

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2015</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or	
	☒ a single-employer plan;	☐ a DFE (specify) _____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan	<u>ARCTIC CAT INC. RETIREMENT SAVINGS PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>
		1c Effective date of plan	<u>04/01/1990</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)	2b Employer Identification Number (EIN) <u>41-1443470</u> 2c Plan Sponsor's telephone number <u>218-681-8558</u> 2d Business code (see instructions) <u>336990</u>		
<u>ARCTIC CAT, INC.</u> <u>601 BROOKS AVE. SOUTH</u> <u>THIEF RIVER FALLS, MN 56701-0810</u>			

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2016	RANDY TWISTOL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2016	RANDY TWISTOL
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 1850
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 1498
a(2) Total number of active participants at the end of the plan year	6a(2) 1415
b Retired or separated participants receiving benefits.....	6b 0
c Other retired or separated participants entitled to future benefits.....	6c 380
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 1795
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 0
f Total. Add lines 6d and 6e	6f 1795
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 1795
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 32
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2J 2A 2G 2K 2F 2T 2S 3D	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ <u>1</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

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

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

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 <hr/> 2015 <hr/> This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning **01/01/2015** and ending **12/31/2015**

A Name of plan ARCTIC CAT INC. RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 ARCTIC CAT, INC.	D Employer Identification Number (EIN) 41-1443470	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier
PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	035513	1795	01/01/2015	12/31/2015

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	17891038
5 Current value of plan's interest under this contract in separate accounts at year end	5	51777950

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ **GUARANTEED GENERAL ACCOUNT CONTRACT**

b Balance at the end of the previous year	7b	17664889
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c Additions: (1) Contributions deposited during the year	7c(1)	948357	
(2) Dividends and credits	7c(2)		
(3) Interest credited during the year	7c(3)	310645	
(4) Transferred from separate account	7c(4)	1203960	
(5) Other (specify below)	7c(5)	347188	

▶ **LOAN REPAYMENTS TRANSFERS IN FORFEITURE CREDITS**

(6) Total additions	7c(6)	2810150
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d Total of balance and additions (add lines 7b and 7c(6))	7d	20475039
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	1957668	
(2) Administration charge made by carrier	7e(2)	2405	
(3) Transferred to separate account	7e(3)	326354	
(4) Other (specify below)	7e(4)	297574	

▶ **LOAN INITIATIONS MISCELLANEOUS OUT FORFEITURES DEBITS**

(5) Total deductions	7e(5)	2584001
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f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	17891038
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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan ARCTIC CAT INC. RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 ARCTIC CAT, INC.	D Employer Identification Number (EIN) 41-1443470	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

06-1050034

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

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

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

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	33024	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
PRUDENTIAL RETIREMENT INSURANCE AND	15 64	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL RETIREMENT INSURANCE AND 06-1050034	25.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2015 TO 12/31/2015 GUARANTEED INCOME FUND	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

<p style="text-align: center;">SCHEDULE D (Form 5500)</p> <p style="text-align: center; font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="text-align: center; font-size: small;">Department of Labor Employee Benefits Security Administration</p>	<p style="text-align: center;">DFE/Participating Plan Information</p> <p style="text-align: center; font-size: small;">This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p style="text-align: center; font-weight: bold;">▶ File as an attachment to Form 5500.</p>	<p style="text-align: center; font-size: small;">OMB No. 1210-0110</p> <hr/> <p style="text-align: center; font-size: large; font-weight: bold;">2015</p> <hr/> <p style="text-align: center; font-size: small; font-weight: bold;">This Form is Open to Public Inspection.</p>
<p>For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015</p>		
<p>A Name of plan ARCTIC CAT INC. RETIREMENT SAVINGS PLAN</p>		<p>B Three-digit plan number (PN) ▶ 001</p>
<p>C Plan or DFE sponsor's name as shown on line 2a of Form 5500 ARCTIC CAT, INC.</p>		<p>D Employer Identification Number (EIN) 41-1443470</p>
<p>Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)</p>		
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP GROWTH/ARTISAN</p>		
<p>b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.</p>		
<p>c EIN-PN 06-1050034-185</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5436398</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP VALUE/WELL MGMT</p>		
<p>b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.</p>		
<p>c EIN-PN 06-1050034-187</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2190839</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP GROWTH/TIMESSQ</p>		
<p>b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.</p>		
<p>c EIN-PN 06-1050034-132</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3679885</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: SA/OFFI GLOBAL STRATEGY</p>		
<p>b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.</p>		
<p>c EIN-PN 06-1050034-308</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2496444</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: LIFETIME AGGRESSIVE</p>		
<p>b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.</p>		
<p>c EIN-PN 06-1050034-166</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3753619</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: LIFETIME GROWTH FD</p>		
<p>b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.</p>		
<p>c EIN-PN 06-1050034-167</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4672698</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE: LIFETIME BALANCED FD</p>		
<p>b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.</p>		
<p>c EIN-PN 06-1050034-168</p>	<p>d Entity code P</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8424373</p>

a Name of MTIA, CCT, PSA, or 103-12 IE: LIFETIME CONSERVATIVE**b** Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-169	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 923528
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a Name of MTIA, CCT, PSA, or 103-12 IE: LIFETIME INCOME & EQUITY**b** Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-170	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 281431
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a Name of MTIA, CCT, PSA, or 103-12 IE: DRYDEN S & P 500 INDEX FUND**b** Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-123	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10580300
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a Name of MTIA, CCT, PSA, or 103-12 IE: LC VALUE/AJO FUND**b** Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-141	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4347737
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a Name of MTIA, CCT, PSA, or 103-12 IE: INTERNATIONAL BLEND/AQR**b** Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-125	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1382824
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a Name of MTIA, CCT, PSA, or 103-12 IE: SM CAP VAL/SILVERCREST**b** Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-126	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1267281
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a Name of MTIA, CCT, PSA, or 103-12 IE: CORE PLUS BOND/PIM FUND**b** Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-299	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 427012
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a Name of MTIA, CCT, PSA, or 103-12 IE: LARGE CAP GROW/AMER CENT**b** Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-253	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1913581
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>		
A Name of plan <u>ARCTIC CAT INC. RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ARCTIC CAT, INC.</u>	D Employer Identification Number (EIN) <u>41-1443470</u>	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	19225	33339
(2) Participant contributions	1b(2)	0	60085
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	2769388	2900099
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)	53165793	51777950
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	17664889	17891038
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	5878668	2606106
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	79497963	75268617

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	8958	7355
k Total liabilities (add all amounts in lines 1g through 1j)	1k	8958	7355

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	79489005	75261262
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1249782	
(B) Participants	2a(1)(B)	4197271	
(C) Others (including rollovers)	2a(1)(C)	93294	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		5540347
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	115593	
(F) Other	2b(1)(F)	310645	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		426238
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	80420	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		80420
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	339076	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	142834	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		196242
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-3238602	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-3238602

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		479002
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		967
d Total income. Add all income amounts in column (b) and enter total	2d		3484614

Expenses**e** Benefit payment and payments to provide benefits:

(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	7540323	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		7540323
f Corrective distributions (see instructions)	2f		8113
g Certain deemed distributions of participant loans (see instructions)	2g		127998
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	35923	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		35923
j Total expenses. Add all expense amounts in column (b) and enter total	2j		7712357

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-4227743
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: BRADY, MARTZ & ASSOCIATES, P.C

(2) EIN: 45-0310328

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

	Yes	No	N/A	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒		
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒		

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
e Was this plan covered by a fidelity bond?	X			5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>ARCTIC CAT INC. RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ARCTIC CAT, INC.</u>	D Employer Identification Number (EIN) <u>41-1443470</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>98241</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>22-1211670</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____	If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2015
v. 150123

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)
	a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

**ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
THIEF RIVER FALLS, MINNESOTA**

AUDITED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Arctic Cat Inc. Retirement Savings Plan
Thief River Falls, Minnesota

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Arctic Cat Inc. Retirement Savings Plan, which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Bank and Trust, FSB, and Prudential Retirement Insurance and Annuity Company, custodians of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the custodians hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the custodians as of and for the years ended December 31, 2015 and 2014, that the information provided to the plan administrator by the custodians is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule of Assets (Held at End of Year), as of December 31, 2015, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



BRADY, MARTZ & ASSOCIATES, P.C.
GRAND FORKS, NORTH DAKOTA

October 5, 2016

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2015 AND 2014

ASSETS	<u>2015</u>	<u>2014</u>
Investments at Fair Value	\$ 54,384,056	\$ 59,044,461
Investments at Contract Value	<u>17,891,038</u>	<u>17,664,889</u>
Total Investments	<u>72,275,094</u>	<u>76,709,350</u>
Receivables		
Employer Contributions	33,339	19,225
Employee Contributions	60,085	-
Notes Receivable from Participants	<u>2,900,099</u>	<u>2,769,388</u>
Total Receivables	<u>2,993,523</u>	<u>2,788,613</u>
Total Assets	<u>75,268,617</u>	<u>79,497,963</u>
Liabilities		
Excess Contributions	<u>7,355</u>	<u>8,958</u>
Total Liabilities	<u>7,355</u>	<u>8,958</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 75,261,262</u></u>	<u><u>\$ 79,489,005</u></u>

See Notes to the Financial Statements

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

ADDITIONS TO NET ASSETS ATTRIBUTED TO:	<u>2015</u>	<u>2014</u>
Investment Income (Loss)		
Net Appreciation (Depreciation) in Fair Value of Investments	\$ (2,562,391)	\$ (393,303)
Interest	310,645	323,276
Dividends	80,420	79,417
Total Investment Income (Loss)	<u>(2,171,326)</u>	<u>9,390</u>
 Interest on Notes Receivable from Participants	 <u>115,593</u>	 <u>109,667</u>
 Contributions		
Participants	4,197,272	4,344,694
Employer	1,249,782	1,228,444
Rollovers	93,293	18,866
Total Contributions	<u>5,540,347</u>	<u>5,592,004</u>
 Total Additions	 <u>3,484,614</u>	 <u>5,711,061</u>
 DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits Paid to Participants	7,676,434	4,409,441
Administrative Expenses	35,923	26,632
Total Deductions	<u>7,712,357</u>	<u>4,436,073</u>
 NET INCREASE (DECREASE)	 (4,227,743)	 1,274,988
 NET ASSETS AVAILABLE FOR PLAN BENEFITS:		
Beginning of Year	<u>79,489,005</u>	<u>78,214,017</u>
 End of Year	 <u>\$ 75,261,262</u>	 <u>\$ 79,489,005</u>

See Notes to the Financial Statements

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2015 AND 2014

NOTE 1 PLAN DESCRIPTION

The following description of the Arctic Cat Inc. Retirement Savings Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan available to all full-time employees of Arctic Cat Inc. (the "Company"), who have 90 days of service and have attained age 18. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Participants may contribute between 1% and 50% of their compensation as defined in the Plan, up to the maximum allowed by law. The Plan also contains an automatic enrollment feature whereby the Company will begin to automatically deduct 3% on a pre-tax basis, unless the employee opts out or elects a different deferral percentage. For participants contributing less than 10%, their deferral percentage will automatically increase by 1% each April 1, unless they opt out. The Company provides for an employer matching contribution of 50% of the employees' elective deferral up to a maximum of 2.5% for the years ended December 31, 2015 and 2014. The Company did not make a non-elective discretionary contribution for the years ended December 31, 2015 and 2014.

Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's contribution and (b) plan earnings. Allocations are based on participant account balances as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account. The Plan allows for participant-directed investment programs for which separate funds are maintained. The employer profit sharing contribution may be invested in Arctic Cat Inc. common stock as directed by the Company. However, participants may re-direct these funds out of Arctic Cat Inc. common stock into any other Plan investment, but participants cannot re-invest in Arctic Cat Inc. common stock. No voluntary participant contributions are able to be directed to Arctic Cat Inc. common stock.

Vesting

Participants are immediately vested in their contributions, plus actual earnings thereon. Vesting in Company matching contributions is based on years of service, and is 100% vested after five years.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$500 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at a rate of 1% over the prime rate of interest at the time the loan is issued. Principal and interest are paid ratably through weekly payroll deductions over a period not to exceed five years, unless the loan is used to aid in the purchase of a principal residence in which case the period may not exceed ten years.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

Payment of Benefits

Upon retirement, a participant may elect to receive either a lump-sum distribution equal to the value in their account, or a series of substantially equal periodic payments. Other termination of service requires participants with account balances of \$1,000 or less to receive a lump-sum cash payment or a direct rollover as soon as reasonably practicable upon the participant's employment termination.

Forfeitures

Forfeitures of \$46,752 and \$35,496 were used to offset the Company's contributions and fees during the years ended December 31, 2015 and 2014, respectively. There were \$39,180 and \$40,502 of forfeited nonvested accounts at December 31, 2015 and 2014, respectively.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Basis of Presentation

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America, ("GAAP"), as codified by the Financial Accounting Standards Board.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Use of Estimates

The presentation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value (except for fully benefit-responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's investment committee determines the Plan's valuation policies utilizing information by the investment advisors and custodians. See Note 5 for discussion on fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Income is recorded as earned on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes gains and losses on investments bought and sold as well as held during the year.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

Payments of Benefits

Benefit payments to participants are recorded when paid.

Expenses

Certain expenses incurred in connection with the Plan that are paid by the Company with forfeited dollars are recorded as deductions in the accompanying Statement of Changes in Net Assets Available for Benefits. Certain investment related expenses are included in the net appreciation of fair value of investments presented in the accompanying Statement of Changes in Net Assets Available for Benefits. Transaction fees for loans and disbursements that are paid by the participants are recorded as deductions in the accompanying Statement of Changes in Net Assets Available for Benefits. All other administrative expenses that are paid directly by the Company are excluded from these financial statements.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded as earned. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document. No allowance for credit losses has been recorded as of December 31, 2015 and 2014.

Income Taxes

The Plan's policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence.

NOTE 3 RECENTLY ADOPTED PRONOUNCEMENTS

In May of 2015, the FASB issued ASU 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*. This standard eliminates the requirement to categorize investments for which fair values are measured using the net asset value per share practical expedient. It also limits disclosures to investments for which the entity has elected to measure the fair value using the practical expedient. The ASU is effective for fiscal years beginning after December 15, 2016, with early adoption permitted. Management has elected to adopt this ASU early.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans* (Topic 960), *Defined Contribution Pension Plans* (Topic 962), *Health and Welfare Benefit Plans* (Topic 965): (Part I) *Fully Benefit-Responsive Investment Contracts*, (Part II) *Plan Investment Disclosures*, and (Part III) *Measurement Date Practical Expedient*. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent five percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. The ASU is

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II are to be applied retrospectively. Management has elected to adopt Parts I and II early.

NOTE 4 INFORMATION PREPARED AND CERTIFIED BY CUSTODIANS

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by:

Prudential Bank and Trust, FSB

	2015	2014
Arctic Cat Inc. Common Stock	\$ 2,606,106	\$ 5,878,668
Notes Receivable from Participants	2,900,099	2,769,388
Dividend Income	80,420	79,417
Interest on Notes Receivable from Participants	115,593	109,667

Prudential Retirement Insurance and Annuity Company

	2015	2014
Pooled Separate Accounts	\$ 51,777,950	\$ 53,165,793
Guaranteed Income Fund	17,891,038	17,664,889
Investment Income	(2,251,746)	(70,027)

NOTE 5 FAIR VALUE MEASUREMENTS

FASB Topic 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under Topic 820 are listed below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability; and
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
 If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

Common Stock: Valued at the closing price reported on the active market on which the individual security is traded.

Pooled Separate Accounts: Valued at the net asset value (NAV) of shares held by the Plan at year end. The NAV, as provided by the insurance company, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the account less its liabilities. This practical expedient is not used when it is determined to be probable that the account will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the accounts, the investment advisor reserves the right to temporarily delay withdrawal from the account in order to ensure that securities liquidations will be carried out in an orderly business manner.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2015:

	Level 1	Level 2	Level 3	Total
Common Stock	\$ 2,606,106	\$ -	\$ -	\$ 2,606,106
Total Assets in the Fair Value Hierarchy	<u>\$ 2,606,106</u>	<u>\$ -</u>	<u>\$ -</u>	<u>2,606,106</u>
Investments Measured at Net Asset Value (a)				<u>51,777,950</u>
Investments at Fair Value				<u>\$ 54,384,056</u>

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2014:

	Level 1	Level 2	Level 3	Total
Common Stock	\$ 5,878,668	\$ -	\$ -	\$ 5,878,668
Total Assets in the Fair Value Hierarchy	<u>\$ 5,878,668</u>	<u>\$ -</u>	<u>\$ -</u>	<u>5,878,668</u>
Investments Measured at Net Asset Value (a)				<u>53,165,793</u>
Investments at Fair Value				<u>\$ 59,044,461</u>

(a) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

Investments Measured Using the Net Asset Value per Share Practical Expedient

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2015 and 2014, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

	December 31,		Unfunded	Redemption	Other	Redemption
	2015	2014	Commitments	Frequency	Redemption	Redemption
	Fair Market Value	Fair Market Value			Restrictions	Notice Period
Pooled Separate Accounts	\$ 51,777,950	\$ 53,165,793	N/A	Daily	-	-

NOTE 6 FULLY BENEFIT RESPONSIVE INVESTMENT CONTRACTS

The Plan participates in Prudential Guaranteed Income Fund (GIF), which by definition is considered to be a guaranteed investment contract, or GIC. The contract is an insurance company issued general account backed group annuity contract. There are no specific securities in the general account that back the investments in this account. All transactions are at contract value, including discontinuance of the contract. In certain circumstances when total distributions or transfers in the GIF within a calendar year exceed pre-determined thresholds, transactions in the GIF may face certain restrictions, in accordance with the contract terms. This could potentially result in the GIF not being fully benefited responsive in certain circumstances.

Because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value as reported to the Plan by Prudential, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative fees.

The GIF is a group annuity insurance product issued by Prudential Retirement Insurance and Annuity Company ("PRIAC"), Hartford, CT and is backed by the full faith and creditworthiness of the issuer. Guarantees are based on the claims-paying ability of PRIAC and not on the value of the securities within the issuer's general account. The credit rating of the issuer at

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

December 31, 2015 was A1 as reported by Moody's Investors Service. Deposits made to the GIF are deposited in PRIAC's general account. Payment obligations under the GIF represent an insurance claim supported by all general account assets. The GIF does not operate like a mutual fund, variable annuity product or conventional fixed rate individual annuity product. Expenses related to the GIF are calculated by PRIAC and incorporated in the GIF crediting rate. Past interest rates are not indicative of future interest rates.

Interest is credited on contract balances using a single "portfolio rate" approach. Under this methodology, a single interest crediting rate is applied to all contributions made to the product regardless of the timing of those contributions. Interest crediting rates are reviewed on a semi-annual basis for resetting.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contracts is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. Examples of such events include the following:

1. The Plan's failure to qualify under Section 401(a) of the Internal Revenue Code or the failure of the trust to be tax-exempt under Section 501(a) of the Internal Revenue Code
2. Premature termination of the contracts
3. Plan termination or merger
4. Changes to the Plan's prohibition on competing investment options
5. Bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spinoffs of a subsidiary) that significantly affect the Plan's normal operations.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Examples of such events include the following:

1. An uncured violation of the Plan's investment guidelines
2. A breach of material obligation under the contract
3. A material misrepresentation
4. A material amendment to the agreements without the consent of the issuer.

NOTE 7 RELATED PARTY TRANSACTIONS

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the plan are paid directly by the Company or with forfeiture dollars. Certain Plan investments are shares of pooled separate accounts managed by Prudential Retirement who is the trustee as defined by the Plan. Therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for transactions amounted to \$35,923 and \$26,632 for the years ended December 31, 2015 and 2014, respectively.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

NOTE 8 AMENDMENT AND TERMINATION OF PLAN

The Board of Directors has the right to amend the Plan if it determines that it is necessary or desirable to do so. Further, although the Company intends to continue the Plan, it reserves the right to terminate it. Any termination of the Plan is subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

NOTE 9 RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amount reported in the statement of net assets available for benefits.

NOTE 10 INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Company in a letter dated November 29, 2011 that the Plan qualifies under the applicable section of the Internal Revenue Code and is, therefore, not subject to tax under present income tax law. The Plan has been amended since receiving the determination letter, however, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable provisions of the IRC. The Plan has applied for a new determination letter and has received correspondence from the IRS that they have received the request. As of the date of our audit, the IRS approval is pending.

Accounting principles generally accepted in the United States of America requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken a significant uncertain tax position that more likely than not would not be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 11 RECLASSIFICATION

Certain reclassifications have been made to the 2014 financial statements to be consistent with the 2015 presentation in the accompanying financial statements.

NOTE 12 SUBSEQUENT EVENTS

No significant events occurred subsequent to the Company's year end. Subsequent events have been evaluated through October 5, 2016, which is the date these financial statements were available to be issued.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
FORM 5500 – ANNUAL REPORT – SCHEDULE H LINE 4(i)
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
PLAN NUMBER: 001
EIN: 41-1443470
AS OF DECEMBER 31, 2015

<u>Identity of Issue</u>	<u>Description of Investment</u>	<u>Cost</u>	<u>Current Value</u>
** Arctic Cat Inc. Common Stock	Common Stock	*	\$ 2,606,106
** PRI - Lifetime Aggressive Growth Fund	Pooled Separate Account	*	3,753,619
** PRI - Lifetime Growth Fund	Pooled Separate Account	*	4,672,698
** PRI - Lifetime Balanced Fund	Pooled Separate Account	*	8,424,373
** PRI - Lifetime Conservative Growth Fund	Pooled Separate Account	*	923,528
** PRI - Lifetime Income & Equity Fund	Pooled Separate Account	*	281,431
** PRI - Dryden S&P 500 Index Fund	Pooled Separate Account	*	10,580,300
** PRI - Large Cap Value/AJO Fund	Pooled Separate Account	*	4,347,737
** PRI - Large Cap Growth/AM Century Fund	Pooled Separate Account	*	1,913,581
** PRI - Mid Cap Value/ Wellington Mgmt Fund	Pooled Separate Account	*	2,190,839
** PRI - Mid Cap Growth/ Artisan Partners Fund	Pooled Separate Account	*	5,436,398
** PRI - Sm Cap Value/Am Century Fund	Pooled Separate Account	*	1,267,281
** PRI - Sm Cap Growth/Times Square Fund	Pooled Separate Account	*	3,679,885
** PRI - International Blend AQR Fund	Pooled Separate Account	*	1,382,824
** PRI - SA/OFI Global Strategy Fund	Pooled Separate Account	*	2,496,444
** PRI - Core Plus Bond/ PIMCO Fund	Pooled Separate Account	*	427,012
** PRI - Guaranteed Income Fund	Group Annuity Contract	*	17,891,038
** Notes Receivable from Participants	Promissory Notes		2,900,099
Interest Rates from 4.25% - 9.5% with various maturities			

* Participant Directed

** Denotes a Party in Interest

**ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
THIEF RIVER FALLS, MINNESOTA**

AUDITED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Arctic Cat Inc. Retirement Savings Plan
Thief River Falls, Minnesota

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Arctic Cat Inc. Retirement Savings Plan, which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Bank and Trust, FSB, and Prudential Retirement Insurance and Annuity Company, custodians of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the custodians hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the custodians as of and for the years ended December 31, 2015 and 2014, that the information provided to the plan administrator by the custodians is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule of Assets (Held at End of Year), as of December 31, 2015, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



BRADY, MARTZ & ASSOCIATES, P.C.
GRAND FORKS, NORTH DAKOTA

October 5, 2016

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2015 AND 2014

ASSETS	<u>2015</u>	<u>2014</u>
Investments at Fair Value	\$ 54,384,056	\$ 59,044,461
Investments at Contract Value	<u>17,891,038</u>	<u>17,664,889</u>
Total Investments	<u>72,275,094</u>	<u>76,709,350</u>
Receivables		
Employer Contributions	33,339	19,225
Employee Contributions	60,085	-
Notes Receivable from Participants	<u>2,900,099</u>	<u>2,769,388</u>
Total Receivables	<u>2,993,523</u>	<u>2,788,613</u>
Total Assets	<u>75,268,617</u>	<u>79,497,963</u>
Liabilities		
Excess Contributions	<u>7,355</u>	<u>8,958</u>
Total Liabilities	<u>7,355</u>	<u>8,958</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 75,261,262</u>	<u>\$ 79,489,005</u>

See Notes to the Financial Statements

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

ADDITIONS TO NET ASSETS ATTRIBUTED TO:	<u>2015</u>	<u>2014</u>
Investment Income (Loss)		
Net Appreciation (Depreciation) in Fair Value of Investments	\$ (2,562,391)	\$ (393,303)
Interest	310,645	323,276
Dividends	80,420	79,417
Total Investment Income (Loss)	<u>(2,171,326)</u>	<u>9,390</u>
 Interest on Notes Receivable from Participants	 <u>115,593</u>	 <u>109,667</u>
 Contributions		
Participants	4,197,272	4,344,694
Employer	1,249,782	1,228,444
Rollovers	93,293	18,866
Total Contributions	<u>5,540,347</u>	<u>5,592,004</u>
 Total Additions	 <u>3,484,614</u>	 <u>5,711,061</u>
 DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits Paid to Participants	7,676,434	4,409,441
Administrative Expenses	35,923	26,632
Total Deductions	<u>7,712,357</u>	<u>4,436,073</u>
 NET INCREASE (DECREASE)	 (4,227,743)	 1,274,988
 NET ASSETS AVAILABLE FOR PLAN BENEFITS:		
Beginning of Year	<u>79,489,005</u>	<u>78,214,017</u>
 End of Year	 <u>\$ 75,261,262</u>	 <u>\$ 79,489,005</u>

See Notes to the Financial Statements

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2015 AND 2014

NOTE 1 PLAN DESCRIPTION

The following description of the Arctic Cat Inc. Retirement Savings Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan available to all full-time employees of Arctic Cat Inc. (the "Company"), who have 90 days of service and have attained age 18. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Participants may contribute between 1% and 50% of their compensation as defined in the Plan, up to the maximum allowed by law. The Plan also contains an automatic enrollment feature whereby the Company will begin to automatically deduct 3% on a pre-tax basis, unless the employee opts out or elects a different deferral percentage. For participants contributing less than 10%, their deferral percentage will automatically increase by 1% each April 1, unless they opt out. The Company provides for an employer matching contribution of 50% of the employees' elective deferral up to a maximum of 2.5% for the years ended December 31, 2015 and 2014. The Company did not make a non-elective discretionary contribution for the years ended December 31, 2015 and 2014.

Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's contribution and (b) plan earnings. Allocations are based on participant account balances as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account. The Plan allows for participant-directed investment programs for which separate funds are maintained. The employer profit sharing contribution may be invested in Arctic Cat Inc. common stock as directed by the Company. However, participants may re-direct these funds out of Arctic Cat Inc. common stock into any other Plan investment, but participants cannot re-invest in Arctic Cat Inc. common stock. No voluntary participant contributions are able to be directed to Arctic Cat Inc. common stock.

Vesting

Participants are immediately vested in their contributions, plus actual earnings thereon. Vesting in Company matching contributions is based on years of service, and is 100% vested after five years.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$500 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at a rate of 1% over the prime rate of interest at the time the loan is issued. Principal and interest are paid ratably through weekly payroll deductions over a period not to exceed five years, unless the loan is used to aid in the purchase of a principal residence in which case the period may not exceed ten years.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

Payment of Benefits

Upon retirement, a participant may elect to receive either a lump-sum distribution equal to the value in their account, or a series of substantially equal periodic payments. Other termination of service requires participants with account balances of \$1,000 or less to receive a lump-sum cash payment or a direct rollover as soon as reasonably practicable upon the participant's employment termination.

Forfeitures

Forfeitures of \$46,752 and \$35,496 were used to offset the Company's contributions and fees during the years ended December 31, 2015 and 2014, respectively. There were \$39,180 and \$40,502 of forfeited nonvested accounts at December 31, 2015 and 2014, respectively.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Basis of Presentation

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America, ("GAAP"), as codified by the Financial Accounting Standards Board.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Use of Estimates

The presentation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value (except for fully benefit-responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's investment committee determines the Plan's valuation policies utilizing information by the investment advisors and custodians. See Note 5 for discussion on fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Income is recorded as earned on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes gains and losses on investments bought and sold as well as held during the year.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

Payments of Benefits

Benefit payments to participants are recorded when paid.

Expenses

Certain expenses incurred in connection with the Plan that are paid by the Company with forfeited dollars are recorded as deductions in the accompanying Statement of Changes in Net Assets Available for Benefits. Certain investment related expenses are included in the net appreciation of fair value of investments presented in the accompanying Statement of Changes in Net Assets Available for Benefits. Transaction fees for loans and disbursements that are paid by the participants are recorded as deductions in the accompanying Statement of Changes in Net Assets Available for Benefits. All other administrative expenses that are paid directly by the Company are excluded from these financial statements.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded as earned. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document. No allowance for credit losses has been recorded as of December 31, 2015 and 2014.

Income Taxes

The Plan's policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence.

NOTE 3 RECENTLY ADOPTED PRONOUNCEMENTS

In May of 2015, the FASB issued ASU 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*. This standard eliminates the requirement to categorize investments for which fair values are measured using the net asset value per share practical expedient. It also limits disclosures to investments for which the entity has elected to measure the fair value using the practical expedient. The ASU is effective for fiscal years beginning after December 15, 2016, with early adoption permitted. Management has elected to adopt this ASU early.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans* (Topic 960), *Defined Contribution Pension Plans* (Topic 962), *Health and Welfare Benefit Plans* (Topic 965): (Part I) *Fully Benefit-Responsive Investment Contracts*, (Part II) *Plan Investment Disclosures*, and (Part III) *Measurement Date Practical Expedient*. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent five percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. The ASU is

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II are to be applied retrospectively. Management has elected to adopt Parts I and II early.

NOTE 4 INFORMATION PREPARED AND CERTIFIED BY CUSTODIANS

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by:

Prudential Bank and Trust, FSB

	2015	2014
Arctic Cat Inc. Common Stock	\$ 2,606,106	\$ 5,878,668
Notes Receivable from Participants	2,900,099	2,769,388
Dividend Income	80,420	79,417
Interest on Notes Receivable from Participants	115,593	109,667

Prudential Retirement Insurance and Annuity Company

	2015	2014
Pooled Separate Accounts	\$ 51,777,950	\$ 53,165,793
Guaranteed Income Fund	17,891,038	17,664,889
Investment Income	(2,251,746)	(70,027)

NOTE 5 FAIR VALUE MEASUREMENTS

FASB Topic 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under Topic 820 are listed below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability; and
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
 If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

Common Stock: Valued at the closing price reported on the active market on which the individual security is traded.

Pooled Separate Accounts: Valued at the net asset value (NAV) of shares held by the Plan at year end. The NAV, as provided by the insurance company, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the account less its liabilities. This practical expedient is not used when it is determined to be probable that the account will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the accounts, the investment advisor reserves the right to temporarily delay withdrawal from the account in order to ensure that securities liquidations will be carried out in an orderly business manner.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2015:

	Level 1	Level 2	Level 3	Total
Common Stock	\$ 2,606,106	\$ -	\$ -	\$ 2,606,106
Total Assets in the Fair Value Hierarchy	<u>\$ 2,606,106</u>	<u>\$ -</u>	<u>\$ -</u>	<u>2,606,106</u>
Investments Measured at Net Asset Value (a)				<u>51,777,950</u>
Investments at Fair Value				<u>\$ 54,384,056</u>

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2014:

	Level 1	Level 2	Level 3	Total
Common Stock	\$ 5,878,668	\$ -	\$ -	\$ 5,878,668
Total Assets in the Fair Value Hierarchy	<u>\$ 5,878,668</u>	<u>\$ -</u>	<u>\$ -</u>	<u>5,878,668</u>
Investments Measured at Net Asset Value (a)				<u>53,165,793</u>
Investments at Fair Value				<u>\$ 59,044,461</u>

(a) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

Investments Measured Using the Net Asset Value per Share Practical Expedient

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2015 and 2014, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

	December 31,		Unfunded	Redemption	Other	Redemption
	2015	2014	Commitments	Frequency	Redemption	Redemption
	Fair Market Value	Fair Market Value			Restrictions	Notice Period
Pooled Separate Accounts	\$ 51,777,950	\$ 53,165,793	N/A	Daily	-	-

NOTE 6 FULLY BENEFIT RESPONSIVE INVESTMENT CONTRACTS

The Plan participates in Prudential Guaranteed Income Fund (GIF), which by definition is considered to be a guaranteed investment contract, or GIC. The contract is an insurance company issued general account backed group annuity contract. There are no specific securities in the general account that back the investments in this account. All transactions are at contract value, including discontinuance of the contract. In certain circumstances when total distributions or transfers in the GIF within a calendar year exceed pre-determined thresholds, transactions in the GIF may face certain restrictions, in accordance with the contract terms. This could potentially result in the GIF not being fully benefited responsive in certain circumstances.

Because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value as reported to the Plan by Prudential, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative fees.

The GIF is a group annuity insurance product issued by Prudential Retirement Insurance and Annuity Company ("PRIAC"), Hartford, CT and is backed by the full faith and creditworthiness of the issuer. Guarantees are based on the claims-paying ability of PRIAC and not on the value of the securities within the issuer's general account. The credit rating of the issuer at

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

December 31, 2015 was A1 as reported by Moody's Investors Service. Deposits made to the GIF are deposited in PRIAC's general account. Payment obligations under the GIF represent an insurance claim supported by all general account assets. The GIF does not operate like a mutual fund, variable annuity product or conventional fixed rate individual annuity product. Expenses related to the GIF are calculated by PRIAC and incorporated in the GIF crediting rate. Past interest rates are not indicative of future interest rates.

Interest is credited on contract balances using a single "portfolio rate" approach. Under this methodology, a single interest crediting rate is applied to all contributions made to the product regardless of the timing of those contributions. Interest crediting rates are reviewed on a semi-annual basis for resetting.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contracts is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. Examples of such events include the following:

1. The Plan's failure to qualify under Section 401(a) of the Internal Revenue Code or the failure of the trust to be tax-exempt under Section 501(a) of the Internal Revenue Code
2. Premature termination of the contracts
3. Plan termination or merger
4. Changes to the Plan's prohibition on competing investment options
5. Bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spinoffs of a subsidiary) that significantly affect the Plan's normal operations.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Examples of such events include the following:

1. An uncured violation of the Plan's investment guidelines
2. A breach of material obligation under the contract
3. A material misrepresentation
4. A material amendment to the agreements without the consent of the issuer.

NOTE 7 RELATED PARTY TRANSACTIONS

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the plan are paid directly by the Company or with forfeiture dollars. Certain Plan investments are shares of pooled separate accounts managed by Prudential Retirement who is the trustee as defined by the Plan. Therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for transactions amounted to \$35,923 and \$26,632 for the years ended December 31, 2015 and 2014, respectively.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

NOTE 8 AMENDMENT AND TERMINATION OF PLAN

The Board of Directors has the right to amend the Plan if it determines that it is necessary or desirable to do so. Further, although the Company intends to continue the Plan, it reserves the right to terminate it. Any termination of the Plan is subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

NOTE 9 RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amount reported in the statement of net assets available for benefits.

NOTE 10 INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Company in a letter dated November 29, 2011 that the Plan qualifies under the applicable section of the Internal Revenue Code and is, therefore, not subject to tax under present income tax law. The Plan has been amended since receiving the determination letter, however, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable provisions of the IRC. The Plan has applied for a new determination letter and has received correspondence from the IRS that they have received the request. As of the date of our audit, the IRS approval is pending.

Accounting principles generally accepted in the United States of America requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken a significant uncertain tax position that more likely than not would not be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 11 RECLASSIFICATION

Certain reclassifications have been made to the 2014 financial statements to be consistent with the 2015 presentation in the accompanying financial statements.

NOTE 12 SUBSEQUENT EVENTS

No significant events occurred subsequent to the Company's year end. Subsequent events have been evaluated through October 5, 2016, which is the date these financial statements were available to be issued.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
FORM 5500 – ANNUAL REPORT – SCHEDULE H LINE 4(i)
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
PLAN NUMBER: 001
EIN: 41-1443470
AS OF DECEMBER 31, 2015

<u>Identity of Issue</u>	<u>Description of Investment</u>	<u>Cost</u>	<u>Current Value</u>
** Arctic Cat Inc. Common Stock	Common Stock	*	\$ 2,606,106
** PRI - Lifetime Aggressive Growth Fund	Pooled Separate Account	*	3,753,619
** PRI - Lifetime Growth Fund	Pooled Separate Account	*	4,672,698
** PRI - Lifetime Balanced Fund	Pooled Separate Account	*	8,424,373
** PRI - Lifetime Conservative Growth Fund	Pooled Separate Account	*	923,528
** PRI - Lifetime Income & Equity Fund	Pooled Separate Account	*	281,431
** PRI - Dryden S&P 500 Index Fund	Pooled Separate Account	*	10,580,300
** PRI - Large Cap Value/AJO Fund	Pooled Separate Account	*	4,347,737
** PRI - Large Cap Growth/AM Century Fund	Pooled Separate Account	*	1,913,581
** PRI - Mid Cap Value/ Wellington Mgmt Fund	Pooled Separate Account	*	2,190,839
** PRI - Mid Cap Growth/ Artisan Partners Fund	Pooled Separate Account	*	5,436,398
** PRI - Sm Cap Value/Am Century Fund	Pooled Separate Account	*	1,267,281
** PRI - Sm Cap Growth/Times Square Fund	Pooled Separate Account	*	3,679,885
** PRI - International Blend AQR Fund	Pooled Separate Account	*	1,382,824
** PRI - SA/OFI Global Strategy Fund	Pooled Separate Account	*	2,496,444
** PRI - Core Plus Bond/ PIMCO Fund	Pooled Separate Account	*	427,012
** PRI - Guaranteed Income Fund	Group Annuity Contract	*	17,891,038
** Notes Receivable from Participants	Promissory Notes		2,900,099
Interest Rates from 4.25% - 9.5% with various maturities			

* Participant Directed

** Denotes a Party in Interest

**ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
THIEF RIVER FALLS, MINNESOTA**

AUDITED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Arctic Cat Inc. Retirement Savings Plan
Thief River Falls, Minnesota

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Arctic Cat Inc. Retirement Savings Plan, which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Bank and Trust, FSB, and Prudential Retirement Insurance and Annuity Company, custodians of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the custodians hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the custodians as of and for the years ended December 31, 2015 and 2014, that the information provided to the plan administrator by the custodians is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule of Assets (Held at End of Year), as of December 31, 2015, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



BRADY, MARTZ & ASSOCIATES, P.C.
GRAND FORKS, NORTH DAKOTA

October 5, 2016

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2015 AND 2014

ASSETS	<u>2015</u>	<u>2014</u>
Investments at Fair Value	\$ 54,384,056	\$ 59,044,461
Investments at Contract Value	<u>17,891,038</u>	<u>17,664,889</u>
Total Investments	<u>72,275,094</u>	<u>76,709,350</u>
Receivables		
Employer Contributions	33,339	19,225
Employee Contributions	60,085	-
Notes Receivable from Participants	<u>2,900,099</u>	<u>2,769,388</u>
Total Receivables	<u>2,993,523</u>	<u>2,788,613</u>
Total Assets	<u>75,268,617</u>	<u>79,497,963</u>
Liabilities		
Excess Contributions	<u>7,355</u>	<u>8,958</u>
Total Liabilities	<u>7,355</u>	<u>8,958</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 75,261,262</u></u>	<u><u>\$ 79,489,005</u></u>

See Notes to the Financial Statements

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

ADDITIONS TO NET ASSETS ATTRIBUTED TO:	<u>2015</u>	<u>2014</u>
Investment Income (Loss)		
Net Appreciation (Depreciation) in Fair Value of Investments	\$ (2,562,391)	\$ (393,303)
Interest	310,645	323,276
Dividends	80,420	79,417
Total Investment Income (Loss)	<u>(2,171,326)</u>	<u>9,390</u>
 Interest on Notes Receivable from Participants	 <u>115,593</u>	 <u>109,667</u>
 Contributions		
Participants	4,197,272	4,344,694
Employer	1,249,782	1,228,444
Rollovers	93,293	18,866
Total Contributions	<u>5,540,347</u>	<u>5,592,004</u>
 Total Additions	 <u>3,484,614</u>	 <u>5,711,061</u>
 DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits Paid to Participants	7,676,434	4,409,441
Administrative Expenses	35,923	26,632
Total Deductions	<u>7,712,357</u>	<u>4,436,073</u>
 NET INCREASE (DECREASE)	 (4,227,743)	 1,274,988
 NET ASSETS AVAILABLE FOR PLAN BENEFITS:		
Beginning of Year	<u>79,489,005</u>	<u>78,214,017</u>
 End of Year	 <u>\$ 75,261,262</u>	 <u>\$ 79,489,005</u>

See Notes to the Financial Statements

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2015 AND 2014

NOTE 1 PLAN DESCRIPTION

The following description of the Arctic Cat Inc. Retirement Savings Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan available to all full-time employees of Arctic Cat Inc. (the "Company"), who have 90 days of service and have attained age 18. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Participants may contribute between 1% and 50% of their compensation as defined in the Plan, up to the maximum allowed by law. The Plan also contains an automatic enrollment feature whereby the Company will begin to automatically deduct 3% on a pre-tax basis, unless the employee opts out or elects a different deferral percentage. For participants contributing less than 10%, their deferral percentage will automatically increase by 1% each April 1, unless they opt out. The Company provides for an employer matching contribution of 50% of the employees' elective deferral up to a maximum of 2.5% for the years ended December 31, 2015 and 2014. The Company did not make a non-elective discretionary contribution for the years ended December 31, 2015 and 2014.

Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's contribution and (b) plan earnings. Allocations are based on participant account balances as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account. The Plan allows for participant-directed investment programs for which separate funds are maintained. The employer profit sharing contribution may be invested in Arctic Cat Inc. common stock as directed by the Company. However, participants may re-direct these funds out of Arctic Cat Inc. common stock into any other Plan investment, but participants cannot re-invest in Arctic Cat Inc. common stock. No voluntary participant contributions are able to be directed to Arctic Cat Inc. common stock.

Vesting

Participants are immediately vested in their contributions, plus actual earnings thereon. Vesting in Company matching contributions is based on years of service, and is 100% vested after five years.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$500 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at a rate of 1% over the prime rate of interest at the time the loan is issued. Principal and interest are paid ratably through weekly payroll deductions over a period not to exceed five years, unless the loan is used to aid in the purchase of a principal residence in which case the period may not exceed ten years.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

Payment of Benefits

Upon retirement, a participant may elect to receive either a lump-sum distribution equal to the value in their account, or a series of substantially equal periodic payments. Other termination of service requires participants with account balances of \$1,000 or less to receive a lump-sum cash payment or a direct rollover as soon as reasonably practicable upon the participant's employment termination.

Forfeitures

Forfeitures of \$46,752 and \$35,496 were used to offset the Company's contributions and fees during the years ended December 31, 2015 and 2014, respectively. There were \$39,180 and \$40,502 of forfeited nonvested accounts at December 31, 2015 and 2014, respectively.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Basis of Presentation

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America, ("GAAP"), as codified by the Financial Accounting Standards Board.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Use of Estimates

The presentation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value (except for fully benefit-responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's investment committee determines the Plan's valuation policies utilizing information by the investment advisors and custodians. See Note 5 for discussion on fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Income is recorded as earned on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes gains and losses on investments bought and sold as well as held during the year.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

Payments of Benefits

Benefit payments to participants are recorded when paid.

Expenses

Certain expenses incurred in connection with the Plan that are paid by the Company with forfeited dollars are recorded as deductions in the accompanying Statement of Changes in Net Assets Available for Benefits. Certain investment related expenses are included in the net appreciation of fair value of investments presented in the accompanying Statement of Changes in Net Assets Available for Benefits. Transaction fees for loans and disbursements that are paid by the participants are recorded as deductions in the accompanying Statement of Changes in Net Assets Available for Benefits. All other administrative expenses that are paid directly by the Company are excluded from these financial statements.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded as earned. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document. No allowance for credit losses has been recorded as of December 31, 2015 and 2014.

Income Taxes

The Plan's policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence.

NOTE 3 RECENTLY ADOPTED PRONOUNCEMENTS

In May of 2015, the FASB issued ASU 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*. This standard eliminates the requirement to categorize investments for which fair values are measured using the net asset value per share practical expedient. It also limits disclosures to investments for which the entity has elected to measure the fair value using the practical expedient. The ASU is effective for fiscal years beginning after December 15, 2016, with early adoption permitted. Management has elected to adopt this ASU early.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans* (Topic 960), *Defined Contribution Pension Plans* (Topic 962), *Health and Welfare Benefit Plans* (Topic 965): (Part I) *Fully Benefit-Responsive Investment Contracts*, (Part II) *Plan Investment Disclosures*, and (Part III) *Measurement Date Practical Expedient*. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent five percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. The ASU is

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II are to be applied retrospectively. Management has elected to adopt Parts I and II early.

NOTE 4 INFORMATION PREPARED AND CERTIFIED BY CUSTODIANS

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by:

Prudential Bank and Trust, FSB

	2015	2014
Arctic Cat Inc. Common Stock	\$ 2,606,106	\$ 5,878,668
Notes Receivable from Participants	2,900,099	2,769,388
Dividend Income	80,420	79,417
Interest on Notes Receivable from Participants	115,593	109,667

Prudential Retirement Insurance and Annuity Company

	2015	2014
Pooled Separate Accounts	\$ 51,777,950	\$ 53,165,793
Guaranteed Income Fund	17,891,038	17,664,889
Investment Income	(2,251,746)	(70,027)

NOTE 5 FAIR VALUE MEASUREMENTS

FASB Topic 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under Topic 820 are listed below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability; and
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
 If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

Common Stock: Valued at the closing price reported on the active market on which the individual security is traded.

Pooled Separate Accounts: Valued at the net asset value (NAV) of shares held by the Plan at year end. The NAV, as provided by the insurance company, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the account less its liabilities. This practical expedient is not used when it is determined to be probable that the account will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the accounts, the investment advisor reserves the right to temporarily delay withdrawal from the account in order to ensure that securities liquidations will be carried out in an orderly business manner.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2015:

	Level 1	Level 2	Level 3	Total
Common Stock	\$ 2,606,106	\$ -	\$ -	\$ 2,606,106
Total Assets in the Fair Value Hierarchy	<u>\$ 2,606,106</u>	<u>\$ -</u>	<u>\$ -</u>	<u>2,606,106</u>
Investments Measured at Net Asset Value (a)				<u>51,777,950</u>
Investments at Fair Value				<u>\$ 54,384,056</u>

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2014:

	Level 1	Level 2	Level 3	Total
Common Stock	\$ 5,878,668	\$ -	\$ -	\$ 5,878,668
Total Assets in the Fair Value Hierarchy	<u>\$ 5,878,668</u>	<u>\$ -</u>	<u>\$ -</u>	<u>5,878,668</u>
Investments Measured at Net Asset Value (a)				<u>53,165,793</u>
Investments at Fair Value				<u>\$ 59,044,461</u>

(a) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

Investments Measured Using the Net Asset Value per Share Practical Expedient

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2015 and 2014, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

	December 31,		Unfunded	Redemption	Other	Redemption
	2015	2014	Commitments	Frequency	Redemption	Redemption
	Fair Market Value	Fair Market Value			Restrictions	Notice Period
Pooled Separate Accounts	\$ 51,777,950	\$ 53,165,793	N/A	Daily	-	-

NOTE 6 FULLY BENEFIT RESPONSIVE INVESTMENT CONTRACTS

The Plan participates in Prudential Guaranteed Income Fund (GIF), which by definition is considered to be a guaranteed investment contract, or GIC. The contract is an insurance company issued general account backed group annuity contract. There are no specific securities in the general account that back the investments in this account. All transactions are at contract value, including discontinuance of the contract. In certain circumstances when total distributions or transfers in the GIF within a calendar year exceed pre-determined thresholds, transactions in the GIF may face certain restrictions, in accordance with the contract terms. This could potentially result in the GIF not being fully benefited responsive in certain circumstances.

Because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value as reported to the Plan by Prudential, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative fees.

The GIF is a group annuity insurance product issued by Prudential Retirement Insurance and Annuity Company ("PRIAC"), Hartford, CT and is backed by the full faith and creditworthiness of the issuer. Guarantees are based on the claims-paying ability of PRIAC and not on the value of the securities within the issuer's general account. The credit rating of the issuer at

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

December 31, 2015 was A1 as reported by Moody's Investors Service. Deposits made to the GIF are deposited in PRIAC's general account. Payment obligations under the GIF represent an insurance claim supported by all general account assets. The GIF does not operate like a mutual fund, variable annuity product or conventional fixed rate individual annuity product. Expenses related to the GIF are calculated by PRIAC and incorporated in the GIF crediting rate. Past interest rates are not indicative of future interest rates.

Interest is credited on contract balances using a single "portfolio rate" approach. Under this methodology, a single interest crediting rate is applied to all contributions made to the product regardless of the timing of those contributions. Interest crediting rates are reviewed on a semi-annual basis for resetting.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contracts is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. Examples of such events include the following:

1. The Plan's failure to qualify under Section 401(a) of the Internal Revenue Code or the failure of the trust to be tax-exempt under Section 501(a) of the Internal Revenue Code
2. Premature termination of the contracts
3. Plan termination or merger
4. Changes to the Plan's prohibition on competing investment options
5. Bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spinoffs of a subsidiary) that significantly affect the Plan's normal operations.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Examples of such events include the following:

1. An uncured violation of the Plan's investment guidelines
2. A breach of material obligation under the contract
3. A material misrepresentation
4. A material amendment to the agreements without the consent of the issuer.

NOTE 7 RELATED PARTY TRANSACTIONS

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the plan are paid directly by the Company or with forfeiture dollars. Certain Plan investments are shares of pooled separate accounts managed by Prudential Retirement who is the trustee as defined by the Plan. Therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for transactions amounted to \$35,923 and \$26,632 for the years ended December 31, 2015 and 2014, respectively.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
AS OF DECEMBER 31, 2015 AND 2014

NOTE 8 AMENDMENT AND TERMINATION OF PLAN

The Board of Directors has the right to amend the Plan if it determines that it is necessary or desirable to do so. Further, although the Company intends to continue the Plan, it reserves the right to terminate it. Any termination of the Plan is subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

NOTE 9 RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amount reported in the statement of net assets available for benefits.

NOTE 10 INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Company in a letter dated November 29, 2011 that the Plan qualifies under the applicable section of the Internal Revenue Code and is, therefore, not subject to tax under present income tax law. The Plan has been amended since receiving the determination letter, however, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable provisions of the IRC. The Plan has applied for a new determination letter and has received correspondence from the IRS that they have received the request. As of the date of our audit, the IRS approval is pending.

Accounting principles generally accepted in the United States of America requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken a significant uncertain tax position that more likely than not would not be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 11 RECLASSIFICATION

Certain reclassifications have been made to the 2014 financial statements to be consistent with the 2015 presentation in the accompanying financial statements.

NOTE 12 SUBSEQUENT EVENTS

No significant events occurred subsequent to the Company's year end. Subsequent events have been evaluated through October 5, 2016, which is the date these financial statements were available to be issued.

ARCTIC CAT INC. RETIREMENT SAVINGS PLAN
FORM 5500 – ANNUAL REPORT – SCHEDULE H LINE 4(i)
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
PLAN NUMBER: 001
EIN: 41-1443470
AS OF DECEMBER 31, 2015

<u>Identity of Issue</u>	<u>Description of Investment</u>	<u>Cost</u>	<u>Current Value</u>
** Arctic Cat Inc. Common Stock	Common Stock	*	\$ 2,606,106
** PRI - Lifetime Aggressive Growth Fund	Pooled Separate Account	*	3,753,619
** PRI - Lifetime Growth Fund	Pooled Separate Account	*	4,672,698
** PRI - Lifetime Balanced Fund	Pooled Separate Account	*	8,424,373
** PRI - Lifetime Conservative Growth Fund	Pooled Separate Account	*	923,528
** PRI - Lifetime Income & Equity Fund	Pooled Separate Account	*	281,431
** PRI - Dryden S&P 500 Index Fund	Pooled Separate Account	*	10,580,300
** PRI - Large Cap Value/AJO Fund	Pooled Separate Account	*	4,347,737
** PRI - Large Cap Growth/AM Century Fund	Pooled Separate Account	*	1,913,581
** PRI - Mid Cap Value/ Wellington Mgmt Fund	Pooled Separate Account	*	2,190,839
** PRI - Mid Cap Growth/ Artisan Partners Fund	Pooled Separate Account	*	5,436,398
** PRI - Sm Cap Value/Am Century Fund	Pooled Separate Account	*	1,267,281
** PRI - Sm Cap Growth/Times Square Fund	Pooled Separate Account	*	3,679,885
** PRI - International Blend AQR Fund	Pooled Separate Account	*	1,382,824
** PRI - SA/OFI Global Strategy Fund	Pooled Separate Account	*	2,496,444
** PRI - Core Plus Bond/ PIMCO Fund	Pooled Separate Account	*	427,012
** PRI - Guaranteed Income Fund	Group Annuity Contract	*	17,891,038
** Notes Receivable from Participants	Promissory Notes		2,900,099
Interest Rates from 4.25% - 9.5% with various maturities			
* Participant Directed			
** Denotes a Party in Interest			