

POLARIS INDUSTRIES INC/MN
Form DEF 14A
March 09, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Polaris Industries Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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- (1) Amount Previously Paid:
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- (4) Date Filed:

Notice of
2018 Annual Meeting
of **Shareholders**

Thursday, April 26, 2018
9:00 a.m. Central Time

Polaris Industries Inc.

2100 Highway 55
Medina, Minnesota 55340
763-542-0500
Fax: 763-542-0599

Dear Fellow Shareholder:

Our 2018 Annual Meeting of Shareholders will be held on Thursday, April 26, 2018 at 9:00 a.m., Central time. The Board of Directors of Polaris Industries Inc. (“Polaris”) joins me in extending a cordial invitation to attend this year’s Annual Meeting, our first completely virtual meeting of shareholders. You may attend the meeting, submit questions, and vote your shares electronically during the meeting via live webcast by visiting www.virtualshareholdermeeting.com/PII. You will need the 16-digit control number that is printed in the box marked by the arrow on your Notice of Internet Availability of Proxy Materials (the “Notice”) or proxy card to enter the Annual Meeting. We recommend that you log in at least fifteen minutes before the meeting to ensure you are logged in when the meeting starts. The online meeting will begin promptly at 9:00 a.m., Central time.

Again this year, we will be using the “Notice and Access” method of furnishing proxy materials to you over the Internet. We believe that this process will provide you with a convenient and quick way to access your proxy materials and vote your shares, while allowing us to reduce the environmental impact of our Annual Meeting and the costs of printing and distributing the proxy materials. On or about March 9, 2018, we will mail to many of our shareholders the Notice containing instructions on how to access our Proxy Statement and Annual Report and vote electronically over the Internet. The Notice also contains instructions on how to receive a paper copy of your proxy materials. We will not be mailing the Notice to shareholders who previously elected to receive paper copies of the proxy materials, but

rather will mail those shareholders a full set of the proxy materials.

Please act as soon as possible to vote your shares. It is important that your shares be represented at the meeting whether or not you plan to attend the annual meeting via the Internet. Please vote electronically over the Internet or, if you receive a paper copy of the proxy card by mail, by telephone or by returning your signed proxy card in the envelope provided. You may also vote your shares online during the meeting. Instructions on how to vote while participating in the meeting live via the Internet are posted at www.virtualshareholdermeeting.com/PII.

Thank you for your continued investment in Polaris. We look forward to you joining the virtual meeting.

Sincerely,

Scott W. Wine

Chairman of the Board and Chief Executive Officer

March 9, 2018

Enclosures

Polaris Industries Inc.

2100 Highway 55
Medina, Minnesota 55340

Notice of
**Annual Meeting
of Shareholders**

Thursday, April 26, 2018

9:00 a.m. Central Time

Polaris Industries Inc. will hold its 2018 Annual Meeting of Shareholders on Thursday, April 26, 2018 at 9:00 a.m. Central time. The Annual Meeting will be completely virtual. You may attend the meeting, submit questions, and vote your shares electronically during the meeting via live webcast by visiting www.virtualshareholdermeeting.com/PII. You will need the 16-digit control number that is printed in the box marked by the arrow on your Notice of Internet Availability of Proxy Materials or proxy card to enter the Annual Meeting. We recommend that you log in at least fifteen minutes before the meeting to ensure you are logged in when the meeting starts. The proxy materials were either made available to you over the Internet or mailed to you beginning on or about March 9, 2018. At the meeting, our shareholders will be asked to:

1. Elect one Class II director for a two-year term ending in 2020, and three Class III directors for three-year terms ending in 2021.
2. Ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal 2018.
3. Submit an advisory vote to approve the compensation of our Named Executive Officers (as described in the accompanying Proxy Statement).
4. Act on any other matters that may properly come before the meeting.

The Board recommends that shareholders vote *FOR* each of the following:

1. The director nominees named in the accompanying Proxy Statement.
- 2.

The ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal 2018.

3. The advisory vote to approve the compensation of our Named Executive Officers.

Only shareholders of record at the close of business on February 28, 2018 may vote at the Annual Meeting or any adjournment thereof.

Dated: March 9, 2018

By Order of the Board of Directors

Lucy Clark Dougherty

Senior Vice President-General Counsel and Secretary

YOUR VOTE IS IMPORTANT

Whether or not you plan to join the virtual meeting, we urge you to vote as soon as possible via the Internet as described in the Notice of Internet Availability of Proxy Materials. If you received a copy of the proxy card by mail, you may vote via Internet or telephone as instructed on the proxy card, or you may sign, date and mail the proxy card in the envelope provided.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2018 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 26, 2018.

Our Proxy Statement for the 2018 Annual Meeting of Shareholders, our Annual Report to Shareholders for the fiscal year ended December 31, 2017 and our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 are available at <https://materials.proxyvote.com/731068>.

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POLARIS INDUSTRIES INC.

2100 Highway 55
Medina, Minnesota 55340

PROXY STATEMENT

Questions and Answers about the
Annual Meeting and Voting

Q: Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a paper copy of the proxy materials?

A: “Notice and Access” rules adopted by the United States Securities and Exchange Commission (the “SEC”) permit us to furnish proxy materials, including this Proxy Statement and our Annual Report for 2017, to our shareholders by providing access to such documents on the Internet instead of mailing printed copies. Most shareholders will not receive printed copies of the proxy materials unless they request them. Instead, the Notice, which was mailed to most of our shareholders, will instruct how you may access and review all of the proxy materials on the Internet. The Notice also instructs how you may submit your proxy via the Internet. If you would like to receive a paper or email copy of our proxy materials, you should follow the instructions for requesting such materials in the Notice. Any request to receive proxy materials by mail will remain in effect until you revoke it.

Q: Who can vote?

A: You can vote if you were a shareholder at the close of business on the record date of February 28, 2018. There were a total of 63,078,134 shares of our common stock outstanding on February 28, 2018. Polaris is soliciting proxies for use at the Annual Meeting, including any postponements or adjournments. The Notice, this Proxy Statement and any accompanying proxy card, along with the 2017 Annual Report to Shareholders and the 2017 Annual Report on Form 10-K, were first made available to you beginning on or about March 9, 2018. The Proxy Statement

summarizes the information you need to vote at the Annual Meeting.

Q: What constitutes a quorum to conduct business at the Annual Meeting?

A: A majority of the outstanding shares of our common stock represented online or by proxy is necessary to constitute a quorum for the transaction of business at the Annual Meeting. As of the record date, 63,078,134 shares of our common stock were issued and outstanding. A majority of those shares, or 31,539,068 shares of our common stock, will constitute a quorum. If you submit a valid proxy or join the virtual Annual Meeting, your shares will be counted to determine whether there is a quorum. A properly executed proxy marked “ABSTAIN” with respect to a proposal will be counted for purposes of determining whether there is a quorum and will be considered present online or by proxy and entitled to vote on that proposal, but will not be deemed to have been voted in favor of such proposal.

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Q: What am I voting on, what vote is required to approve each proposal and how does the Board recommend I vote?

A: The table below summarizes the proposals that will be voted on, the vote required to approve each item, how votes are counted and how the Board recommends you vote:

| Proposal | Vote Required | Voting Options | Board Recommendation | Broker Discretionary Voting Allowed ⁽¹⁾ | Impact of Withhold/ Abstention |
|---|---|-----------------------|----------------------|--|--------------------------------|
| Proposal 1 – Elect one Class II director for a two-year term ending in 2020, and three Class III directors for three-year terms ending in 2021 | Majority of votes cast (votes cast “For” must exceed votes cast “Against” ⁽²⁾) | FOR, AGAINST, ABSTAIN | FOR | No | None |
| Proposal 2 – Ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal 2018 | Majority of votes present in person (i.e., online) or by proxy and entitled to vote on this item ⁽³⁾ | FOR, AGAINST, ABSTAIN | FOR | Yes | AGAINST |
| Proposal 3 – Advisory vote to approve the compensation of our Named Executive Officers | We will consider our shareholders to have approved the compensation of our Named Executive Officers if there are more votes cast “For” the proposal than “Against” ⁽²⁾ | FOR, AGAINST, ABSTAIN | FOR | No | None |

A “broker non-vote” occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that proposal and has not received voting instructions from the beneficial owner. If a broker returns a “non-vote” proxy indicating a lack of authority to vote on a proposal, then the shares covered by such a “non-vote” proxy will be deemed present at the (1) meeting for purposes of determining a quorum, but not present for purposes of calculating the vote with respect to that particular proposal. Broker non-votes will generally have no effect in determining whether any proposals to be voted on at the Annual Meeting are approved, although if a quorum for the Annual Meeting could not be established without including broker non-votes, then the broker non-votes required to establish the minimum quorum would have the same effect as votes against Proposal 2.

(2) A majority voting standard is applicable only to uncontested elections. If there are more nominees than directors to be elected, then a plurality voting standard is applicable. A plurality means that the nominees with the greatest number of votes are elected as directors up to the maximum number of directors to be elected at the meeting. Any director who fails to receive a majority of the votes cast “for” his or her election in an uncontested election must promptly tender his or her resignation. In that event, the Corporate Governance and Nominating Committee must

make a recommendation to the Board on whether to accept or reject the tender of resignation. The Board, after taking into account the recommendation, must publicly disclose its decision and rationale within 90 days after the election. The director who failed to receive a majority vote will not participate in the decision.

(3) *The voting standard assumes that the number of shares voted in favor of such proposal constitute more than 25% of the outstanding shares of our common stock.*

The advisory vote to approve the compensation of our Named Executive Officers is not binding on the Board, but (4) the Compensation Committee will consider the shareholders' advisory input when establishing compensation for our Named Executive Officers in future years.

Q: How will the proxies vote on any other business brought up at the meeting?

By submitting your proxy, you authorize the proxies to use their judgment to determine how to vote on any other A: matter brought before the Annual Meeting. We do not know of any other business to be considered at the Annual Meeting.

The proxies' authority to vote according to their judgment applies only to shares you own as the shareholder of record.

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Q: How do I cast my vote?

A: If you are a shareholder whose shares are registered in your name, you may vote your shares via the Internet in advance of or during the Annual Meeting or by using one of the three following methods:

Vote by Internet by following the instructions for Internet voting shown on the Notice, or if you requested printed proxy materials or you receive a paper copy of the proxy card, by following the instructions provided with your proxy materials and on your proxy card.

If you elected to receive printed proxy materials, you may also:

Vote by phone following the instructions for telephone voting provided with your printed proxy materials and on your proxy card.

Vote by completing, signing, dating and mailing the proxy card in the envelope provided. If you vote by phone or Internet, please do not mail your proxy card.

Shareholders who attend the virtual Annual Meeting should follow the instructions at www.virtualshareholdermeeting.com/PII in order to vote or submit questions during the meeting.

If you are a street-name shareholder (meaning that your shares are registered in the name of your bank or broker), you will receive instructions from your bank, broker or other nominee describing how to vote your shares.

Whichever method you use, the proxies identified on the proxy will vote the shares of which you are the shareholder of record in accordance with your instructions. If you submit a proxy without giving specific voting instructions, the proxies will vote those shares as recommended by the Board.

Q: Can I vote my shares by filling out and returning the Notice?

A: No. The Notice identifies the items to be voted on at the Annual Meeting, but you cannot vote by marking the Notice and returning it. The Notice provides instructions on how to vote by Internet, by requesting and returning a paper proxy card or voting instruction card, or by voting online during the meeting.

Q: Can I revoke or change my vote?

A: You can revoke your proxy at any time before it is voted online at the Annual Meeting by:

Submitting a new proxy with a more recent date than that of the first proxy given by (1) following the telephone voting instructions; (2) following the Internet voting instructions; or (3) completing, signing, dating and returning a new proxy card to us; or

Giving written notice before the vote to our Secretary, stating that you are revoking your proxy; after which you may vote online during the Annual Meeting. If you wish to revoke your proxy by submitting a later proxy, you should submit the subsequent proxy in the same way you initially submitted it - that is, by telephone, Internet or mail.

Q: Who will count the votes?

A: Broadridge Financial Solutions, our independent proxy tabulator, will count the votes. A representative of Broadridge Financial Solutions and Sean Bagan, our Treasurer, will act as inspectors of election for the meeting.

Q: Is my vote confidential?

A: All proxies and all vote tabulations that identify an individual shareholder are confidential. Your vote will not be disclosed, except:

To allow Broadridge Financial Solutions to tabulate the vote;

To allow Sean Bagan, our Treasurer, and a representative of Broadridge Financial Solutions to certify the results of the vote; and

To meet applicable legal requirements.

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Q: What shares are included on my proxy?

Your proxy will represent all shares registered to your account in the same social security number and address, including any full and fractional shares you own under the Polaris Industries Inc. Amended and Restated 2007 Omnibus Incentive Plan (the “Omnibus Plan”) or the Polaris Industries Inc. Employee Stock Purchase Plan, as well as any shares you own through the Polaris Employee Stock Ownership Plan (the “ESOP”) and the Polaris 401(k) Retirement Savings Plan (the “401(k) Plan”).

Q: What happens if I don’t vote the shares that I own?

For shares registered in your name. If you do not vote shares that are registered in your name by voting online at the Annual Meeting or by proxy through the Internet, telephone or mail as described on the Notice, the Internet voting site or, if you requested printed proxy materials or receive a paper copy of the proxy card, by following the instructions therein, your shares will not be counted in determining the presence of a quorum or in determining the outcome of the vote on the proposals presented at the Annual Meeting.

For shares held in street name. If you hold shares through a broker, you will receive voting instructions from your broker. If you do not submit voting instructions to your broker and your broker does not have discretion to vote your shares on a particular matter, then your shares will not be counted in determining the outcome of the vote on that matter at the Annual Meeting. See effect of “broker non-votes” as described above. Your broker will not have discretion to vote your shares for any matter to be voted upon at the Annual Meeting other than the ratification of the selection of our independent registered public accounting firm. Accordingly, it is important that you provide voting instructions to your broker for the matters to be voted upon at the Annual Meeting.

For shares held in certain employee plans. If you hold shares in the ESOP or the 401(k) Plan and you do not submit your voting instructions by proxy through the mail, telephone or Internet as described on the proxy card, those shares will be voted in the manner described in the following two questions.

Q: How are common shares in the Polaris Employee Stock Ownership Plan voted?

If you hold shares of common stock through the ESOP, your proxy card will instruct the trustee of the plan how to vote the shares allocated to your plan account. If you do not return your proxy card (or you submit it with an unclear voting designation or with no voting designation at all), then the plan trustee will vote the shares in your account in proportion to the instructions actually received by the trustee from participants who give voting instructions. Votes under the ESOP receive the same confidentiality as all other votes.

Q: How are common shares in the Polaris 401(k) Retirement Savings Plan voted?

If you hold shares of our common stock through the 401(k) Plan, your proxy card will instruct the trustee of the plan how to vote the shares allocated to your plan account. If you do not return your proxy card (or you submit it with an unclear voting designation or with no voting designation at all), then the shares in your account will not be voted. Votes under the 401(k) Plan receive the same confidentiality as all other votes.

Q: What does it mean if I get more than one Notice or proxy card?

A: Your shares are probably registered in more than one account. You should provide voting instructions for all Notices and proxy cards you receive.

Q: How many votes can I cast?

A: You are entitled to one vote per share on all matters presented at the meeting.

Q: When are shareholder proposals and nominees due for the 2019 Annual Meeting of Shareholders?

A: If you want to submit a shareholder proposal or nominee for the 2019 Annual Meeting of Shareholders, you must submit the proposal in writing to our Corporate Secretary, Polaris Industries Inc., 2100 Highway 55, Medina, Minnesota 55340, so it is received by the relevant date set forth on page 56 under the caption “*Submission of Shareholder Proposals and Nominations.*”

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