) through (c)]. These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of employment. **Please enter the estimates on a year by year basis (not cumulative amounts)**

(a) Year	(b) Number of FTE(s) Projected	(c) Average Hourly Wage	(d) Payroll
3-Year	5	\$21.95	\$228,280.00
4-Year	5	\$21.95	\$228,280.00
5-Year	5	\$21.95	\$228,280.00

5(C) Evaluation of Health Plans Offered by Companies

Company Name: Polaris Industries Inc. County: Lyon County

Total Number of Full-Time Employees:	64
Average Hourly Wage per Employee	\$21.95
Average Annual Wage per Employee (implied)	\$45,656.00
Annual Cost of Health Insurance per Employee	\$5,408.00
Percentage of Cost Covered by:	
Company	80%
Employee	20%
Health Plan Annual Out-of-Pocket Maximum	\$1,404

Generalized Criteria for Essential Health Benefits (EHB)

[following requirements outlined in the Affordable Care Act and US Code, including 42 USC Section 18022]

Covered employee's premium not to exceed 9.5% of annual wage	3.0%	<input type="text" value="MMQ"/>
Annual Out-of-Pocket Maximum not to exceed \$7,150 (2017)	\$1,404	<input type="text" value="MMQ"/>

Minimum essential health benefits covered (Company offers PPO):

- (A) Ambulatory patient services
- (B) Emergency services
- (C) Hospitalization
- (D) Maternity and newborn care
- (E) Mental health/substance use disorder/behavioral health treatment
- (F) Prescription drugs
- (G) Rehabilitative and habilitative services and devices
- (H) Laboratory services
- (I) Preventive and wellness services and chronic disease management
- (J) Pediatric services, including oral and vision care

No Annual Limits on Essential Health Benefits

I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached sufficient plan information highlighting where our plan reflects meeting the 65% minimum threshold for the employee paid portion of the plan for GOED to independently confirm the same.

Andy Williams

Name of person authorized for signature



Signature

Vice President, Supply Chain - Parts, Garments & Accessories

Title

4/3/2018

Date



POLARIS[®]

POLARIS INDUSTRIES INC.

Company Overview

April 2018





POLARIS®

Vision & Strategy

VISION

Fuel the passion of riders, workers and outdoor enthusiasts around the world by delivering innovative, high quality vehicles, products, services and experiences that enrich their lives.

STRATEGIC PURPOSE

Polaris is committed to being a customer centric, highly efficient growth company. We relentlessly pursue product superiority, safety and value improvement in all that we do. We enhance the lives of customers around the world by providing the best off-road and on-road vehicles and related offerings for recreation, transportation and work. Our winning advantages are our innovative culture and dedicated team, operational speed and flexibility, and passion to create quality products and experiences.

Guiding Principles

Best People, Best Team
Safety & Ethics Always
Customer Loyalty

Strategic Objectives

BEST IN POWERSPORTS PLUS

Industry leading organic growth

ACCELERATING GLOBAL GROWTH

Profitably increase International revenue %

PRODUCTIVITY POWERHOUSE

Consistently improve earnings leverage and asset utilization

GROWTH THROUGH ADJACENCIES

Strategic acquisitions and new market expansion

SAFETY & QUALITY AS A COMPETITIVE ADVANTAGE

Continuously drive customer and dealer satisfaction

Performance Priorities

Growth
Margin Expansion
Product & Quality Leadership
LEAN Enterprise

SALES CAGR >5% | NET INCOME CAGR >15% through 2022

POLARIS LEADERSHIP

EXECUTIVE MANAGEMENT

SCOTT W. WINE

Chairman and Chief Executive Officer

KENNETH J. PUCEL

Executive Vice President of Operations,
Engineering and Lean

MICHAEL T. SPEETZEN

Executive Vice President of Finance and
Chief Financial Officer

MICHAEL F. DONOUGHE

Sr. Vice President and Chief Technical Officer

LUCY CLARK DOUGHERTY

Sr. Vice President, General Counsel,
Compliance Officer and Secretary

MICHAEL D. DOUGHERTY

President of International

STEPHEN L. EASTMAN

President of Aftermarket/Parts, Garments
& Accessories

MATTHEW J. EMMERICH

Vice President and Chief Information Officer

TODD A. GROSS

Vice President of Product Quality & Safety

ROBERT P. MACK

Sr. Vice President of Corporate Development and
Strategy, and President of Global Adjacent Markets

STEVEN D. MENNETO

President of Motorcycles

CHRISTOPHER S. MUSSO

President of Off-Road Vehicles

CRAIG A. SCANLON

Chief Retail and Marketing Officer of
Off-Road Vehicles

JAMES P. WILLIAMS

Sr. Vice President and Chief Human
Resources Officer

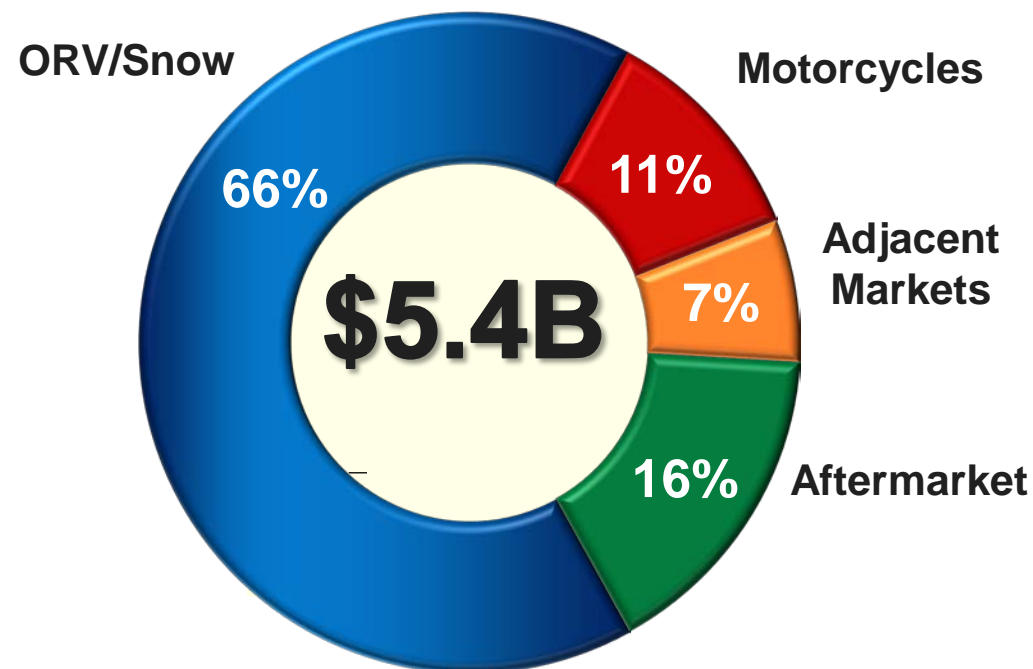
CHRISTOPHER G. WOLF

President of Snowmobiles

POLARIS INDUSTRIES INC. – A GLOBAL CORPORATION

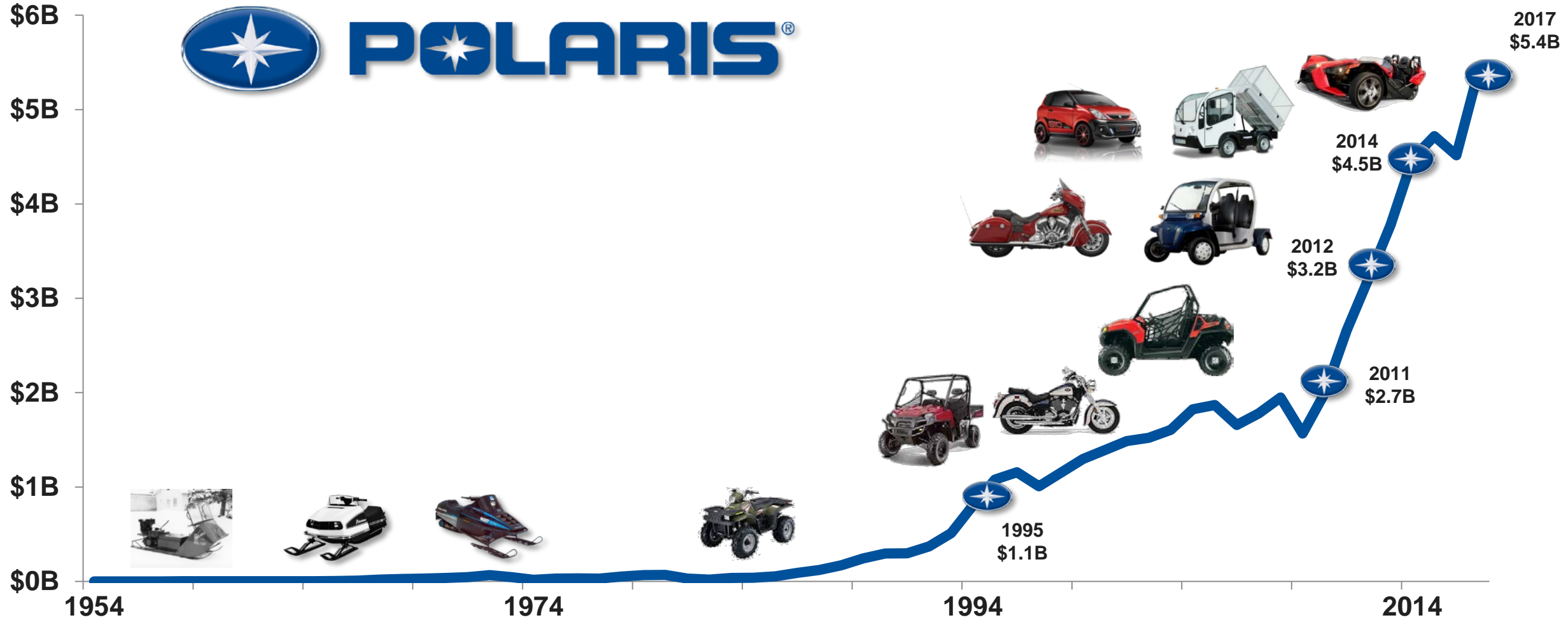
- 1954** Year Polaris was Founded
- ~11,000** Employees Worldwide
- 17** Manufacturing Locations
- 5** Research & Development Centers
- ~1,800** Dealers In North America
- ~1,400** Dealers Outside North America
- >370,000** Units Shipped Worldwide in 2017
- >100** Countries – Polaris Products Sold

2017 Sales* by Segment



**FY 2017 Sales results are adjusted; see GAAP/Non-GAAP Reconciliation*

Long History of Growth

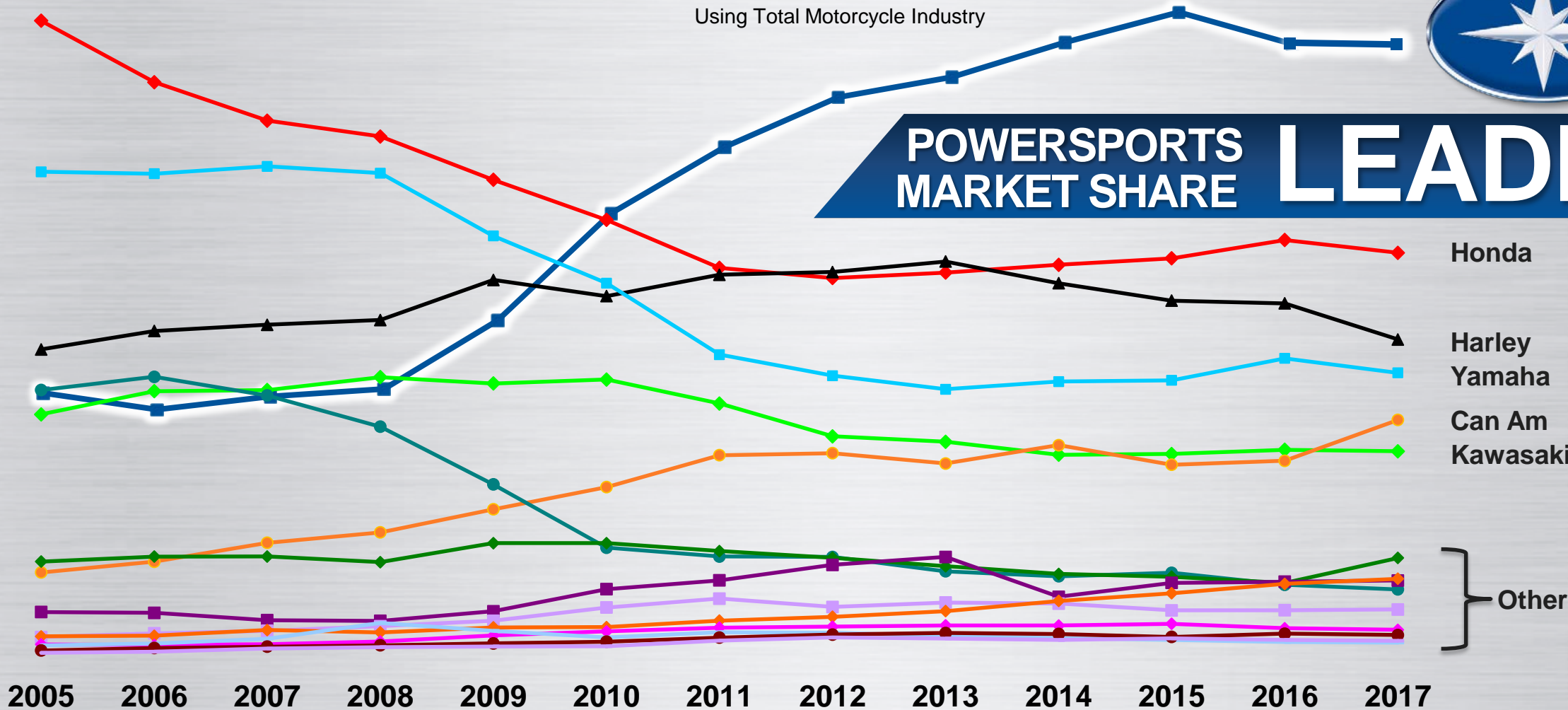


N.A. POWERSPORTS CONSOLIDATED MARKET SHARE

Consolidated Market Share in Units
Using Total Motorcycle Industry



POWERSPORTS MARKET SHARE LEADER



CLEAR #1 IN N.A. POWERSPORTS

Business Segment Overview

ORV & SNOW



2017 SALES:
\$3.6B

KEY STRATEGIES

Drive Innovation
Activate the Core
Flawless Delivery/Execution

MOTORCYCLES



2017 SALES:
\$574M

KEY STRATEGIES

Drive Global Awareness
Deliver On-going Innovation
Margin Improvement

GLOBAL ADJACENT MARKETS



2017 SALES:
\$397M

KEY STRATEGIES

Capitalize on Emerging Trends
Expand Products and Channels
Drive Autonomous Capability

AFTERMARKET



2017 SALES:
\$885M

KEY STRATEGIES

Brand and Product Leadership
Sales/Channel Optimization
Supply Chain Excellence

Positive Outlook Across Entire Portfolio

POLARIS BRANDS



OFF-ROAD VEHICLES



SNOWMOBILES



MOTORCYCLES



ADJACENT MARKETS



AFTERMARKET



CORE PARTS, GARMENTS & ACCESSORIES (PG&A)



RANGER

GENERAL

SPORTSMAN

RZR

ACE

Indian
MOTORCYCLE

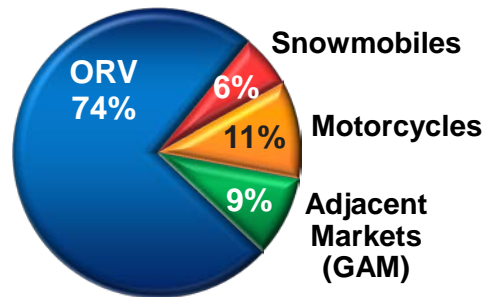
SLINGSHOT

POLARIS

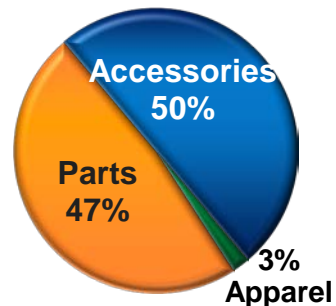
TIMBERSLED



2017 PG&A Sales by Segment

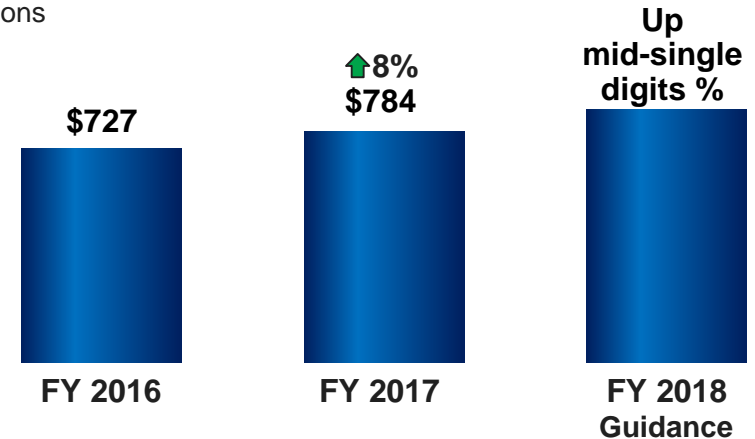


2017 PG&A Sales by Category



Core PG&A Sales

\$ in millions



Key Strategies

Build on Growth Foundation

E-commerce Acceleration

Improved New Product Readiness

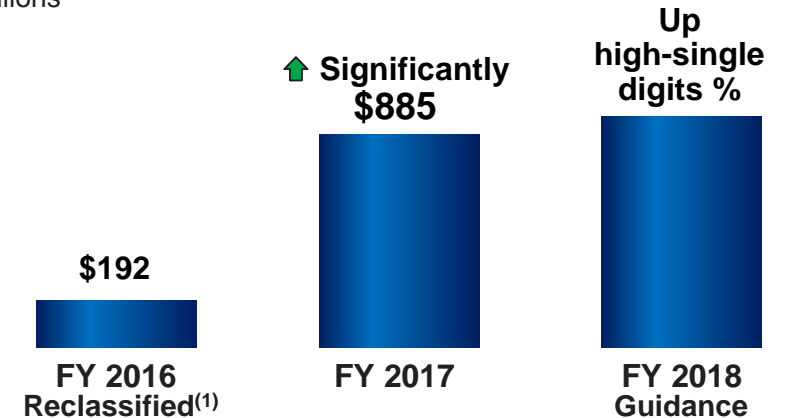
PG&A is Integral in Providing Industry-Leading Customer Experience

AFTERMARKET



Aftermarket Segment Sales

\$ in millions



Transamerican Auto Parts



Other Aftermarket Brands



Key Strategies

Brand and Product Leadership

Sales / Channel Optimization

Supply Chain Excellence

TAP Providing Access to the \$10+ Billion Jeep & Truck Accessories Market

⁽¹⁾ 2016 sales, for comparison purposes, have been reclassified to account for the new Aftermarket segment which included aftermarket brands previously reported in their respective segments



POLARIS®

