

**January 12, 2017**

**MGM Resorts International**  
**CORPORATE GOVERNANCE GUIDELINES**

The Board of Directors (the “Board”) of MGM Resorts International (the “Company”) has adopted these Corporate Governance Guidelines (these “Guidelines”) to reflect the commitment by the Company to the highest standards of corporate governance, to provide guidance on matters of corporate governance, and to ensure compliance with New York Stock Exchange (the “NYSE”) listing standards and other applicable legal requirements. The Board periodically reviews and reassesses these Guidelines, upon the recommendation of the Nominating/Corporate Governance Committee. These Guidelines are available to stockholders, investors and the general public through publication on the Company’s website at [www.mgmresorts.com/corporategovernance](http://www.mgmresorts.com/corporategovernance).

**I. AUTHORITY AND RESPONSIBILITIES OF THE BOARD**

The Board is responsible for: (i) directing the affairs of the Company in the interests of all the stockholders of the Company, including their interest in optimizing financial returns and the value of the Company over the long term; and (ii) setting expectations about the tone and ethical culture of the Company. The Board, which is elected by the Company’s stockholders, is the ultimate decision making body of the Company, except with respect to matters reserved to the stockholders. The Board considers all major decisions with respect to the Company. However, the Board has established the following committees so that certain important areas can be addressed in more depth than may be possible in a meeting of the full Board and to assist the Board in the performance of its duties: Audit Committee, Compensation Committee, Corporate Social Responsibility Committee, and Nominating/Corporate Governance Committee.

Members of the Board (“Directors”) are expected to exercise their business judgment and to act in what they reasonably believe to be the best interests of the Company and its stockholders. In discharging this obligation, Directors are entitled to rely on the honesty and integrity of the Company’s senior executives and its outside advisors and auditors. The Board selects the Chief Executive Officer (the “CEO”) and certain senior executives of the Company, who are charged with the day-to-day management of the Company’s business. The primary function of the Board is, therefore, one of oversight – defining and enforcing standards of accountability that enable management to execute their responsibilities fully and in the interests of the Company’s stockholders.

The Board generally fulfills its role (directly or by delegating certain responsibilities to its committees) by:

A. overseeing the conduct of the Company’s business to determine whether it is being effectively managed, including through regular meetings of the independent Directors without the presence of management; evaluating the performance of the Company and its senior management; and selecting, regularly evaluating, and fixing the compensation of the CEO and other members of executive management as it deems appropriate;

- B. providing oversight of the risk management, assessment and monitoring processes;
- C. monitoring fundamental operating, financial and other corporate strategies, as well as approving strategic plans and major transactions;
- D. designing governance structures and practices to position the Board to fulfill its duties effectively and efficiently;
- E. providing advice and counsel to the CEO and other executive management of the Company;
- F. overseeing management in an effort to ensure that the assets of the Company are safeguarded through the maintenance of appropriate accounting, financial and other reporting and disclosure controls and procedures, and that the business of the Company is conducted in compliance with applicable laws and regulations and the highest ethical standards; and reviewing and approving major changes in the appropriate auditing and accounting principles and practices;
- G. setting expectations about the tone and ethical culture of the Company, and reviewing management efforts to instill an appropriate tone and culture throughout the Company;
- H. overseeing compliance with applicable laws and regulations;
- I. evaluating the overall effectiveness of the Board, as well as selecting and recommending to stockholders qualified candidates for election to the Board; and
- J. performing such other functions as the Board believes appropriate or necessary, or as otherwise prescribed by rules or regulations.

These Guidelines are intended to describe the general principles by which the Board operates. These Guidelines are not intended to be a code of regulations, but rather a statement of intention. These Guidelines may be amended from time to time by the Board in its discretion, upon the recommendation of the Nominating/Corporate Governance Committee.

## **II. SELECTION AND COMPOSITION OF THE BOARD**

### **Board Independence**

The Board is composed of a majority of Directors who are not officers or employees of the Company and who, in each case, the Board has affirmatively determined lack a “material relationship” with the Company (either directly or as a partner, controlling stockholder or executive officer of an organization that has a material relationship with the Company).

The Board has established these Guidelines to assist it in determining Director independence.

1. A Director is not “independent” if:
  - a. the Director is, or has been within the last three years, employed by the

Company, or has an immediate family member who is, or has been within the last three years, an executive officer of the Company;

- b. the Director has received, or has an immediate family member who has received for service as an executive officer of the Company, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Company, other than Director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);
- c. (i) the Director is a current partner, or has an immediate family member who is a current partner, of a firm that is the Company's internal or external auditor; (ii) the Director is a current employee of such a firm; (iii) the Director has an immediate family member who is a current employee of such a firm and who personally works on the Company's audit; or (iv) the Director or an immediate family member was, within the last three years (but in either case is no longer), a partner or employee of such a firm and personally worked on the Company's audit within that time;
- d. the Director is or has been, or has an immediate family member who is or has been, within the last three years, employed as an executive officer by another company where any of the Company's current executive officers serves or served on that company's compensation committee; or
- e. the Director is an employee, or has an immediate family member who is an executive officer, of an organization that has made or received from the Company, payments for property or services in an amount which, in any of the last three fiscal years, exceeded the greater of 2% of such other company's consolidated gross revenues or \$1 million.

For the purposes of these independence standards, a reference to the "Company" includes any parent or subsidiary in a consolidated group with the Company. "Immediate family member" includes a person's spouse, parent, sibling, child, mother- or father-in-law, son- or daughter-in-law, brother- or sister-in-law or anyone (other than domestic employees) who shares a person's home but does not include individuals who are no longer "immediate family members" as a result of legal separation, divorce, death or incapacity.

- 2. In addition, a Director is not "independent" if he or she has any of the following charitable or business relationships:
  - a. the Director or an immediate family member is an executive officer, trustee, or chairman of the board of a tax-exempt entity that, within the past 12 months, received significant contributions from the Company (revenue of the greater of 2% of the entity's consolidated gross revenues or \$1 million is considered significant); or

- b. the Director or an immediate family member has any other business (including providing professional services), charitable or personal relationships with the Company or with members of senior management of the Company that the Board determines to be material.

With respect to (a) above, the Company's automatic matching of employee charitable contributions, if any, will not be included in the amount of the Company's contributions for this purpose.

### **Board Member Criteria and Election**

The Board, upon recommendation of the Nominating/Corporate Governance Committee, selects candidates for nomination to the Board. The Board welcomes recommendations for Board candidates from stockholders. The Nominating/Corporate Governance Committee identifies individuals qualified to become Board members (consistent with criteria that it recommends to the Board) and recommends nominees to the Board. The Nominating/Corporate Governance Committee reviews the qualifications of any person submitted to be considered as a Board member by any stockholder or otherwise. The Nominating/Corporate Governance Committee may engage an independent executive search firm to assist in identifying qualified candidates. The Nominating/Corporate Governance Committee reviews all recommended candidates in the same manner regardless of the source of the recommendation.

Recommendations from public stockholders should be in writing and addressed to: Corporate Secretary, MGM Resorts International, 3600 Las Vegas Boulevard South, Las Vegas, Nevada 89109, and must include the proposed candidate's name, address, age and qualifications together with the information relating to Director nominees that is required to be disclosed under federal securities laws and regulations. Such communication must be received in a timely manner in accordance with the Amended and Restated Bylaws of the Company (the "Bylaws") and also include the recommending stockholder's name address and the number of shares of the Company's common stock, and the length of time, beneficially held.

Directors should be individuals with substantial accomplishments in their professional backgrounds, and should be leaders in the companies or institutions with which they are affiliated. They should be able to make independent, analytical inquiries and should exhibit practical wisdom and mature judgment. Directors are expected to possess the highest personal and professional ethics, integrity and values, and should be committed to promoting the long-term interests of the Company's stockholders.

The Nominating/Corporate Governance Committee evaluates each individual in the context of the Board as a whole, with the objective of recommending a group that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment, using its diversity of experience. The Nominating/Corporate Governance Committee, together with the Board, reviews, on an annual basis, the composition of the Board to determine whether the Board includes the right mix and balance of skills sets, financial acumen, general and special business experience and expertise, industry knowledge, diversity, leadership abilities, high ethical standards, independence, sound judgment, interpersonal skills, overall effectiveness and other desired qualities.

The Board believes that 74 is an appropriate retirement age for non-employee Directors. Non-employee Directors will not be nominated for election to the Board at any annual meeting of stockholders following their 74th birthday, unless the Board approves an exception on a case-by-case basis. This guideline will be effective as of June 2, 2016 and will not apply to any

Director who is age 74 or older on the effective date of this guideline.

The Company has not adopted term limits for its Board members because it recognizes that such arbitrary limitations may result in individuals who have gained valuable experience and unique insight through their board service being precluded from serving on the Company's Board. However, the Company recognizes that economic, social and geo-political factors affecting our global business are continually changing and the experiences and skills of our board members need to keep pace. Accordingly, in re-nominating incumbent members to the Board of Directors, the Nominating/Corporate Governance Committee takes into account the need to regularly refresh the composition of the Board to ensure the Board has the appropriate complement of expertise and recent experience to address the Company's current and anticipated circumstances and needs.

The Bylaws provide that the vote required for election of a director by the stockholders shall, except in a contested election, be a majority of votes cast (as defined in the Bylaws). If an election is contested (as defined in the Bylaws), directors shall be elected by a plurality of votes properly cast.

Any nominee for director in an uncontested election who fails to receive the requisite majority vote at a stockholder meeting must, promptly following certification of the stockholder vote, tender his or her resignation from the Board and all committees thereof. The Nominating/Corporate Governance Committee shall assess the appropriateness of such nominee continuing to serve as a director and shall recommend to the Board whether to accept or reject the resignation, or whether other action should be taken. Any director who tenders his or her resignation pursuant to this provision shall not participate in the Nominating/Corporate Governance Committee recommendation or Board action regarding whether to accept the resignation offer. The Board will act on the tendered resignation and publicly disclose its decision and rationale within 90 days following certification of the stockholder vote. If each member of the Nominating/Corporate Governance Committee fails to receive the required vote in favor of his or her election in the same election, then those independent directors who did receive the required vote shall consider the resignation offers and recommend to the Board whether to accept them.

### **Affiliations of Directors: Limits on Other Activities**

It is the responsibility of each Director to advise the Corporate Secretary or the Chair of the Nominating/Corporate Governance Committee of any significant change in personal circumstances or any affiliation with public or privately held commercial enterprises that may create a potential conflict of interest, potential embarrassment to the Company or possible inconsistency with the Company's policies or values.

In addition, when a Director's principal occupation or business association changes substantially from the position such Director held when originally invited to join the Board, the Director shall submit to the Chair of the Nominating/Corporate Governance Committee an offer to resign. The Nominating/Corporate Governance Committee shall review whether it would be appropriate for the Director to continue serving on the Board and recommend to the Board whether, in light of the circumstances, the Board should accept the proposed resignation or request that the Director continue to serve.

Directors must be prepared to devote the time required to prepare for and attend Board meetings, and fulfill their responsibilities effectively. Because of the time commitment

associated with service on the Board, Directors are expected to limit the number of total public company boards (including the Company) on which they serve to between three (unless within a consolidated group) and five, with the lower limit applying to Directors who are engaged full-time as executives in another business. In addition, because of the time commitment associated with service on the Audit Committee, Audit Committee members are expected to limit their service as an audit committee member to a maximum of three public companies (including the Company), unless the Board determines that simultaneous service on more than three such committees would not impair the ability of the Director to effectively serve on the Company's Audit Committee. It is the responsibility of each Director to advise the Corporate Secretary or the Chair of the Nominating/Corporate Governance Committee in advance of accepting an invitation to serve on another board or audit committee, as the case may be.

### **III. BOARD STRUCTURE**

#### **Number of Directors**

The Bylaws provide that the Board shall not exceed twenty (20) members, with the exact number being determined from time to time by resolution of the Board. At the current time, the Board believes that a size of between ten (10) and sixteen (16) Directors is appropriate.

#### **Board Leadership**

The Board selects from among its members the Chairman of the Board. The Board also elects the CEO. The Board has no formal policy on separation of the position of Chairman of the Board and CEO, but generally believes that decisions regarding whether to combine or separate the Chairman and CEO positions should be made in the context of succession planning. When the Chairman of the Board and the CEO are the same individual, or when the Chairman of the Board otherwise does not qualify as independent, the independent Directors select from among their members a lead independent Director (the "Lead Independent Director") to convene executive sessions and perform the tasks outlined below.

#### **Executive Sessions & Independent Board Leadership**

The non-management and independent Directors meet in regularly scheduled executive sessions without management present and have the opportunity to convene in executive session at every meeting of the Board in their discretion. Executive sessions of the non-management Directors are chaired by the Lead Independent Director, who is elected by and serves at the pleasure of the independent members of the Board. The Lead Independent Director is responsible for convening executive sessions and setting the agenda. Upon reasonable notice to the other Directors, any non-management or independent Director may convene an executive session. In addition to the foregoing executive sessions, the independent Directors shall meet at least once in every year in an independent Director executive session without management or non-independent, non-management Directors present and shall have the opportunity to convene in such an independent Director executive session at any meeting of the Board in their discretion, or at any regularly scheduled independent Director executive session, which independent Director executive sessions may be convened by either the Lead Independent Director or, upon reasonable notice, any independent Director.

The Lead Independent Director shall, among other things:

- convene, chair and determine agendas for executive sessions of non-management and independent Directors;
- determine in consultation with the Chairman/CEO the schedule and agenda items for Board meetings and information needs associated with those agenda items;
- communicate to the Chairman/CEO matters as determined in the executive session, including matters related to CEO performance;
- serve as an information resource for other Directors and act as liaison between Directors, committee chairs and management;
- on behalf of and at the direction of the Board, meet with stockholders and speak for the Board in circumstances where it is appropriate for the Board to have a voice distinct from that of management; and
- undertake other tasks as requested by the non-management and independent Directors.

The Board has adopted a policy that a Director who is affiliated with Tracinda Corporation may not serve as the Lead Independent Director, which policy shall remain in effect until altered by decision of a majority of the independent Directors (not including any Director affiliated with Tracinda Corporation).

### **Board Committees**

Pursuant to the Company's Bylaws, the Board has established various committees to assist in the performance of its duties. The committees of the Board are the Audit Committee, the Compensation Committee, the Corporate Social Responsibility Committee and the Nominating/Corporate Governance Committee. Each of these committees has a written charter that has been approved by the Board and that is available on the Company's website at [www.mgmresorts.com/corporategovernance](http://www.mgmresorts.com/corporategovernance). New committees may be formed from time to time as necessary or appropriate in the judgment of the Board, either as standing or ad hoc committees. The chair of each committee, who is appointed by the Board, reports on the activities of the committee to the Board on a regular basis.

The Board has adopted a policy that a Director who is affiliated with Tracinda Corporation may not serve as Chair of the Nominating/Corporate Governance Committee, which policy shall remain in effect until altered by decision of a majority of the independent Directors (not including any Director affiliated with Tracinda Corporation).

### **Director Emeritus Policy**

To recognize contributions of an unusually valuable nature to the Company, the Board by resolution of a majority of its members may from time to time designate a former Director as "Director Emeritus," as described more fully below. The designation of Director Emeritus is intended as a significant honor. The Board expects that most Directors will not be designated with this title.

1. Each year, the Chairman of the Board shall provide a letter to each Director Emeritus outlining which Board functions the Director Emeritus is welcome to attend. The Chairman may supplement or modify this annual notification at his or her discretion.
2. A Director Emeritus shall receive such Board materials as the Chairman of the Board in consultation with the General Counsel determines is appropriate, subject to the agreement by such Director Emeritus to hold all non-public information strictly confidential and to strictly observe restrictions on the use of material non-public information to trade securities, including as set forth in the Company's insider trading policy.
3. A Director Emeritus shall not be entitled to vote on any business coming before the Board, nor shall he or she be counted as a member of the Board for the purpose of determining the number of Directors necessary to constitute a quorum, for the purpose of determining whether a quorum is present, or any other purpose whatsoever. In addition, the Board or any Board committee may request that a Director Emeritus be recused from any meeting.
4. A Director Emeritus shall owe no duties to the Company as a result of such designation except the obligations to hold strictly confidential any non-public information received and to abide by the Company's insider trading policy. Specifically, the title of Director Emeritus does not carry with it any rights, privileges, liabilities or obligations associated with being a member of the Board; and accordingly no Director Emeritus shall be deemed to be a member of the Board nor shall any Director Emeritus be deemed to be a "Director" as that term is used in these Guidelines, in the Bylaws or otherwise.
5. The term of a Director Emeritus shall be for one year, subject to renewal by the Board.
6. The Board shall use its discretion in determining whether to compensate a Director Emeritus for the advisory and consulting services he or she may provide. A Director Emeritus may be reimbursed for reasonable expenses incurred to attend Board and committee meetings which he or she is invited to attend but shall not be compensated for attendance at such meetings. A Director Emeritus may also receive reasonable perquisites as determined by the Board from time to time.

#### **IV. BOARD OPERATIONS**

##### **Director Orientation and Continuing Education**

The Board has delegated to the Nominating/Governance Committee the task of designing (with assistance from Company management) and overseeing the orientation program for new Directors and continuing education programs for all Directors. Each new Director receives background material on the Company, including copies of the Company's guidelines and policies. These include the Guidelines and the Code of Conduct and Ethics and Conflict of Interest Policy; the Certificate of Incorporation and Bylaws; recent SEC filings; a memorandum on federal securities laws applicable to Directors; and a summary of indemnification provisions and Directors and officers liability insurance; as well as other information deemed relevant. In addition, each Director is afforded the opportunity to meet with members of the senior management of the Company, visit the Company's facilities and consult with independent



advisors as necessary or appropriate. Directors are expected to undertake continuing education to properly perform their duties. The Board and the CEO work together to ensure that Directors are engaging in continuing education efforts.

### **Frequency of Meetings**

The Board meets at least six times per year. The Chairman of the Board, in consultation with the Lead Independent Director, senior management and the chair of each committee, prepares an annual schedule of the regular meetings of the Board and the Board's committees. This schedule is presented to the full Board for approval.

### **Meeting Agenda**

The Chairman of the Board, in consultation with the Lead Independent Director and appropriate members of management, establishes the agenda for each Board meeting. The chair of each committee, in consultation with the other members of the committee, the other members of the Board and the appropriate members of management, establishes the agenda for each committee meeting.

Unless otherwise provided in the charter of a committee or by applicable law or regulation, topics that are typically addressed by a committee may be addressed instead by the full Board, as determined by the chair of the relevant committee in consultation with the Chairman of the Board.

### **Meeting Material Distributed in Advance; Other Information**

Information that is important to the understanding of the matters before the Board and each committee, will, to the extent practicable, be distributed in writing a reasonable amount of time before the meeting so that meeting time may be conserved and focused on discussion and questions that the Directors may have rather than on lengthy presentations. Directors are expected to review meeting materials prior to the meeting. Management seeks to ensure that the information is complete and accurate, while making every attempt to see that this material is as concise as possible.

### **Meeting Attendance**

Directors are expected to attend each meeting of the Board and of each committee of which the Director is a member. Directors are also expected to attend the annual meeting of stockholders. Directors are expected to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Although the Bylaws authorize members of the Board and committee members to participate in and act at a meeting through the use of telephonic or other communication equipment, the personal attendance of Directors at meetings is preferred and expected absent compelling circumstances. All decisions of the Board or any committee are determined by an affirmative vote of the majority of members in attendance. A quorum of the Board or the committee, as the case may be, is established when a majority of the members are present. Any action to be taken at any meeting of the Board or any committee may be taken without a meeting, if all members of the Board or the committee, as the case may be, consent thereto in writing and such writing or writings are filed in the Company's minute books.

## **Minutes**

The Corporate Secretary or Assistant Corporate Secretary records minutes of all meetings of the Board. In the absence of the Secretary and Assistant Secretary, the Chairman of the Board may designate any Director, Company executive officer or outside counsel to record such minutes. Minutes of the meetings of each committee of the Board are prepared by the person appointed for such purpose by the chair of such committee. The minutes of each meeting of the Board and its committees are filed, together with actions by unanimous written consent, by the Secretary or Assistant Secretary with the official records of the Company.

## **Attendance of Non-Directors at Board Meetings**

The Chairman of the Board, in consultation with the Lead Independent Director or the appropriate Committee chair, may invite members of senior management or outside advisors or consultants to attend Board or committee meetings when such attendance may assist the Board or a committee in its understanding of a matter to be discussed. Such persons shall be formally introduced at the beginning of the Board or committee meeting or the section of the meeting in which they are to participate. Any attendance by persons who are not members of the Board, whether in person or by telephonic or other electronic means, shall be noted in the applicable Board or committee minutes.

## **Director Access to Senior Management and Independent Advisors**

The Board and its committees are authorized to retain independent and other advisors to assist them in carrying out their activities, and the Company provides adequate resources to compensate such advisors. Directors have complete access to senior management and to the Board's advisors. Directors are expected to use good judgment to ensure that this contact is not distracting to the business operation of the Company, and that independent advisors are used efficiently.

## **Director Compensation and Facility Use Policy**

The Company believes that Director compensation should be reasonable in light of what is customary for companies of similar size, scope and complexity and should reflect the time, effort and expertise required of Directors to adequately perform their duties. The Nominating/Corporate Governance Committee recommends to the Board for approval general principles for determining the form and amount of Director compensation and, subject to such principles, evaluates annually the status of Board compensation, reporting its findings and recommendations to the Board for approval.

Director compensation is currently comprised of a cash component as well as an opportunity to participate in the Company's future growth prospects through equity incentive awards. Currently, Board members who are employees of the Company do not receive compensation for their service on the Board. Board members (i) who are nominated to the Board pursuant to a contractual right or agreement, (ii) who are an officer or employee of, or a person who performs responsibilities of a similar nature for, the nominating entity or person, as the case may be, or an affiliate thereof, and (iii) who are determined not to be independent because of conflicting interests between the Company and the nominating entity or person or its affiliates,

receive no compensation for their service on the Board. All other Directors receive the following, payable in equal quarterly installments: an annual retainer, an annual fee for service on a Board committee (with a limit of two committees) and, as applicable, an annual fee for service as a Board committee chair, an annual fee for service as Lead Independent Director, an annual fee for service as liaison to the compliance committee of the Company, and, as appropriate, an annual fee for visiting MGM China in Macau. These other Directors also receive an annual equity incentive award. Each Director who is not an employee of the Company receives reimbursement of all reasonable expenses incurred in attending meetings of the Board and any committees on which he or she serves.

The Board has adopted a policy concerning independent Directors' use of Company facilities. To permit independent Directors to experience the Company's facilities and to better prepare themselves to provide guidance to the Company on matters related to product differentiation and resort operations, each year, following the election of the Board at the annual meeting of stockholders, each independent Director is offered a certain amount of M life express comp points to be utilized at the Company's resort facilities. As each independent Director may have different schedule constraints resulting in varying frequencies of visits to the Company's facilities, independent Directors may request to receive a lesser number of M life express comp points to suit their anticipated annual visitation. In addition, as a token of appreciation for significant Board service, each independent Director who has served on the Board for a minimum of three years will continue to be offered a certain amount of M life express comp points for an additional three years after they have ceased to serve on the Board, provided (a) the independent Director elected to depart from the Board and such departure was on good terms, in each case as determined by the Nominating/Corporate Governance Committee in its discretion (for example, the independent Director must not have been removed for cause and there must have been no disagreement in connection with the independent Director's departure from the Board that would be required to be reported by the Company on Form 8-K) and (b) the independent Director does not after his or her departure from the Board take any action that adversely impacts the Company or breach any agreement with or duty to the Company, in each case as determined by the Nominating/Corporate Governance Committee in its discretion. To the extent required by applicable law or Internal Revenue Service regulations, the fair value of M life express comp points awarded to each independent Director and former independent Director, as such value is established by the Company from time to time, will be reported as income to the Director on Form 1099. Each independent Director and former independent Director is responsible for paying any applicable income taxes on these amounts based on his/her personal income tax return.

### **Stockholder and Interested Parties Communications with the Directors**

The Board has established a process for stockholders and other interested parties to communicate with members of the Board, the non-management Directors as a group and the Lead Independent Director. All such communications shall be in writing and be addressed to: MGM Resorts International, 3600 Las Vegas Boulevard South, Las Vegas, Nevada 89109, Attention: Corporate Secretary/Stockholder Communications.

All inquiries are reviewed by the Corporate Secretary, who forwards to the Board, the non-management Directors and the Lead Independent Director, as applicable, a summary of all such correspondence and copies of all communications that he determines are appropriate, and consistent with, the Company's operations and policies. Matters relevant to other departments of

the Company are directed to such departments with appropriate follow-up to ensure that inquiries are responded to in a timely manner. Matters relating to accounting, auditing or internal controls are referred to the Chair of the Audit Committee and included in the report to the Board, together with a report of any action taken to address the matter. The Board or the Audit Committee, as the case may be, may direct such further action deemed necessary or appropriate.

### **Board Communication with Stockholders**

It is the sense of the Board that communications between Directors and the press or other media on matters pertaining to the Company or the Board should be centrally coordinated. The Board has delegated the role of spokesperson for the Board to the Chairman/CEO. In certain instances where it is appropriate for the Board to have a spokesperson separate from management, the Lead Independent Director may speak for the Board at its direction, although there may be circumstances when another Director, such as a committee chair, may be asked to participate in and even lead a communication effort. All Directors should be sensitive to the fact that responding to requests for information or comment from stockholders, the press or other media, or others may result in inadvertent disclosure of confidential information and Directors are expected to take special care in light of laws prohibiting insider trading, tipping and avoidance of selective disclosure. Therefore, Directors should use discretion in their contacts with stockholders, the press or other media, and stockholders, and Directors should discuss how best to handle such requests for comments with the Chairman/CEO and the General Counsel prior to responding.

### **Confidentiality**

Each Director has an obligation to keep confidential all non-public information that relates to the Company's business and not use such information for his or her own personal benefit or the benefit of persons or entities outside the Company nor may they disclose this information for any purpose without express permission. Confidential information includes, but is not limited to, information regarding the strategy, business, finances and operations of the Company (or any of the Company's suppliers, customers or other constituents), minutes, reports and materials of the Board and its committees, and other documents identified as confidential by the Company. Additionally, the proceedings and deliberations of the Board and its committees are confidential. The Board implements special procedures for handling transactions or arrangements that involve a conflict of interest.

### **Code of Business Conduct and Ethics and Conflict of Interest Policy**

Each Director is expected to act with integrity and to adhere to the policies in the Company's Code of Business Conduct and Ethics and Conflict of Interest Policy (the "Code of Conduct") applicable to all of the Directors, officers, employees, contractors and agents of the Company or its affiliates. The Code of Conduct establishes policies and procedures that the Board believes promote the highest standards of integrity, compliance with the law and personal accountability. The Company's Code of Conduct is posted on the Company's website at [www.mgmresorts.com/codeofconduct](http://www.mgmresorts.com/codeofconduct) and is provided to all new Directors, new officers and new key employees and distributed annually to all Directors, officers and key employees of the Company, each of whom is required to acknowledge in writing or electronically his or her receipt and understanding thereof and agreement to adhere to the principles contained therein.

The Company periodically evaluates the Code of Conduct to ensure that it conforms to applicable laws and best practices. Any waiver of the requirements of the Code of Conduct for any Director (or senior corporate officer) must be approved by the Board or the Audit Committee and must be promptly disclosed as required by law or regulation, including as may be disclosed on the Company's website.

### **Conflict of Interest/Recusal**

A Director's business, charitable or personal relationships may occasionally give rise to a material interest on a particular issue that conflicts, or appears to conflict, with the interests of the Company. It is the responsibility of each Director to identify potential conflict situations and bring them to the attention of the Board or the Audit Committee, to whom the Board has delegated responsibilities with respect to the handling of certain conflicts. The Board or the Audit Committee, after consultation with counsel, will determine on a case-by-case basis whether an actual or apparent conflict of interest exists. The Board or the Audit Committee will take appropriate steps to handle conflicts when they arise, including by recusing a Director having a conflict from voting or from participating in Board or committee discussions on an issue so as to ensure that all Directors voting or participating in discussions on an issue involving a conflict are disinterested with respect to that issue. Directors with a conflict are expected to recuse themselves from the discussion and the vote related to the matter at the Board or committee meeting in question. Except as otherwise required by law, Directors who are recused due to a conflict will not be entitled to (i) information distributed to other Board members relating to any discussion of such conflict or the matters to which such conflict relates, (ii) any minutes or other corporate records related thereto, or (iii) any legal advice furnished to the Company in connection therewith. Each Director has a duty to notify the Chairman of the Board, the Lead Independent Director and the General Counsel about their interest in a matter that could give rise to an actual or potential conflict, including potential service on other boards and changes in employment or any other changes that could give rise to conflicts or changes in independence status.

### **Assessing the Board's Performance**

The Board, through procedures developed and recommended by the Nominating/Corporate Governance Committee, conducts an annual self-evaluation of its performance and effectiveness. Each committee also conducts an annual self-evaluation using procedures developed with the Nominating/Corporate Governance Committee. Each committee discusses the results of its self-evaluation with the Board.

## **V. DIRECTOR AND EXECUTIVE OFFICER STOCK OWNERSHIP GUIDELINES**

The Company recognizes the importance of aligning the Board's interests with those of our stockholders. As a result, the Board has established stock ownership guidelines for all of our Directors, effective April 18, 2012. Under these guidelines, each Director is expected to accumulate, by December 31 of the fifth year following the effective date of the guidelines (or, if later, by December 31 of the fifth year following the year becoming a Director), Company stock having a fair market value equal to five times such Director's annual base cash retainer from time to time.

The Company also recognizes the importance of aligning management's interests with

those of our stockholders. As a result, the Board, at the recommendation of the Compensation Committee, has established stock ownership guidelines for all of the Company's executive officers, effective April 18, 2012. Under these guidelines, executive officers are expected to accumulate Company stock having a fair market value equal to the multiples of their applicable base salaries as shown in the table below.

Position	Multiple of Base Salary
CEO	5x
Other Executive Officers	2x

For purposes of the Director and executive officer ownership guidelines, shares held in trust or retirement accounts and restricted stock units, but not stock appreciation rights or performance share units, count toward the ownership requirement. Each Director and executive officer is expected to retain 50% of the net after-tax shares received upon vesting and exercise of equity incentive awards granted after the effective date of these guidelines until the requirement is satisfied. If the Company has a deferral program pursuant to which Directors may accumulate restricted stock units received as equity compensation on a tax-deferred basis, then the pre-tax number of shares count toward the ownership guidelines.

## **VI. EVALUATION AND MANAGEMENT SUCCESSION**

As an ongoing process, but at least annually, the non-management members of the Board, as coordinated by the Compensation Committee, evaluate the performance of the CEO based on such criteria as they deem appropriate, which may include such factors as (i) the overall performance of the Company's business, (ii) the progress toward the achievement of the Company's long-term strategic objectives, (iii) the development of a strong management team, (iv) the management of risk, and (v) the development and maintenance of a corporate culture that sets high standards of performance, accountability and ethical behavior. The results of the evaluation are reported to the Company's CEO by the Lead Independent Director and the chair of the Compensation Committee. The evaluation results are used by the Compensation Committee in determining the CEO's compensation.

The Board is also responsible, in consultation with the CEO and the Nominating/Corporate Governance Committee, for establishing such formal and informal policies and procedures as it deems appropriate regarding succession plans in the event of the retirement, death, incapacity, emergency or other eventuality with respect to the CEO, as well as succession plans for other senior management positions.