UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2015

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 001-10362

MGM RESORTS INTERNATIONAL

(Exact name of Registrant as specified in its charter)

DELAWARE	**88-0215232**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

3600 Las Vegas Boulevard South - Las Vegas, Nevada 89109
(Address of principal executive office) (Zip Code)

(702) 693-7120
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Name of each exchange on which registered**
Common Stock, $0.01 Par Value	**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes X No ____

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ____ No X

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes X No ____

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes X No ____

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405) is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K: X

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer X Accelerated filer ___ Non-accelerated filer ___ Smaller reporting company ___

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act): Yes ___ No X

The aggregate market value of the Registrant's Common Stock held by non-affiliates of the Registrant as of June 30, 2015 (based on the closing price on the New York Stock Exchange Composite Tape on June 30, 2015) was $8.6 billion. As of February 24, 2016, 564,861,087 shares of Registrant's Common Stock, $0.01 par value, were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's definitive Proxy Statement for its 2016 Annual Meeting of Stockholders are incorporated by reference into Part III of this Form 10-K.

PART I

ITEM 1. BUSINESS

MGM Resorts International is referred to as the "Company," "MGM Resorts," or the "Registrant," and together with its subsidiaries may also be referred to as "we," "us" or "our." MGM China Holdings Limited together with its subsidiaries is referred to as "MGM China."

Overview

Vision, Mission and Strategies

MGM Resorts International's vision is to be the best-in-class operator of integrated destination resorts that deliver high-quality entertainment, gaming and hospitality experiences.

Our mission is to create memorable experiences that engage, entertain, and inspire our guests through our diverse and talented people and our portfolio of brands. We champion the principles of corporate social responsibility while serving our guests, employees, communities and stakeholders worldwide.

The following are our strategic objectives:

- Drive operational and capital structure improvements to enhance shareholder value;
- Enhance our culture and approach to operations to better leverage investments in critical foundational competencies that support a high performance organization;
- Identify and execute on expansion and development opportunities in key domestic and international markets to grow global presence; and
- Continue to solidify our reputation as a global leader in the practice of corporate social responsibility to sustain long-term shareholder value.

Reportable Segments

We have two reportable segments based on the similar characteristics of the operating segments within the regions in which they operate: wholly owned domestic resorts and MGM China. We currently operate 12 wholly owned resorts in the United States. MGM China's operations consist of the MGM Macau resort and casino ("MGM Macau") and the development of an integrated casino, hotel, and entertainment resort on the Cotai Strip in Macau. We have additional business activities including our investments in unconsolidated affiliates, and certain other corporate and management operations. CityCenter Holdings, LLC ("CityCenter") is our most significant unconsolidated affiliate, which we also manage for a fee. See "Resort Operations" below, as well as "Executive Overview" in Management's Discussion and Analysis of Financial Condition and Results of Operations and Note 16 in the accompanying notes to the consolidated financial statements, for additional information related to our segments.

Resort Operations

General

Our casino resorts offer gaming, hotel, convention, dining, entertainment, retail and other resort amenities. We believe we own or invest in several of the finest casino resorts in the world and we continually reinvest in our resorts to maintain our competitive advantage. We make significant investments in our resorts through newly remodeled hotel rooms, restaurants, entertainment and nightlife offerings, as well as other new features and amenities. Most of our revenue is cash-based, through customers wagering with cash or paying for non-gaming services with cash or credit cards. We rely heavily on the ability of our resorts to generate operating cash flow to fund capital expenditures, provide excess cash flow for future development and repay debt financings.

We believe we operate the highest quality resorts in each of the markets in which we operate. As discussed above, ensuring our resorts are the premier resorts in their respective markets requires capital investments to maintain the best possible experiences for our guests. The quality of our resorts and amenities can be measured by our success in winning numerous awards, both domestic and globally, including several Four and Five Diamond designations from the American Automobile Association as well as multiple Four and Five Star designations from Forbes Travel Guide.

Our results of operations do not tend to be seasonal in nature, though a variety of factors may affect the results of any interim period, including the timing of major conventions, the amount and timing of marketing and special events for our high-end gaming

customers, and the level o f play during major holidays, including New Year and Chinese New Year. While our results do not depend on key individual customers, a significant portion of our operating income is generated from high-end gaming customers, which can cause variability in o ur results. In addition, our success in marketing to customer groups such as convention customers and the financial health of customer segments such as business travelers or high-end gaming customers from a specific country or region can affect our result s.

All of our casino resorts operate 24 hours a day, every day of the year, with the exception of Grand Victoria which operates 22 hours a day, every day of the year. At our wholly owned domestic resorts, our primary casino and hotel operations are owned and managed by us. Other resort amenities may be owned and operated by us, owned by us but managed by third parties for a fee, or leased to third parties. We utilize third-party management for specific expertise in operations of restaurants and nightclubs. We lease space to retail and food and beverage operators, particularly for branding opportunities and when capital investment by us is not desirable or feasible.

Our Operating Resorts

We have provided certain information below about our resorts as of December 31, 2015. Except as otherwise indicated, we wholly own and operate the resorts shown below.

Name and Location	Number of Guestrooms and Suites	Approximate Casino Square Footage (1)	Slots (2)	Gaming Tables (3)
Wholly Owned Domestic Resorts:				
Las Vegas				
Bellagio	3,933	156,000	1,915	145
MGM Grand Las Vegas (4)	6,141	153,000	1,695	128
Mandalay Bay (5)	4,752	160,000	1,351	82
The Mirage	3,044	100,000	1,318	81
Luxor	4,400	116,000	1,069	58
Excalibur	3,981	95,000	1,217	52
New York-New York	2,024	90,000	1,254	72
Monte Carlo	2,992	87,000	1,172	65
Circus Circus Las Vegas	3,763	98,000	1,320	43
Other				
MGM Grand Detroit (Detroit, Michigan) (6)	400	127,000	3,561	121
Beau Rivage (Biloxi, Mississippi)	1,740	74,000	1,831	80
Gold Strike (Tunica, Mississippi)	1,133	53,000	1,229	58
Subtotal	38,303	1,309,000	18,932	985
MGM China:				
MGM Macau – 51% owned (Macau S.A.R.)	579	274,000	1,272	417
Other Operations:				
CityCenter – 50% owned (Las Vegas, Nevada) (7)	5,891	140,000	1,626	124
Borgata – 50% owned (Atlantic City, New Jersey) (8)	2,767	161,000	3,026	184
Grand Victoria – 50% owned (Elgin, Illinois) (9)	–	30,000	1,100	29
Subtotal	8,658	331,000	5,752	337
Grand total	47,540	1,914,000	25,956	1,739

(1) Casino square footage is approximate and includes the gaming floor, race and sports, high limit areas and casino specific walkways, and excludes casino cage and other non-gaming space within the casino area.
(2) Includes slot machines, video poker machines and other electronic gaming devices.
(3) Includes blackjack ("21"), baccarat, craps, roulette and other table games; does not include poker.
(4) Includes 1,148 rooms at The Signature at MGM Grand Las Vegas.
(5) Includes 1,117 rooms at the Delano and 424 rooms at the Four Seasons Hotel.
(6) Our local investors have an ownership interest of approximately 3% of MGM Grand Detroit.
(7) Includes Aria with 4,004 rooms and Mandarin Oriental Las Vegas with 392 rooms. Vdara includes 1,495 condo-hotel units. As of December 31, 2015, 147 units have been sold and closed, of which 66 units were contracted to participate in a hotel rental program managed by CityCenter. The remaining 1,348 unsold units are being utilized as company-owned hotel rooms. The other 50% of CityCenter is owned by Infinity World Development Corp.
(8) The other 50% of Borgata is owned by Boyd Gaming Corporation, which also operates the resort.
(9) The other 50% of Grand Victoria is owned by an affiliate of Hyatt Gaming, which also operates the resort.

More detailed information about each of our operating resorts can be found in Exhibit 99.1 to this Annual Report on Form 10-K, which Exhibit is incorporated herein by reference.

Wholly owned domestic resorts. Over half of the net revenue from our wholly owned domestic resorts is derived from non-gaming operations, including hotel, food and beverage, entertainment and other non-gaming amenities. We market to different customers and utilize our significant convention and meeting facilities to allow us to maximize hotel occupancy and customer volumes during off-peak times such as mid-week or during traditionally slower leisure travel periods, which also leads to better labor utilization. Our operating results are highly dependent on the volume of customers at our resorts, which in turn affects the price we can charge for our hotel rooms and other amenities.

Our casino operations feature a variety of slots, table games, and race and sports book wagering. In addition, we offer our premium players access to high-limit rooms and lounge experiences where players may enjoy an upscale atmosphere.

MGM China. We own a 51% controlling interest in MGM China Holdings Limited ("MGM China"), which owns MGM Grand Paradise, S.A. ("MGM Grand Paradise"), the Macau company that owns and operates the MGM Macau resort and casino and the related gaming subconcession and land concession. We believe our ownership interest in MGM China plays an important role in extending our reach internationally and will foster future growth and profitability. Macau is the world's largest gaming destination in terms of revenue and we expect future growth in the Asian gaming market.

Our current MGM China operations relate to MGM Macau and the development of an integrated casino, hotel, and entertainment resort on the Cotai Strip in Macau, discussed further below. Revenues at MGM Macau are generated primarily from gaming operations which are conducted under a gaming subconcession held by MGM Grand Paradise. The Macau government has granted three gaming concessions and each of these concessionaires has granted a subconcession. The MGM Grand Paradise gaming subconcession was granted by Sociedade de Jogos de Macau, S.A., and expires in 2020. The Macau government currently prohibits additional concessions and subconcessions, but does not place a limit on the number of casinos or gaming areas operated by the concessionaires and subconcessionaires, though additional casinos require government approval prior to commencing operations.

In October 2012, MGM Grand Paradise formally accepted the terms and conditions of a land concession contract from the government of Macau to develop a resort and casino on an approximately 18 acre site on the Cotai Strip in Macau ("MGM Cotai"). The land concession contract became effective when the Macau government published the agreement in the Official Gazette of Macau on January 9, 2013 and has an initial term of 25 years. Under the terms of the land concession contract, MGM Grand Paradise is required to build and open MGM Cotai by January 2018.

Construction of MGM Cotai commenced in 2013 and it is anticipated to open at the end of the first quarter of 2017. China State Construction Engineering Corporation serves as the sole general contractor for the project. MGM Cotai will be an integrated casino, hotel and entertainment resort with capacity for up to 500 gaming tables and up to 1,500 slots, and featuring approximately 1,500 hotel rooms. The actual number of gaming tables allocated to MGM Cotai will be determined by the Macau government prior to opening, and such allocation may be less than our 500 gaming table capacity. The total estimated project budget is $3.0 billion, excluding development fees eliminated in consolidation, capitalized interest and land related costs.

Customers and Competition

Our casino resorts operate in highly competitive environments. We compete against gaming companies, as well as other hospitality companies in the markets we operate in, neighboring markets, and in other parts of the world, including non-gaming resort destinations such as Hawaii. Our gaming operations compete to a lesser extent with state-sponsored lotteries, off-track wagering, card parlors, online gambling and other forms of legalized gaming in the United States and internationally.

Our primary methods of successful competition include:

- Locating our resorts in desirable leisure and business travel markets and operating at superior sites within those markets;
- Constructing and maintaining high-quality resorts and facilities, including luxurious guestrooms, state-of-the-art convention facilities and premier dining, entertainment, retail and other amenities;
- Recruiting, training and retaining well-qualified and motivated employees who provide superior customer service;
- Providing unique, "must-see" entertainment attractions; and
- Developing distinctive and memorable marketing, promotional and customer loyalty programs.

Wholly owned domestic resorts. Our customers include premium gaming customers; leisure and wholesale travel customers; business travelers, and group customers, including conventions, trade associations, and small meetings. We have a complete portfolio of resorts which appeal to the upper end of each market segment and also cater to leisure and value-oriented tour and travel customers. Many of our resorts have significant convention and meeting space which we utilize to drive business to our resorts during mid-week and off-peak periods.

Our Las Vegas casino resorts compete for customers with a large number of other hotel casinos in the Las Vegas area, including major hotel casinos on or near the Las Vegas Strip, major hotel casinos in the downtown area, which is about five miles from the center of the Strip, and several major hotel casinos elsewhere in the Las Vegas area. Our Las Vegas Strip resorts also compete, in part, with each other. According to the Las Vegas Convention and Visitors Authority, there were approximately 149,200 and 150,500 guestrooms in Las Vegas at December 31, 2015 and 2014, respectively. At December 31, 2015, we operated approximately 27% of the guestrooms in Las Vegas. Las Vegas visitor volume was 42.3 million in 2015, a 2.9% increase from the 41.1 million reported for 2014. Major competitors, including new entrants, have either recently expanded their hotel room capacity or are currently expanding their capacity or constructing new resorts in Las Vegas. Also, the growth of gaming in areas outside Las Vegas has increased the competition faced by our operations in Las Vegas.

Outside Nevada, our resorts primarily compete with other hotel casinos in their markets and for customers in surrounding regional gaming markets, where location is a critical factor to success. In addition, we compete with gaming operations in surrounding jurisdictions and other leisure destinations in each region. For example, in Detroit, Michigan we compete with a casino in nearby Windsor, Canada and with Native American casinos in Michigan. In Biloxi, Mississippi we compete with regional riverboat and land-based casinos in Louisiana, Native American casinos in central Mississippi and with casinos in Florida and the Bahamas.

MGM China. The three primary customer segments in the Macau gaming market are VIP casino gaming operations, main floor gaming operations and slot machine operations. VIP gaming play is sourced both internally and externally. Externally sourced VIP gaming play is obtained through external gaming promoters who offer VIP players various services, such as extension of credit as well as complimentary hotel, food and beverage services. Gaming promoters operate VIP gaming rooms within the property. In exchange for their services, gaming promoters are compensated through payment of revenue-sharing arrangements or rolling chip turnover based commissions. In-house VIP players also typically receive a commission based on the program in which they participate. These clientele are acquired through our direct marketing efforts. Unlike gaming promoters and in-house VIP players, main floor players do not receive commissions. The profit contribution from the main floor segment exceeds the VIP segment due to commission costs paid to gaming promoters. Gaming revenues from the main gaming floors have grown significantly in recent years and we believe this segment represents the most potential for sustainable growth in the future. To target premium main floor players in order to grow revenue and improve yield, we have introduced premium gaming lounges and stadium-style electronic table games terminals, which include both table games and slots, to the main floor gaming area. The amenities create a dedicated exclusive gaming space for the use of premium main floor players.

Our key competitors in Macau include five other gaming concessionaires and subconcessionaires. If the Macau government were to grant additional concessions or subconcessions, we would face additional competition which could have a material adverse effect on our financial condition, results of operations or cash flows. Additionally, we face competition at our Macau and Cotai properties from several concessionaires who have expansion plans announced or underway, primarily on the Cotai Strip with several expected openings in 2016 and 2017.

We expect competition in the Macau market to continue to increase, as more capacity is brought online in the near future. We also encounter competition from major gaming centers located in other areas of Asia and around the world, including Singapore, Malaysia, the Philippines, Australia, New Zealand, Las Vegas, cruise ships in Asia that offer gaming and from unlicensed gaming operations in the region.

Corporate and other. Much like our wholly owned resorts, our unconsolidated affiliates compete through the quality of amenities, the value of the experience offered to guests and the location of their resorts. Aria, which we manage and own 50% through CityCenter, appeals to the upper end of each segment in the Las Vegas market and competes with our wholly owned casino resorts and other resorts on the Las Vegas Strip. Our other unconsolidated affiliates mainly compete for customers against casino resorts in their respective markets.

Marketing

Our marketing efforts are conducted through various means, including our loyalty programs as discussed further below. We advertise on radio, television, internet and billboards and in newspapers and magazines in selected cities throughout the United States and overseas, as well as by direct mail, email and through the use of social media. We also advertise through our regional marketing offices located in major U.S. and foreign cities. A key element of marketing to premium gaming customers is personal contact by our marketing personnel. Direct marketing is also important in the convention segment. We maintain websites to inform customers about our resorts and allow our customers to reserve hotel rooms, make restaurant reservations and purchase show tickets. We actively utilize several social media sites to promote our brands, unique events, and special deals.

Wholly owned domestic resorts. M life, our customer loyalty program, is a broad-based program recognizing and rewarding customer spendi ng across many channels focusing on wallet share capture and increased loyalty through unique and exclusive benefits and rewards. M life provides access to rewards, privileges, and members-only events. M life is a tiered program and allows customers to q ualify for benefits across our participating resorts and in both gaming and non-gaming areas, encouraging customers to keep their total spend within our casino resorts. Members may earn points and/or Express Comps for their gaming play which can be redeeme d at restaurants, box offices or the M life front desk at participating properties. Points may also be redeemed for free slot play on participating machines . Members can utilize the M life website, www.mlife.com , to s ee offers, tier levels and point and Express Comps balances.

M life utilizes advanced analytic techniques that identify customer preferences and help predict future customer behavior, allowing us to make more relevant offers to members, influence incremental visits, and help build lasting customer relationships. In addition to the loyalty program, we issue a company magazine - M life Magazine - to highlight customers' experiences and showcase "Moments" that members can redeem through the accumulation of Express Comps.

We also utilize our world-class golf courses in marketing programs at our Las Vegas Strip resorts. Our major Las Vegas resorts offer luxury suite packages that include golf privileges at Shadow Creek in North Las Vegas. In connection with our marketing activities, we also invite our premium gaming customers to play Shadow Creek on a complimentary basis. Additionally, marketing efforts at Beau Rivage in Biloxi, Mississippi benefit from the Fallen Oak golf course located 20 minutes north of Beau Rivage.

MGM China. MGM Macau's loyalty program is the Golden Lion Club, a tiered program which meets the needs of a range of members from lower spending leisure and entertainment customers through the highest level VIP cash players. The structured rewards system based on member value and tiers ensures that customers can progressively access the full range of services that the resort provides. The program is aspirational by design and transparent in its rewards, encouraging members to increase both visitation and spend. In addition to the rewards offered to Golden Lion Club members, MGM Macau has developed dedicated gaming and non-gaming areas to reflect different levels of rated play. Information from the Golden Lion Club is used to analyze customer usage by segment and individual player profile.

In addition to the Golden Lion Club program, MGM Macau has also created and continues to expand several luxurious private gaming salons that provide distinctive, high-end environments for the VIP players brought to the resort through gaming promoters and the in-house VIP marketing team. MGM Macau has created a variety of incentive programs to reward gaming promoters for increased business and efficiency.

Technology

We utilize various types of technology to maximize revenue, drive efficiency in our operations, and serve our customers more effectively. We continue to move forward on standardizing the technology platforms for several of our key operational systems. The standardization of these systems will afford us efficiencies in operations and integration with future technology. These systems capture charges made by our customers during their stay, including allowing customers of our resorts to charge meals and services at our other local resorts to their hotel folio. Additionally, we utilize yield management programs at our resorts that help us maximize occupancy and room rates.

We continue to enhance our eCommerce platform, which is critical to our digital platforms that support our domestic portfolio of casino resorts. Our eCommerce platform provides our guests and business partners a premier digital experience where they have the ability to create an all-inclusive experience, from accommodations to dining to shows with real time recommendations provided based on the guests' shopping experience. Available through our domestic resorts' individual websites and our loyalty program website (www.mlife.com), the eCommerce platform gives guests the power to customize a complete itinerary from our full portfolio of experiences, all in one place. In addition, this platform also provides our contact center agents in Las Vegas a unified and integrated customer service application, allowing our agents to provide fast, efficient, and pertinent service to our guests.

Employees and Management

We believe that knowledgeable, friendly and dedicated employees are a key success factor in the hospitality industry. Therefore, we invest heavily in recruiting, training, motivating and retaining exceptional employees, and we seek to hire and promote the strongest management team possible. We have numerous programs, both at the corporate and business unit level, designed to achieve these objectives. We believe our internal development programs, such as the MGM Resorts University and various leadership and management training programs, are best in class among our industry peers.

Corporate Social Responsibility

We seek to conduct our business in an effective, socially responsible way while striving to maximize shareholder value. Our corporate social responsibility efforts are overseen by the Corporate Social Responsibility Committee of our Board of Directors.

Diversity and inclusion. Diversity and inclusion are fundamental to our Company's value system, our people philosophy, our cultural life and therefore, our competitive advantage as an employer and destination of choice for our global customer base. Our diversity initiative at our resorts fosters employee engagement, individual responsibility, team collaboration, leadership competency, high performance and innovation. Our diversity initiative has been widely recognized for many years and has been awarded numerous accolades.

Philanthropy and community engagement. Our host community and social investments are prioritized to strengthen the communities where our employees live, work and care for their families. Our community platform features three main programs: our Corporate Giving Program, our employee-funded MGM Resorts Foundation and our Employee Volunteer Program. Through these channels, we make financial and in-kind donations, contribute volunteer service and participate in civic and non-profit organizations and issues that advance the quality of life in our communities. Key investment areas include basic human needs, diversity, public education, health and wellness and environmental sustainability.

Environmental sustainability. We continue to gain recognition for our comprehensive environmental responsibility initiatives in energy and water conservation, recycling and waste management, sustainable supply chain and green building. Certain of our casino resorts in Nevada and our casino resort in Michigan were the first in each state to earn certification from Green Key, the largest international program evaluating sustainable hotel operations. We received certifications at all of our wholly owned domestic resorts and Aria and Vdara at CityCenter. Aria, Vdara, Bellagio and Mandalay Bay are the only casino resorts to receive "Five Green Key" (the highest possible) ratings. Many major travel service providers recognize the Green Key designation and identify our resorts for their continued commitment to sustainable hotel operations.

In addition, we believe that incorporating the tenets of sustainability in our business decisions advances a platform for innovation and operational efficiency. CityCenter (Aria, Vdara, Veer, Mandarin Oriental Las Vegas, and The Shops at Crystals) is one of the world's largest private sustainable developments. With six LEED ® Gold certifications from the U.S. Green Building Council, CityCenter serves as the standard for combining luxury and environmental responsibility within the large-scale hospitality industry.

At MGM Macau, we incorporate the same commitment to environmental preservation. Our efforts to improve energy efficiency, indoor air quality, and environmental stewardship have resulted in MGM Macau receiving the Macau Environmental Protection Bureau – Macau Green Hotel Award.

The construction of MGM National Harbor and MGM Springfield will further position MGM Resorts as a leader in sustainable resort operations, and by adopting innovative technologies in the design and operating practices of these resorts, we are advancing our commitment to protecting the planet in new regions.

Development and Leveraging Our Brand and Management Assets

In allocating resources, our financial strategy is focused on managing a proper mix of investing in existing resorts, spending on new resorts and other developments or initiatives and repaying long-term debt. We believe there are reasonable investments for us to make in new initiatives and at our current resorts that will provide profitable returns.

We regularly evaluate possible expansion and acquisition opportunities in domestic and international markets. Opportunities we evaluate may include the ownership, management and operation of gaming and other entertainment facilities in Nevada, or in states other than Nevada, or outside of the United States. We leverage our management expertise and well-recognized brands through strategic partnerships and international expansion opportunities. We feel that several of our brands, particularly the "MGM Grand," "Bellagio," and "Skylofts" brands, are well suited to new projects in both gaming and non-gaming developments. We may undertake these opportunities either alone or in cooperation with one or more third parties.

MGM National Harbor

The Maryland Video Lottery Facility Location Commission has awarded the Company's subsidiary developing MGM National Harbor a license to build and operate a destination casino resort in Prince George's County at National Harbor, which is a waterfront development located on the Potomac River just outside of Washington D.C. The expected cost to develop and construct MGM National Harbor is approximately $1.3 billion, excluding capitalized interest and land-related costs. The Company expects the resort to include a casino with approximately 3,600 slots and 160 table games including poker; a 300-room hotel with luxury spa and rooftop

pool; 93,100 square feet of high -end branded retail and fine and casual dining; a 3,000-seat theater venue; 50,000 square feet of meeting and event space; and a 4,700-space parking garage. MGM National Harbor is expected to open in the fourth quarter of 2016.

MGM Springfield

A subsidiary of the Company was awarded a casino license to build and operate MGM Springfield in Springfield, Massachusetts. MGM Springfield will be developed on approximately 14 acres of land in downtown Springfield, Massachusetts. The Company's plans for the resort currently include a casino with approximately 3,000 slots and 100 table games including poker; a 250-room hotel; 100,000 square feet of retail and restaurant space; 44,000 square feet of meeting and event space; and a 3,375-space parking garage, with an expected development and construction cost of approximately $865 million, excluding capitalized interest and land related costs. Construction of MGM Springfield is expected to be completed in late 2018.

T-Mobile Arena

In 2013, the Company formed Las Vegas Arena Company, LLC (the "Las Vegas Arena Company") with a subsidiary of Anschutz Entertainment Group, Inc. ("AEG") – a leader in sports, entertainment, and promotions – to design, construct, and operate an arena, located on a parcel of the Company's land between Frank Sinatra Drive and New York-New York, adjacent to the Las Vegas Strip. The Company and AEG each own 50% of Las Vegas Arena Company. Such development is estimated to cost approximately $350 million, excluding capitalized interest and land related costs and is scheduled to open in April 2016. The Las Vegas Arena Company recently entered into a multi-year naming rights agreement with T-Mobile. T-Mobile Arena will have a limited number of exclusive founding partners which already include Coca-Cola, Cox Business, Toshiba American Business Solutions Inc. and Schneider Electric. T-Mobile Arena will seat between 18,000 and 20,000 people and is expected to host world-class events – from UFC, boxing, hockey, basketball and bull riding to high-profile awards shows and top-name concerts. Also, effective January 1, 2016, the Las Vegas Arena Company leases and operates the MGM Grand Garden Arena under a long term lease with an initial 15-year term, plus two 5-year renewal options. See Note 6 and Note 11 for additional information related to Las Vegas Arena Company.

MGM Hospitality

The Company has entered into management agreements for future non-gaming hotels, resorts and residential products in the Middle East, North Africa, India and the United States. In 2014, the Company and the Hakkasan Group formed MGM Hakkasan Hospitality ("MGM Hakkasan"), owned 50% by each member, to design, develop and manage luxury non-gaming hotels, resorts and residences under certain brands licensed from the Company and the Hakkasan Group. Upon formation, the Company contributed its management agreements for non-gaming hotels, resorts and residential projects (outside of the greater China region) under development to MGM Hakkasan. In May 2015, the Company and the Hakkasan Group mutually agreed to terminate MGM Hakkasan and the brand license from Hakkasan Group. The Company will continue to develop these projects under its brands through MGM Hospitality (a wholly owned subsidiary). Additionally, the Company will continue to develop and manage properties in the greater China region with Diaoyutai State Guesthouse, including MGM Grand Sanya.

Formation and Proposed Initial Public Offering of MGM Growth Properties, LLC (" MGP")

On October 29, 2015, we announced the formation of MGP, a newly formed subsidiary that we expect to be taxed as a real estate investment trust ("REIT") for U.S. federal income tax purposes. We intend to contribute the real estate associated with Mandalay Bay, The Mirage, New York-New York, Luxor, Monte Carlo, Excalibur, The Park, MGM Grand Detroit, Beau Rivage and Gold Strike Tunica (collectively, the "Properties") to a newly formed operating partnership (the "Operating Partnership"), which MGP will control through a general partner subsidiary. We also intend to incur approximately $4 billion of debt to refinance a portion of the debt outstanding under our existing senior credit facility and senior notes, which refinancing debt would be assumed by the Operating Partnership in connection with the REIT transaction. One of our subsidiaries will then lease the Properties from MGP for use under a long-term, "triple net" master lease agreement with an initial 10-year term that includes four five-year extensions at our option. We will guarantee our subsidiary's obligations under the master lease. We expect to retain through subsidiaries an approximate 70% economic interest in the new Operating Partnership, as well as voting control of MGP through our ownership of a controlling share in MGP.

We also announced that MGP had submitted a draft confidential registration statement with the Securities and Exchange Commission ("SEC") relating to its proposed initial public offering ("IPO") of shares, the proceeds of which would be used to purchase an approximate 30% economic interest in the Operating Partnership. The transaction is expected to be completed in the first half of 2016, subject to regulatory approvals, including receipt of approvals from gaming regulators, MGP's registration statement on Form S-11 being declared effective by the SEC, completion of the related financings needed to fund MGP, general market conditions and other customary conditions. MGP is expected to file the REIT election with its tax return for the calendar year ending December

31, 2016. We may, at any time and for any reason until the proposed transaction is complete, abandon the transaction or modify or change the terms of the transaction.

Although the number of shares that will be sold to the public in connection with the proposed IPO has not been determined, we expect that we will continue to consolidate MGP's results of operations with our business for accounting purposes upon the completion of the proposed IPO and for so long as we retain the controlling share in MGP. The minority interest that we do not own following the completion of the proposed IPO will be reflected in our consolidated balance sheets as "non-controlling interests" and such interest's proportionate share of MGP's net income or losses will be reflected in our consolidated statements of operations as "net income (loss) attributable to non-controlling interests." We have no current intention to dispose of our controlling share of MGP or our economic interests in the operating partnership.

Intellectual Property

Our principal intellectual property consists of trademarks for, among others, Bellagio, The Mirage, Mandalay Bay, MGM, MGM Grand, MGM Resorts International, Luxor, Excalibur, New York-New York, Circus Circus and Beau Rivage, all of which have been registered or allowed in various classes in the United States. In addition, we have also registered or applied to register numerous other trademarks in connection with our properties, facilities and development projects in the United States and in various other foreign jurisdictions. These trademarks are brand names under which we market our properties and services. We consider these brand names to be important to our business since they have the effect of developing brand identification. We believe that the name recognition, reputation and image that we have developed attract customers to our facilities. Once granted, our trademark registrations are of perpetual duration so long as they are used and periodically renewed. It is our intent to pursue and maintain our trademark registrations consistent with our goals for brand development and identification, and enforcement of our trademark rights.

Employees and Labor Relations

As of December 31, 2015, we had approximately 44,600 full-time and 14,900 part-time employees domestically, of which 6,100 and 2,300, respectively, support the Company's management agreements with CityCenter. In addition, we had approximately 5,900 employees at MGM Macau. We had collective bargaining contracts with unions covering approximately 29,900 of our employees as of December 31, 2015. In November 2013, Las Vegas union employees approved new collective bargaining agreements covering most of our Las Vegas union employees; these agreements expire in 2018. Pursuant to the terms of the Company's labor agreements for its 10 Las Vegas properties, the Local Joint Executive Board of Las Vegas (Culinary and Bartenders Unions) and the Company will re-open its collective bargaining agreements. The purpose of these discussions includes wage negotiation, the funding of benefit funds for the remainder of the contract term, and alternative business and financial models for operating food and beverage venues. In December 2015, Detroit union employees, represented by the Detroit Casino Council, approved a new five-year collective bargaining agreement. Gold Strike Tunica is currently engaged in bargaining for a first labor contract with a council of unions representing various hotel and food and beverage constituencies. As of December 31, 2015, none of the employees of MGM Macau are part of a labor union and the resort is not party to any collective bargaining agreements. We consider our employee relations to be good.

Regulation and Licensing

The gaming industry is highly regulated, and we must maintain our licenses and pay gaming taxes to continue our operations. Each of our casinos is subject to extensive regulation under the laws, rules and regulations of the jurisdiction in which it is located. These laws, rules and regulations generally concern the responsibility, financial stability and character of the owners, managers, and persons with financial interest in the gaming operations. Violations of laws in one jurisdiction could result in disciplinary action in other jurisdictions.

A more detailed description of the gaming regulations to which we are subject is contained in Exhibit 99.2 to this Annual Report on Form 10-K, which Exhibit is incorporated herein by reference.

Our businesses are subject to various federal, state, local and foreign laws and regulations affecting businesses in general. These laws and regulations include, but are not limited to, restrictions and conditions concerning alcoholic beverages, smoking, employees, currency transactions, taxation, zoning and building codes (including regulations under the Americans with Disabilities Act, which requires all public accommodations to meet certain federal requirements related to access and use by disabled persons) , construction, land use and marketing and advertising. We also deal with significant amounts of cash in our operations and are subject to various reporting and anti-money laundering regulations. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Material changes, new laws or regulations, or material differences in interpretations by courts or governmental authorities could adversely affect our operating results.

In addition, we are subject to certain federal, state and local environm ental laws, regulations and ordinances, including the Clean Air Act, the Clean Water Act, the Resource Conservation Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act and the Oil Pollution Act of 1990. Under various fede ral, state and local laws and regulations, an owner or operator of real property may be held liable for the costs of removal or remediation of certain hazardous or toxic substances or wastes located on its property, regardless of whether or not the present owner or operator knows of, or is responsible for, the presence of such substances or wastes. We have not identified any issues associated with our properties that could reasonably be expected to have an adverse effect on us or the results of our operatio ns.

Cautionary Statement Concerning Forward-Looking Statements

This Form 10-K and our 2015 Annual Report to Stockholders contain "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects," "will," "may" and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements we make regarding our ability and ultimate decision to complete the REIT transaction and related financing transactions, the anticipated terms of any such REIT transaction, including the terms of the master lease, and the realization of any potential advantages, benefits and the impact of, and opportunities created by, the REIT transaction; expected market growth in Macau; our ability to generate significant cash flow and execute on ongoing and future projects , such as the Profit Growth Plan, and the expected results of the Profit Growth Plan; amounts we will spend in capital expenditures and investments; the opening of strategic resort and other developments and the estimated costs and expected components associated with those developments; and dividends and distributions we will receive from MGM China or CityCenter . The foregoing is not a complete list of all forward-looking statements we make.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. Therefore, we caution you against relying on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, regional, national or global political, economic, business, competitive, market, and regulatory conditions and the following:

- our substantial indebtedness and significant financial commitments could adversely affect our operations and financial results and impact our ability to satisfy our obligations;
- current and future economic and credit market conditions could adversely affect our ability to service or refinance our indebtedness and to make planned expenditures and investments as well as strategic initiatives such as the proposed REIT transaction ;
- restrictions and limitations in the agreements governing our senior credit facility and other senior indebtedness could significantly affect our ability to operate our business, as well as significantly affect our liquidity;
- risks associated with our proposed REIT transaction;
- significant competition we face with respect to destination travel locations generally and with respect to our peers in the industries in which we compete;
- the fact that our businesses are subject to extensive regulation and the cost of compliance or failure to comply with such regulations could adversely affect our business, including whether or when we may be able to complete the proposed REIT transaction ;
- the impact on our business of economic and market conditions in the markets in which we operate and in the locations in which our customers reside;
- the fact that we may not realize all of the anticipated benefits of our Profit Growth Plan;
- restrictions on our ability to have any interest or involvement in gaming businesses in China, Macau, Hong Kong and Taiwan, other than through MGM China;
- the ability of the Macau government to terminate MGM Grand Paradise's gaming subconcession under certain circumstances without compensating MGM Grand Paradise or refuse to grant MGM Grand Paradise an extension of the subconcession, which is scheduled to expire on March 31, 2020;
- our ability to build and open our development in Cotai, which is expected to be completed at the end of the first quarter of 2017;
- the dependence of MGM Macau upon gaming promoters for a significant portion of gaming revenues in Macau;
- our ability to recognize our foreign tax credit deferred asset and the variability of the valuation allowance we may apply against such deferred tax asset;
- extreme weather conditions or climate change may cause property damage or interrupt business;
- the concentration of a majority of our major gaming resorts on the Las Vegas Strip;
- the fact that we extend credit to a large portion of our customers and we may not be able to collect gaming receivables;

- the potential occurrence of impairments to goodwill, indefinite-lived intangible assets or long-lived assets which could negatively affect future profits;
- the susceptibility of leisure and business travel, especially travel by air, to global geopolitical events, such as terrorist attacks or acts of war or hostility, and to disease epidemics;
- the fact that co-investing in properties, including our investment in CityCenter, decreases our ability to manage risk;
- the fact that future construction, development or expansion projects will be susceptible to substantial development and construction risks;
- the fact that our insurance coverage may not be adequate to cover all possible losses that our properties could suffer, our insurance costs may increase and we may not be able to obtain similar insurance coverage in the future;
- the fact that a failure to protect our trademarks could have a negative impact on the value of our brand names and adversely affect our business;
- the risks associated with doing business outside of the United States and the impact of any potential violations of the Foreign Corrupt Practices Act or other similar anti-corruption laws;
- risks related to pending claims that have been, or future claims that may be, brought against us;
- the fact that a significant portion of our labor force is covered by collective bargaining agreements;
- the sensitivity of our business to energy prices and a rise in energy prices could harm our operating results;
- the potential that failure to maintain the integrity of our computer systems and internal customer information could result in damage of reputation and/or subject us to fines, payment of damages, lawsuits or other restrictions on our use or transfer of data;
- increases in gaming taxes and fees in the jurisdictions in which we operate;
- the fact that acquisitions, dispositions or other investments we may seek to pursue in the future may be unsuccessful; and
- the potential for conflicts of interest to arise because certain of our directors and officers are also directors of MGM China, which is now a publicly traded company listed on the Hong Kong Stock Exchange.

Any forward-looking statement made by us in this Form 10-K or our 2015 Annual Report to Stockholders speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law. If we update one or more forward-looking statements, no inference should be made that we will make additional updates with respect to those or other forward-looking statements.

You should also be aware that while we from time to time communicate with securities analysts, we do not disclose to them any material non-public information, internal forecasts or other confidential business information. Therefore, you should not assume that we agree with any statement or report issued by any analyst, irrespective of the content of the statement or report. To the extent that reports issued by securities analysts contain projections, forecasts or opinions, those reports are not our responsibility and are not endorsed by us.

Executive Officers of the Registrant

The following table sets forth, as of February 29, 2016, the name, age and position of each of our executive officers. Executive officers are elected by and serve at the pleasure of the Board of Directors.

Name	Age	Position
James J. Murren	54	Chairman and Chief Executive Officer
Robert H. Baldwin	65	Chief Customer Development Officer
William J. Hornbuckle	58	President
Corey I. Sanders	52	Chief Operating Officer
Daniel J. D'Arrigo	47	Executive Vice President, Chief Financial Officer and Treasurer
Phyllis A. James	63	Executive Vice President, Special Counsel – Litigation and Chief Diversity Officer
John M. McManus	48	Executive Vice President, General Counsel and Secretary
Robert C. Selwood	60	Executive Vice President and Chief Accounting Officer

Mr. Murren has served as Chairman and Chief Executive Officer of the Company since December 2008 and as President from December 1999 to December 2012. He served as Chief Operating Officer from August 2007 through December 2008. He was Chief Financial Officer from January 1998 to August 2007 and Treasurer from November 2001 to August 2007.

Mr. Baldwin has served as Chief Customer Development Officer since August 2015. He served as Chief Design and Construction Officer from August 2007 to August 2015, Ch ief Executive Officer of Mirage Resorts from June 2000 to August 2007 and President and Chief Executive Officer of Bellagio, LLC from June 1996 to March 2005.

Mr. Hornbuckle has served as President since December 2012. He served as Chief Marketing Officer from August 2009 to August 2014 and President and Chief Operating Officer of Mandalay Bay Resort & Casino from April 2005 to August 2009.

Mr. Sanders has served as Chief Operating Officer since September 2010. He served as Chief Operating Officer for the Company's Core Brand and Regional Properties from August 2009 to September 2010, as Executive Vice President—Operations from August 2007 to August 2009, as Executive Vice President and Chief Financial Officer for MGM Grand Resorts from April 2005 to August 2007.

Mr. D'Arrigo has served as Executive Vice President and Chief Financial Officer since August 2007 and as Treasurer since September 2009. He served as Senior Vice President—Finance of the Company from February 2005 to August 2007 and as Vice President—Finance of the Company from December 2000 to February 2005.

Ms. James has served as Executive Vice President and Special Counsel—Litigation since July 2010 and as Chief Diversity Officer since 2009. She served as Senior Vice President, Deputy General Counsel of the Company from March 2002 to July 2010.

Mr. McManus has served as Executive Vice President, General Counsel and Secretary since July 2010. He served as Senior Vice President, Acting General Counsel and Secretary of the Company from December 2009 to July 2010. He served as Senior Vice President, Deputy General Counsel and Assistant Secretary from September 2009 to December 2009. He served as Senior Vice President, Assistant General Counsel and Assistant Secretary of the Company from July 2008 to September 2009. He served as Vice President and General Counsel for CityCenter's residential and retail divisions from January 2006 to July 2008.

Mr. Selwood has served as Executive Vice President and Chief Accounting Officer since August 2007. He served as Senior Vice President—Accounting of the Company from February 2005 to August 2007 and as Vice President—Accounting of the Company from December 2000 to February 2005.

Available Information

We maintain a website at www.mgmresorts.com that includes financial and other information for investors. We provide access to our SEC filings, including our annual report on Form 10-K and quarterly reports on Form 10-Q (including related filings in XBRL format), filed and furnished current reports on Form 8-K, and amendments to those reports on our website, free of charge, through a link to the SEC's EDGAR database. Through that link, our filings are available as soon as reasonably practicable after we file or furnish the documents with the SEC.

These filings are also available on the SEC's website at www.sec.gov . In addition, the public may read and copy any materials that we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549 and may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

Because of the time differences between Macau and the United States, we also use our corporate website as a means of posting important information about MGM China.

Reference in this document to our website address does not incorporate by reference the information contained on the website into this Annual Report on Form 10-K.

ITEM 1A. RISK FACTORS

You should be aware that the occurrence of any of the events described in this section and elsewhere in this report or in any other of our filings with the SEC could have a material adverse effect on our business, financial position, results of operations and cash flows. In evaluating us, you should consider carefully, among other things, the risks described below.

Risks Relating to Our Substantial Indebtedness

- Our substantial indebtedness and significant financial commitments could adversely affect our operations and financial results and impact our ability to satisfy our obligations. As of December 31, 2015, we had approximately $12.8 billion principal amount of indebtedness outstanding, including $2.7 billion of borrowings outstanding under our senior secured credit facility and $1.2 billion of available borrowing capacity. Any increase in the interest rates applicable to our existing or future borrowings would increase the cost of our indebtedness and reduce the cash flow available to fund our other liquidity needs. In addition, as of December 31, 2015, MGM China had approximately $1.6 billion of debt outstanding under its credit facility. Furthermore, in January 2016, our subsidiary MGM National Harbor, LLC entered into a $525 million senior secured credit facility consisting of a $425 million delayed draw term loan, of which $250 million was funded at closing, and a $100 million revolver. We do not guarantee MGM China's or MGM National Harbor, LLC's obligations under their respective credit agreements and, to the extent MGM Macau or MGM National Harbor, LLC were to cease to produce cash flow sufficient to service their indebtedness, our ability to make additional investments into such entities is limited by the covenants in our existing senior secured credit facility.

  In addition, our substantial indebtedness and significant financial commitments could have important negative consequences on us, including:

  - increasing our exposure to general adverse economic and industry conditions;
  - limiting our flexibility to plan for, or react to, changes in our business and industry;
  - limiting our ability to borrow additional funds;
  - making it more difficult for us to make payments on our indebtedness; or
  - placing us at a competitive disadvantage compared to less-leveraged competitors.

  Moreover, our businesses are capital intensive. For our owned and managed resorts to remain attractive and competitive, we must periodically invest significant capital to keep the properties well-maintained, modernized and refurbished. Such investment requires an ongoing supply of cash and, to the extent that we cannot fund expenditures from cash generated by operations, funds must be borrowed or otherwise obtained. Similarly, development projects, including the T-Mobile Arena project and our development projects in Massachusetts and Maryland, and acquisitions could require significant capital commitments, the incurrence of additional debt, guarantees of third-party debt, or the incurrence of contingent liabilities, any or all of which could have an adverse effect on our business, financial condition and results of operations.

- *Current and future economic and credit market conditions could adversely affect our ability to service or refinance our indebtedness and to make planned expenditures* . Our ability to make payments on, and to refinance, our indebtedness and to fund planned or committed capital expenditures and investments depends on our ability to generate cash flow in the future, receive distributions from our unconsolidated affiliates or subsidiaries, including MGM China, borrow under our senior secured credit facility or incur new indebtedness. If regional and national economic conditions deteriorate we could experience decreased revenues from our operations attributable to decreases in consumer spending levels and could fail to generate sufficient cash to fund our liquidity needs or fail to satisfy the financial and other restrictive covenants in our debt instruments. We cannot assure you that our business will generate sufficient cash flow from operations, continue to receive distributions from our unconsolidated affiliates or subsidiaries, including MGM China, that future borrowings will be available to us under our senior secured credit facility in an amount sufficient to enable us to pay our indebtedness or to fund our other liquidity needs or that we will be able to access the capital markets in the future to borrow additional indebtedness on terms that are favorable to us.

  We have a significant amount of indebtedness maturing in 2016, and thereafter. Our ability to timely refinance and replace our indebtedness in the future will depend upon the economic and credit market conditions discussed above. If we are unable to refinance our indebtedness on a timely basis, we might be forced to seek alternate forms of financing, dispose of certain assets or minimize capital expenditures and other investments. There is no assurance that any of these alternatives would be available to us, if at all, on satisfactory terms, on terms that would not be disadvantageous to us, or on terms that would not require us to breach the terms and conditions of our existing or future debt agreements.

- *The agreements governing our senior secured credit facility and other senior indebtedness contain restrictions and limitations that could significantly affect our ability to operate our business, as well as significantly affect our liquidity, and therefore could adversely affect our results of operations* . Covenants governing our senior secured credit facility and cert ain of our debt securities restrict, among other things, our ability to:

    - pay dividends or distributions, repurchase or issue equity, prepay certain debt or make certain investments;
    - incur additional debt;
    - incur liens on assets;
    - sell assets or consolidate with another company or sell all or substantially all of our assets;
    - enter into transactions with affiliates;
    - allow certain subsidiaries to transfer assets; and
    - enter into sale and lease-back transactions.

  Our ability to comply with these provisions may be affected by events beyond our control. The breach of any such covenants or obligations not otherwise waived or cured could result in a default under the applicable debt obligations and could trigger acceleration of those obligations, which in turn could trigger cross-defaults under other agreements governing our long-term indebtedness. Any default under our senior secured credit facility or the indentures governing our other debt could adversely affect our growth, our financial condition, our results of operations and our ability to make payments on our debt.

  In addition, MGM Grand Paradise and MGM China are co-borrowers under an amended and restated credit facility and MGM National Harbor, LLC is the borrower under a senior secured credit facility, each of which contains covenants that restrict their ability to engage in certain transactions. In particular, the MGM China credit facility and the MGM National Harbor, LLC senior secured credit facility require MGM China and MGM National Harbor, LLC, as applicable, to satisfy various financial covenants, including a maximum consolidated total leverage ratio and minimum interest coverage ratio. These agreements also impose certain operating and financial restrictions on MGM China and MGM National Harbor, LLC, and each of their subsidiaries (including, with respect to MGM China, MGM Grand Paradise), including, among other things, limitations on their ability to pay dividends or distributions to us, incur additional debt, make investments or engage in other businesses, merge or consolidate with other companies, or transfer or sell assets.

Risks Related to our Business

- *There are risks associated with our proposed REIT transaction.* On October 29, 2015, we announced the formation of MGP and our intention that it elect to be taxed as a REIT for U.S. Federal income tax purposes following the proposed contribution of certain of our properties and related debt and equity financing transactions, including the IPO of MGP shares as reflected in a draft confidential registration statement filed with the SEC. Following the completion of the IPO and the filing of its election to be taxed as a REIT, MGP would be a publicly traded, controlled REIT primarily engaged in owning, acquiring and leasing large-scale casino resort properties, which include casino gaming, hotel, convention, dining, entertainment, retail and mixed-use facilities, and other resort amenities.

  The completion of the proposed REIT transaction and IPO is subject to numerous conditions and the finalization of terms relating to the transactions, which are subject to a number of variables, including changes in market conditions, and may not occur on favorable terms or at all. We have not yet determined the number of shares that will be sold in the proposed IPO or the valuation of such shares. Therefore, the amount of cash we expect to raise in connection with the proposed IPO and related transactions, and the degree to which we are able to reduce our indebtedness, is uncertain.

  In connection with the proposed REIT transaction and IPO:

    - our stock price could fluctuate significantly in response to developments relating to the proposed REIT transaction and IPO or other action or market speculation regarding the proposed REIT transaction and IPO;
    - we will incur substantial increases in general and administrative expense associated with the need to retain and compensate third-party consultants and advisors (including legal counsel);
    - although we have no plan or intention of disposing of our interest in MGP and the operating partnership following the proposed transactions, to the extent that future dispositions result in our owning less than a controlling interest in MGP, MGP's financial results may no longer be consolidated with our financial results, which may materially and adversely affect our consolidated results of operations; and
    - we may not complete the proposed REIT transaction and IPO, in which event we will have incurred significant expenses that we will be unable to recover, and for which we will not receive any benefit. If the

proposed IPO is completed, MGP would be a new publicly traded company. We cannot make any assurances that the proposed IPO, if completed, will increase our market value. In addition, the IPO and related transactions are subject to customa ry approvals and other risks, many of which are outside our control, including changes in legislation and tax rules.

- *We face significant competition with respect to destination travel locations generally and with respect to our peers in the industries in which we compete, and failure to compete effectively could materially adversely affect our business, financial condition, results of operations and cash flow* . The hotel, resort and casino industries are highly competitive. We do not believe that our competition is limited to a particular geographic area, and hotel, resort and gaming operations in other states or countries could attract our customers. To the extent that new casinos enter our markets or hotel room capacity is expanded by others in major destination locations, competition will increase. Major competitors, including potential new entrants, may also expand their hotel room capacity, expand their range of amenities, improve their level of service, or construct new resorts in Las Vegas and Macau, all of which could attract our customers. Also, the growth of gaming in areas outside Las Vegas, including California, has increased the competition faced by our operations in Las Vegas and elsewhere.

  In addition, competition could increase if changes in gaming restrictions in the United States and elsewhere result in the addition of new gaming establishments located closer to our customers than our casinos, such as has happened in California. For example, while our Macau operations compete to some extent with casinos located elsewhere in or near Asia (including Singapore, Australia, New Zealand, cruise ships in Asia that offer gaming, and unlicensed gaming operations), certain countries in the region have legalized casino gaming (including Malaysia, Vietnam, Cambodia, the Philippines and Russia) and others (such as Japan, Taiwan and Thailand) may legalize casino gaming (or online gaming) in the future. Furthermore, currently MGM Grand Paradise holds one of only six gaming concessions authorized by the Macau government to operate casinos in Macau. If the Macau government were to allow additional competitors to operate in Macau through the grant of additional concessions or if current concessionaires and subconcessionaires open additional facilities (for example, the facilities currently being developed in Cotai, Macau are expected to increase total hotel room inventory by 30% and significantly increase other gaming and non-gaming offerings in Macau), we would face increased competition.

  Most jurisdictions where casino gaming is currently permitted place numerical and/or geographical limitations on the issuance of new gaming licenses. Although a number of jurisdictions in the United States and foreign countries are considering legalizing or expanding casino gaming, in some cases new gaming operations may be restricted to specific locations and we expect that there will be intense competition for any attractive new opportunities (which may include acquisitions of existing properties) that do arise. Furthermore, certain jurisdictions, including Nevada and New Jersey, have also legalized forms of online gaming and other jurisdictions have legalized video gaming terminals. The expansion of online gaming and other types of gaming in these and other jurisdictions may further compete with our operations by reducing customer visitation and spend in our casino resorts.

  In addition to competition with other hotels, resorts and casinos, we compete with destination travel locations outside of the markets in which we operate. Our failure to compete successfully in our various markets and to continue to attract customers could adversely affect our business, financial condition, results of operations and cash flow.

- *Our businesses are subject to extensive regulation and the cost of compliance or failure to comply with such regulations may adversely affect our business and results of operations* . Our ownership and operation of gaming facilities is subject to extensive regulation by the countries, states and provinces in which we operate. These laws, regulations and ordinances vary from jurisdiction to jurisdiction, but generally concern the responsibility, financial stability and character of the owners and managers of gaming operations as well as persons financially interested or involved in gaming operations. As such, our gaming regulators can require us to disassociate ourselves from suppliers or business partners found unsuitable by the regulators or, alternatively, cease operations in that jurisdiction. In addition, unsuitable activity on our part or on the part of our domestic or foreign unconsolidated affiliates or subsidiaries in any jurisdiction could have a negative effect on our ability to continue operating in other jurisdictions. The regulatory environment in any particular jurisdiction may change in the future and any such change could have a material adverse effect on our results of operations. In addition, we are subject to various gaming taxes, which are subject to possible increase at any time by various federal, state, local and foreign legislatures and officials. Increases in gaming taxation could also adversely affect our results. For a summary of gaming and other regulations that affect our business, see “Regulation and Licensing” and Exhibit 99.2 to this Annual Report on Form 10-K.

  Further, our directors, officers, key employees and investors in our properties must meet approval standards of certain state and foreign regulatory authorities. If state regulatory authorities were to find such a person or investor unsuitable, we

would be required to sever our relationship with that person or the investor may be required to dispose of his, her or its interest in the property. State regulatory agencies may conduct investigations into the conduct or associations of our directors, officers, key employees or investors to ensure compliance with applicable standards. Certain public and private issuances of securities and other transactions also require the approval of certain regulatory authorities.

In Macau, current laws and regulations concerning gaming and gaming concessions are, for the most part, fairly recent and there is little precedent on the interpretation of these laws and regulations. These laws and regulations are complex, and a court or administrative or regulatory body may in the future render an interpretation of these laws and regulations, or issue new or modified regulations, that differ from MGM China's interpretation, which could have a material adverse effect on its business, financial condition and results of operations. In addition, MGM China's activities in Macau are subject to administrative review and approval by various government agencies. We cannot assure you that MGM China will be able to obtain all necessary approvals, and any such failure to do so may materially affect its long-term business strategy and operations. Macau laws permit redress to the courts with respect to administrative actions; however, to date such redress is largely untested in relation to gaming issues.

In addition to gaming regulations, we are also subject to various federal, state, local and foreign laws and regulations affecting businesses in general. These laws and regulations include, but are not limited to, restrictions and conditions concerning alcoholic beverages, environmental matters, smoking, employees, currency transactions, taxation, zoning and building codes, and marketing and advertising. For instance, we are subject to certain federal, state and local environmental laws, regulations and ordinances, including the Clean Air Act, the Clean Water Act, the Resource Conservation Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act and the Oil Pollution Act of 1990. Under various federal, state and local environmental laws and regulations, an owner or operator of real property may be held liable for the costs of removal or remediation of certain hazardous or toxic substances or wastes located on its property, regardless of whether or not the present owner or operator knows of, or is responsible for, the presence of such substances or wastes. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. For example, Illinois has enacted a ban on smoking in nearly all public places, including bars, restaurants, work places, schools and casinos. Similarly, in October 2014, casinos in Macau, including MGM China, implemented a smoking ban which prohibits smoking on all mass market gaming floors and, in 2015, the Macau Health Bureau announced that they will promote the submission of a bill proposing a full smoking ban in casinos, including in VIP rooms. The likelihood or outcome of similar legislation in other jurisdictions and referendums in the future cannot be predicted, though any smoking ban would be expected to negatively impact our financial performance.

We also deal with significant amounts of cash in our operations and are subject to recordkeeping and reporting obligations as required by various anti-money laundering laws and regulations. For instance, we are subject to regulation under the Currency and Foreign Transactions Reporting Act of 1970, commonly known as the "Bank Secrecy Act", which, among other things, requires us to report to the Internal Revenue Service ("IRS") any currency transactions in excess of $10,000 that occur within a 24-hour gaming day, including identification of the individual(s) involved in the currency transaction. We are also required to report certain suspicious activity where we know, suspect or have reason to suspect transactions, among other things, involve funds from illegal activity or are intended to evade federal regulations or avoid reporting requirements or have no business or lawful purpose. In addition, under the Bank Secrecy Act we are subject to various other rules and regulations involving reporting, recordkeeping and retention. Our compliance with the Bank Secrecy Act is subject to periodic examinations by the IRS. Any such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Any violations of the anti-money laundering laws, including the Bank Secrecy Act, or regulations by any of our properties could have an adverse effect on our financial condition, results of operations or cash flows.

- *Our business is affected by economic and market conditions in the markets in which we operate and in the locations in which our customers reside* . Our business is particularly sensitive to reductions in discretionary consumer spending and corporate spending on conventions, trade shows and business development. Economic contraction, economic uncertainty or the perception by our customers of weak or weakening economic conditions may cause a decline in demand for hotels, casino resorts, trade shows and conventions, and for the type of luxury amenities we offer. In addition, changes in discretionary consumer spending or consumer preferences could be driven by factors such as the increased cost of travel, an unstable job market, perceived or actual disposable consumer income and wealth, outbreaks of contagious diseases or fears of war and future acts of terrorism. Consumer preferences also evolve over time due to a variety of factors, including as a result of demographic changes, which, for instance, has resulted in recent growth in consumer demand for non-gaming offerings. Our success depends in part on our ability to anticipate the preferences of consumers and react to these trends and any failure to do so may negatively impact our results of operations. Aria, Bellagio and MGM Grand Las Vegas in particular may be affected by economic conditions in the Far East, and all of our Nevada resorts are affected by economic conditions in the United States, and California in particular. A recession, economic slowdown or any other significant

economic condition affecting consumers or corporations generally is likely to cause a reduction in visitation to our resorts, which would adversely affect our op erating results. For example, the prior recession and downturn in consumer and corporate spending had a negative impact on our results of operations.

In addition, since we expect a significant number of customers to come to MGM Macau from mainland China, general economic and market conditions in China could impact our financial prospects. Any slowdown in economic growth or changes to China's current restrictions on travel and currency movements, including market impacts resulting from China's recent anti-corruption campaign and related tightening of liquidity provided by non-bank lending entities and cross-border currency monitoring (including increased restrictions on Union Pay withdrawals), could disrupt the number of visitors from mainland China to MGM Macau and/or the amounts they are willing to spend in the casino. For example, from 2008 through 2010, China readjusted its visa policy toward Macau and limited the number of visits that some mainland Chinese citizens may make to Macau in a given time period. In addition, effective October 2013, China banned "zero-fare" tour groups involving no or low up-front payments and compulsory shopping, which were popular among visitors to Macau from mainland China and in December 2014 the Chinese government tightened the enforcement of visa transit rules for those seeking to enter Macau at the Gongbei border (including requirements to present an airplane ticket to a destination country, a visa issued by such destination country and a valid Chinese passport). It is unclear whether these and other measures will continue to be in effect, become more restrictive, or be readopted in the future. These developments have had, and any future policy developments that may be implemented may have, the effect of reducing the number of visitors to Macau from mainland China, which could adversely impact tourism and the gaming industry in Macau.

Furthermore, our operations in Macau may be impacted by competition for limited labor resources. Our success in Macau will be impacted by our ability to retain and hire employees. We compete with a large number of casino resorts for a limited number of employees and we anticipate that such competition will grow in light of new developments in Macau. While we seek employees from other countries to adequately staff our resort, certain Macau government policies limit our ability to import labor in certain job classifications (for instance, the Macau government requires that we only hire Macau residents as dealers in our casinos). In addition, limitations on the number of gaming tables permitted by the Macau government could impact our current expectation on the number of table games we will be able to utilize at our Cotai project. Such limitations or reduction in table game availability may impact MGM China's results of operations. Finally, because additional casino projects are under construction and are to be developed in the future, existing transportation infrastructure may need to be expanded to accommodate increased visitation to Macau. If transportation facilities to and from Macau are inadequate to meet the demands of an increased volume of gaming customers visiting Macau, the desirability of Macau as a gaming destination, as well as the results of operations at our development in Cotai, Macau, could be negatively impacted.

- *We may not realize all of the anticipated benefits of our Profit Growth Plan.* We have undertaken an initiative for sustained growth and margin enhancement, focused on improving our business processes to optimize scale for greater efficiency and lower costs throughout our business. While we believe these initiatives will result in approximately $300 million of annual Adjusted EBITDA benefit by 2017, our optimization efforts may fail to achieve expected results. Our Profit Growth Plan is subject to numerous risks and uncertainties that may change at any time, and, therefore, our actual Adjusted EBITDA benefit may differ materially from what we anticipate.

- *We have agreed not to have any interest or involvement in gaming businesses in China, Macau, Hong Kong and Taiwan, other than through MGM China* . In connection with the initial public offering of MGM China, the holding company that indirectly owns and operates MGM Macau, we entered into a Deed of Non-Compete Undertakings with MGM China and Ms. Ho, Pansy Catilina Chiu King ("Ms. Pansy Ho") pursuant to which we are restricted from having any interest or involvement in gaming businesses in the People's Republic of China, Macau, Hong Kong and Taiwan, other than through MGM China. While gaming is currently prohibited in China, Hong Kong and Taiwan, if it is legalized in the future our ability to compete in these locations could be limited until the earliest of (i) March 31, 2020, (ii) the date MGM China's ordinary shares cease to be listed on The Stock Exchange of Hong Kong Limited or (iii) the date when our ownership of MGM China shares is less than 20% of the then issued share capital of MGM China.

- *The Macau government can terminate MGM Grand Paradise's subconcession under certain circumstances without compensating MGM Grand Paradise , the Macau government can exercise its redemption right with respect to the subconcession in 2017 or the Macau government can refuse to grant MGM Grand Paradise an extension of the subcon cession in 2020 , any of which would have a material adverse effect on our business , financial condition , results of operations and cash flows .* The Macau government has the right to unilaterally terminate the subconcession in the event of fundamental non-c ompliance by MGM Grand Paradise with applicable Macau laws or MGM Grand Paradise's basic obligations under the subconcession contract. MGM Grand Paradise has the opportunity to remedy any such non-compliance with its fundamental obligations under the subc oncession contract within a period to be stipulated by the Macau government. Upon such termination, all of MGM Grand Paradise's casino area premises and gaming-related equipment would be transferred automatically to the Macau government without compensati on to MGM Grand Paradise, and we would cease to generate any revenues from these operations. We cannot assure you that MGM Grand Paradise will perform all of its obligations under the subconcession contract in a way that satisfies the requirements of the Macau government.

  Furthermore, under the subconcession contract, MGM Grand Paradise is obligated to comply with any laws and regulations that the Macau government might promulgate in the future. We cannot assure you that MGM Grand Paradise will be able to comply with these laws and regulations or that these laws and regulations would not adversely affect our ability to construct or operate our Macau businesses. If any disagreement arises between MGM Grand Paradise and the Macau government regarding the interpretation of, or MGM Grand Paradise's compliance with, a provision of the subconcession contract, MGM Grand Paradise will be relying on a consultation and negotiation process with the Macau government. During any consultation or negotiation, MGM Grand Paradise will be obligated to comply with the terms of the subconcession contract as interpreted by the Macau government. Currently, there is no precedent concerning how the Macau government will treat the termination of a concession or subconcession upon the occurrence of any of the circumstances mentioned above. The loss of the subconcession would require us to cease conducting gaming operations in Macau, which would have a material adverse effect on our business, financial condition, results of operations and cash flows.

  In addition, the subconcession contract expires on March 31, 2020. Unless the subconcession is extended, or legislation with regard to reversion of casino premises is amended, all of MGM Grand Paradise's casino premises and gaming-related equipment will automatically be transferred to the Macau government on that date without compensation to us, and we will cease to generate any revenues from such gaming operations. Beginning on April 20, 2017, the Macau government may redeem the subconcession contract by providing us at least one year's prior notice. In the event the Macau government exercises this redemption right, MGM Grand Paradise is entitled to fair compensation or indemnity. The amount of such compensation or indemnity will be determined based on the amount of gaming and non-gaming revenue generated by MGM Grand Paradise, excluding the convention and exhibition facilities, during the taxable year prior to the redemption, before deducting interest, depreciation and amortization, multiplied by the number of remaining years before expiration of the subconcession. We cannot assure you that MGM Grand Paradise will be able to renew or extend the subconcession contract on terms favorable to MGM Grand Paradise or at all. We also cannot assure you that if the subconcession is redeemed, the compensation paid to MGM Grand Paradise will be adequate to compensate for the loss of future revenues.

- *We are required to build and open our development in Cotai, Macau by January 2018. If we are unable to meet this deadline, and the deadline for the development is not extended, we may lose the land concession, which would prohibit us from operating any facilities developed under such land concession .* The land concession for the approximately 18 acre site on Cotai, Macau was officially gazetted on January 9, 2013. If we are unable to build and open our proposed resort and casino by January 2018, and the deadline is not extended, the Macau government has the right to unilaterally terminate the land concession contract. A loss of the land concession could have a material adverse effect on our business, financial condition, results of operations and cash flows.

- *MGM Grand Paradise is dependent upon gaming promoters for a significant portion of gaming revenues in Macau .* Gaming promoters, who promote gaming and draw high-end customers to casinos, are responsible for a significant portion of MGM Grand Paradise's gaming revenues in Macau. With the rise in gaming in Macau and the recent reduction in the number of licensed gaming promoters in Macau and in the number of VIP rooms operated by licensed gaming promoters, the competition for relationships with gaming promoters has increased. While MGM Grand Paradise is undertaking initiatives to strengthen relationships with gaming promoters, there can be no assurance that it will be able to maintain, or grow, relationships with gaming promoters. In addition, continued reductions in, and new regulations governing, the gaming promoter segment may result in the closure of additional VIP rooms in Macau, including VIP rooms at MGM Macau. If MGM Grand Paradise is unable to maintain or grow relationships with gaming promoters, or if gaming promoters are unable to develop or maintain relationships with our high-end customers (or if, as a result of recent market conditions in Macau, gaming promoters encounter difficulties attracting patrons to come to Macau), MGM Grand Paradise's ability to grow gaming revenues will be hampered. Furthermore, if existing VIP rooms at MGM Macau are closed there can be no

assurance that MGM Grand Paradise will be able to locate acceptable gaming promoters to run such VIP rooms in the future in a timely manner, or at all.

In addition, the quality of gaming promoters is important to MGM Grand Paradise's and our reputation and ability to continue to operate in compliance with gaming licenses. While MGM Grand Paradise strives for excellence in associations with gaming promoters, we cannot assure you that the gaming promoters with whom MGM Grand Paradise is or becomes associated will meet the high standards insisted upon. If a gaming promoter falls below MGM Grand Paradise's standards, MGM Grand Paradise or we may suffer reputational harm or possibly sanctions from gaming regulators with authority over our operations.

We also grant credit lines to certain gaming promoters and any adverse change in the financial performance of those gaming promoters may impact the recoverability of these loans.

- *The future recognition of our foreign tax credit deferred tax asset is uncertain, and the amount of valuation allowance we may apply against such deferred tax asset may change materially in future periods based on changes to the underlying forecasts of future profitability of and distributions from MGM China, changes in our assumption concerning renewals of the five-year exemption from Macau's 12% complementary tax on gaming profits and changes in assumptions concerning future U.S. operating profits* . We currently have significant foreign tax credit deferred tax assets resulting from tax credit carryforwards that are available to reduce potential taxable foreign-sourced income in future periods. We evaluate our foreign tax credit deferred tax asset for recoverability and record a valuation allowance to the extent that we determine it is not more likely than not such asset will be recovered. This evaluation is based on available evidence, including assumptions about future profitability of and distributions from MGM China, as well as our assumption concerning renewals of the five-year exemption from Macau's 12% complementary tax on gaming profits. As a result, significant judgment is required in assessing the possible need for a deferred tax asset valuation allowance and changes to our assumptions may have a material impact on the amount of the valuation allowance. For example, should we in a future period actually receive or be able to assume an additional five-year exemption, an additional valuation allowance would likely need to be provided on some portion or all of the foreign tax credit deferred tax asset, resulting in an increase in the provision for income taxes in such period and such increase may be material. In addition, a change to our forecasts of future profitability of and distributions from MGM China could also result in a material change in the valuation allowance with a corresponding impact on the provision for income taxes in such period.

  Finally, while we do not currently rely on future U.S. source operating income in assessing future foreign tax credit realization due to our recent history of cumulative losses in the U.S., if the recent improvement in U.S. operating results continues, we could in a future period begin to rely on future U.S. source operating income for such purpose which could result in a reduction in the valuation allowance and a corresponding reduction in the provision for income taxes in such period.

- *Extreme weather conditions or climate change may cause property damage or interrupt business, which could harm our business and results of operations* . Certain of our casino properties are located in areas that may be subject to extreme weather conditions, including, but not limited to, hurricanes in the United States and severe typhoons in Macau. Such extreme weather conditions may interrupt our operations, damage our properties, and reduce the number of customers who visit our facilities in such areas. In addition, our operations could be adversely impacted by a drought or other cause of water shortage. A severe drought of extensive duration experienced in Las Vegas or in the other regions in which we operate could adversely affect our business and results of operations. Although we maintain both property and business interruption insurance coverage for certain extreme weather conditions, such coverage is subject to deductibles and limits on maximum benefits, including limitation on the coverage period for business interruption, and we cannot assure you that we will be able to fully insure such losses or fully collect, if at all, on claims resulting from such extreme weather conditions. Furthermore, such extreme weather conditions may interrupt or impede access to our affected properties and may cause visits to our affected properties to decrease for an indefinite period, which would have a material adverse effect on our business, financial condition, results of operations and cash flows.

- *Because a majority of our major gaming resorts are concentrated on the Las Vegas Strip, we are subject to greater risks than a gaming company that is more geographically diversified* . Given that a majority of our major resorts are concentrated on the Las Vegas Strip, our business may be significantly affected by risks common to the Las Vegas tourism industry. For example, the cost and availability of air services and the impact of any events that disrupt air travel to and from Las Vegas can adversely affect our business. We cannot control the number or frequency of flights to or from Las Vegas, but we rely on air traffic for a significant portion of our visitors. Reductions in flights by major airlines as a result of higher fuel prices or lower demand can impact the number of visitors to our resorts. Additionally, there is one principal interstate highway

between Las Vegas and Southern California, where a large number of our customers reside. Capacity constraints of that highway or any other traffic disruptions may also affect the numb er of customers who visit our facilities.

- *We extend credit to a large portion of our customers and we may not be able to collect gaming receivables* . We conduct a portion of our gaming activities on a credit basis through the issuance of markers which are unsecured instruments. Table games players typically are issued more markers than slot players, and high-end players typically are issued more markers than patrons who tend to wager lower amounts. High-end gaming is more volatile than other forms of gaming, and variances in win-loss results attributable to high-end gaming may have a significant positive or negative impact on cash flow and earnings in a particular quarter. Furthermore, the loss or a reduction in the play of the most significant of these high-end customers could have an adverse effect on our business, financial condition, results of operations and cashflows. We issue markers to those customers whose level of play and financial resources warrant, in the opinion of management, an extension of credit. In addition, MGM Grand Paradise extends credit to certain gaming promoters and those promoters can extend credit to their customers. Uncollectible receivables from high-end customers and gaming promoters could have a significant impact on our results of operations.

  While gaming debts evidenced by markers and judgments on gaming debts are enforceable under the current laws of Nevada, and Nevada judgments on gaming debts are enforceable in all states under the Full Faith and Credit Clause of the U.S. Constitution, other jurisdictions may determine that enforcement of gaming debts is against public policy. Although courts of some foreign nations will enforce gaming debts directly and the assets in the U.S. of foreign debtors may be reached to satisfy a judgment, judgments on gaming debts from United States courts are not binding on the courts of many foreign nations.

  Furthermore, we expect that MGM Macau will be able to enforce its gaming debts only in a limited number of jurisdictions, including Macau. To the extent MGM Macau gaming customers and gaming promoters are from other jurisdictions, MGM Macau may not have access to a forum in which it will be able to collect all of its gaming receivables because, among other reasons, courts of many jurisdictions do not enforce gaming debts and MGM Macau may encounter forums that will refuse to enforce such debts. Moreover, under applicable law, MGM Macau remains obligated to pay taxes on uncollectible winnings from customers.

  Even where gaming debts are enforceable, they may not be collectible. Our inability to collect gaming debts could have a significant negative impact on our operating results.

- *We may incur impairments to goodwill, indefinite-lived intangible assets, or long-lived assets which could negatively affect our future profits* . We review our goodwill, intangible assets and long-lived assets on an annual basis and during interim reporting periods in accordance with the authoritative guidance. Significant negative trends, reduced estimates of future cash flows, disruptions to our business, slower growth rates or lack of growth have resulted in write-downs and impairment charges in the past and, if one or more of such events occurs in the future, additional impairment charges or write-downs may be required in future periods. For instance, in 2015, we recorded a non-cash impairment charge of $1.5 billion to reduce the historical carrying value of goodwill related to the MGM China reporting unit. If we are required to record additional impairment charges or write-downs, this could have a material adverse impact on our consolidated results of operations.

- *Leisure and business travel , especially travel by air , are particularly susceptible to global geopolitical events , such as terrorist attacks or acts of war or hostility* . We are dependent on the willingness of our customers to travel by air. Since most of our customers travel by air to our Las Vegas and Macau properties, any terrorist act, outbreak of hostilities, escalation of war, or any actual or perceived threat to the security of travel by air could adversely affect our financial condition, results of operations and cash flows. Furthermore, although we have been able to purchase some insurance coverage for certain types of terrorist acts, insurance coverage against loss or business interruption resulting from war and some forms of terrorism continues to be unavailable.

- *Co-investing in our properties, including our investment in CityCenter, decreases our ability to manage risk* . In addition to acquiring or developing hotels and resorts or acquiring companies that complement our business directly, we have from time to time invested, and expect to continue to invest, as a co-investor. Co-investors often have shared control over the operation of the property. Therefore, the operation of such properties is subject to inherent risk due to the shared nature of the enterprise and the need to reach agreements on material matters. In addition, investments with other investors may involve risks such as the possibility that the co-investor might become bankrupt or not have the financial resources to meet its obligations, or have economic or business interests or goals that are inconsistent with our business interests or goals, or be in a position to take action contrary to our instructions or requests or contrary to our policies or objectives. Consequently, actions by a co-investor might subject hotels and resorts owned by such entities to additional risk. Further,

we may be unable to take action with out the approval of our co-investors. Alternatively, our co-investors could take actions binding on the property without our consent. Additionally, should a co-investor become bankrupt, we could become liable for its share of liabilities.

For instance, CityCenter, which is 50% owned and managed by us, has a significant amount of indebtedness, which could adversely affect its business and its ability to meet its obligations. If CityCenter is unable to meet its financial commitments and we and our co-investor are unable to support future funding requirements, as necessary, such event could have adverse financial consequences to us. In addition, the agreements governing CityCenter's indebtedness subject CityCenter and its subsidiaries to significant financial and other restrictive covenants, including restrictions on its ability to incur additional indebtedness, place liens upon assets, make distributions to us, make certain investments, consummate certain asset sales, enter into transactions with affiliates (including us) and merge or consolidate with any other person or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its assets. The CityCenter third amended and restated credit facility also includes certain financial covenants that require CityCenter to maintain a maximum total leverage ratio (as defined in CityCenter's third amended and restated credit facility) for each quarter. We cannot be sure that CityCenter will be able to meet this test in the future or that the lenders will waive any failure to meet the test.

- *Any of our future construction, development or expansion projects will be subject to significant development and construction risks, which could have a material adverse impact on related project timetables, costs and our ability to complete the projects* .

  Any of our future construction, development or expansion projects will be subject to a number of risks, including:

  - lack of sufficient, or delays in the availability of, financing;
  - changes to plans and specifications;
  - engineering problems, including defective plans and specifications;
  - shortages of, and price increases in, energy, materials and skilled and unskilled labor, and inflation in key supply markets;
  - delays in obtaining or inability to obtain necessary permits, licenses and approvals;
  - changes in laws and regulations, or in the interpretation and enforcement of laws and regulations, applicable to gaming, leisure, residential, real estate development or construction projects;
  - labor disputes or work stoppages;
  - disputes with and defaults by contractors and subcontractors;
  - personal injuries to workers and other persons;
  - environmental, health and safety issues, including site accidents and the spread of viruses;
  - weather interferences or delays;
  - fires, typhoons and other natural disasters;
  - geological, construction, excavation, regulatory and equipment problems; and
  - other unanticipated circumstances or cost increases.

  The occurrence of any of these development and construction risks could increase the total costs, delay or prevent the construction, development, expansion or opening or otherwise affect the design and features of any future projects which we might undertake. For instance, we currently expect the total development costs of our Cotai project to be approximately $3.0 billion, excluding development fees eliminated in consolidation, capitalized interest and land-related costs. We currently expect total development costs of our Maryland project to be approximately $1.3 billion, total development costs of our Massachusetts project to be approximately $865 million and total development costs of our T-Mobile Arena project to be approximately $350 million, each excluding capitalized interest and land related costs. While we believe that the overall budgets for these developments are reasonable, these development costs are estimates and the actual development costs may be higher than expected. We cannot guarantee that our construction costs or total project costs for future projects, including our developments in Cotai, Maryland and Massachusetts, will not increase beyond amounts initially budgeted or that the expected design and features of current or future projects will not change. In addition, the regulatory approvals associated with our development projects may require us to open future casino resorts by a certain specified time and to the extent we are unable to meet those deadlines, and any such deadlines are not extended, we may lose our regulatory approval to open a casino resort in a proposed jurisdiction or incur payment penalties in connection with any delays which could have an adverse effect on our results of operations and financial condition.

- *Our insurance coverage may not be adequate to cover all possible losses that our properties could suffer. In addition, our insurance costs may increase and we may not be able to obtain similar insurance coverage in the future* . Although we have "all risk" property insurance coverage for our operating properties, which covers damage caused by a casualty loss (such as fire, natural disasters, acts of war, or terrorism), each policy has certain exclusions. In addition, our property insurance

coverage is in an amount that may be significantly less than the expected replacement cost of rebuilding the f acilities if there was a total loss. Our level of insurance coverage also may not be adequate to cover all losses in the event of a major casualty. In addition, certain casualty events, such as labor strikes; nuclear events; acts of war; loss of income d ue to cancellation of room reservations or conventions due to fear of terrorism; loss of electrical power due to catastrophic events, rolling blackouts or otherwise; deterioration or corrosion; insect or animal damage; and pollution, may not be covered at all under our policies. Therefore, certain acts could expose us to substantial uninsured losses.

In addition to the damage caused to our properties by a casualty loss, we may suffer business disruption as a result of these events or be subject to claims by third parties that may be injured or harmed. While we carry business interruption insurance and general liability insurance, this insurance may not be adequate to cover all losses in any such event.

We renew our insurance policies (other than our builder's risk insurance) on an annual basis. The cost of coverage may become so high that we may need to further reduce our policy limits, further increase our deductibles, or agree to certain exclusions from our coverage.

- *Any failure to protect our trademarks could have a negative impact on the value of our brand names and adversely affect our business* . The development of intellectual property is part of our overall business strategy, and we regard our intellectual property to be an important element of our success. While our business as a whole is not substantially dependent on any one trademark or combination of several of our trademarks or other intellectual property, we seek to establish and maintain our proprietary rights in our business operations through the use of trademarks. We file applications for, and obtain trademarks in, the United States and in foreign countries where we believe filing for such protection is appropriate. Despite our efforts to protect our proprietary rights, parties may infringe our trademarks and our rights may be invalidated or unenforceable. The laws of some foreign countries do not protect proprietary rights to as great an extent as the laws of the United States. Monitoring the unauthorized use of our intellectual property is difficult. Litigation may be necessary to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights of others. Litigation of this type could result in substantial costs and diversion of resource. We cannot assure you that all of the steps we have taken to protect our trademarks in the United States and foreign countries will be adequate to prevent imitation of our trademarks by others. The unauthorized use or reproduction of our trademarks could diminish the value of our brand and its market acceptance, competitive advantages or goodwill, which could adversely affect our business.

- *Tracinda owns a significant amount of our common stock and may be able to exert significant influence over matters requiring stockholder approval* . As of December 31, 2015, Tracinda Corporation beneficially owned approximately 16% of our outstanding common stock and as a result, Tracinda may be able to exercise significant influence over any matter requiring stockholder approval, including the approval of significant corporate transactions. Upon Mr. Kerkorian's passing, Tracinda's position in our common stock became subject to the terms of Mr. Kerkorian's last will and testament, which provides for an orderly disposition of Tracinda's position in our common stock. As a result, while we expect that Tracinda's ownership of our common stock will decline in the future, Tracinda has not indicated when, if or how it intends to sell its position in our common stock.

- *We are subject to risks associated with doing business outside of the United States* . Our operations outside of the United States are subject to risks that are inherent in conducting business under non-United States laws, regulations and customs. In particular, the risks associated with the operation of MGM Macau or any future operations in which we may engage in any other foreign territories, include:

    - changes in laws and policies that govern operations of companies in Macau or other foreign jurisdictions;
    - changes in non-United States government programs;
    - possible failure by our employees or agents to comply with anti-bribery laws such as the United States Foreign Corrupt Practices Act and similar anti-bribery laws in other jurisdictions;
    - general economic conditions and policies in China, including restrictions on travel and currency movements;
    - difficulty in establishing, staffing and managing non-United States operations;
    - different labor regulations;
    - changes in environmental, health and safety laws;
    - outbreaks of diseases or epidemics;
    - potentially negative consequences from changes in or interpretations of tax laws;
    - political instability and actual or anticipated military and political conflicts;
    - economic instability and inflation, recession or interest rate fluctuations; and
    - uncertainties regarding judicial systems and procedures.

These risks, individually or in the aggregate, could have an adverse effect on our results of operations and financial condition.

We are also exposed to a variety of market risks, including the effects of changes in foreign currency exchange rates. If the United States dollar strengthens in relation to the currencies of other countries, our United States dollar reported income from sources where revenue is dominated in the currencies of other such countries will decrease.

- *Any violation of the Foreign Corrupt Practices Act or any other similar anti-corruption laws could have a negative impact on us* . A significant portion of our revenue is derived from operations outside the United States, which exposes us to complex foreign and U.S. regulations inherent in doing cross-border business and in each of the countries in which we transact business. We are subject to compliance with the United States Foreign Corrupt Practices Act ("FCPA") and other similar anti-corruption laws, which generally prohibit companies and their intermediaries from making improper payments to foreign government officials for the purpose of obtaining or retaining business. While our employees and agents are required to comply with these laws, we cannot be sure that our internal policies and procedures will always protect us from violations of these laws, despite our commitment to legal compliance and corporate ethics. Violations of these laws by us or our non-controlled ventures may result in severe criminal and civil sanctions as well as other penalties against us, and the SEC and U.S. Department of Justice continue to vigorously pursue enforcement of the FCPA. The occurrence or allegation of these types of risks may adversely affect our business, performance, prospects, value, financial condition, and results of operations.

- *We face risks related to pending claims that have been , or future claims that may be , brought against us* . Claims have been brought against us and our subsidiaries in various legal proceedings, and additional legal and tax claims arise from time to time. We may not be successful in the defense or prosecution of our current or future legal proceedings, which could result in settlements or damages that could significantly impact our business, financial condition and results of operations. Please see the further discussion in "Legal Proceedings" and Note 11 in the accompanying consolidated financial statements.

- *A significant portion of our labor force is covered by collective bargaining agreements* . Work stoppages and other labor problems could negatively affect our business and results of operations. As of December 31, 2015, approximately 29,900 of our employees are covered by collective bargaining agreements. A prolonged dispute with the covered employees or any labor unrest, strikes or other business interruptions in connection with labor negotiations or others could have an adverse impact on our operations. Further, adverse publicity in the marketplace related to union messaging could further harm our reputation and reduce customer demand for our services. Also, wage and/or benefit increases resulting from new labor agreements may be significant and could also have an adverse impact on our results of operations. In addition, to the extent that our non-union employees join unions, we would have greater exposure to risks associated with labor problems.

- *Our business is particularly sensitive to energy prices and a rise in energy prices could harm our operating results* . We are a large consumer of electricity and other energy and, therefore, higher energy prices may have an adverse effect on our results of operations. Accordingly, increases in energy costs may have a negative impact on our operating results. Additionally, higher electricity and gasoline prices that affect our customers may result in reduced visitation to our resorts and a reduction in our revenues.

- *The failure to maintain the integrity of our computer systems and internal customer information could result in damage of reputation and/or subject us to fines , payment of damages , lawsuits or restrictions on our use or transfer of data* . We collect and store information relating to our employees and guests for various business purposes, including marketing and promotional purposes. The collection and use of personal data are governed by privacy laws and regulations enacted in the United States and other jurisdictions around the world. Privacy regulations continue to evolve and on occasion may be inconsistent from one jurisdiction to another.

  Compliance with applicable privacy regulations may increase our operating costs and/or adversely impact our ability to market our products, properties and services to our guests. In addition, non-compliance with applicable privacy regulations by us (or in some circumstances non-compliance by third parties engaged by us), including accidental loss, inadvertent disclosure, unapproved dissemination or a breach of security on systems storing our data may result in damage of reputation and/or subject us to fines, payment of damages, lawsuits or restrictions on our use or transfer of data. We rely on proprietary and commercially available systems, software, tools and monitoring to provide security for processing, transmission and storage of customer and employee information, such as payment card and other confidential or proprietary information. Our data security measures are reviewed and evaluated regularly; however, they might not protect us against increasingly sophisticated and aggressive threats. In addition, while we maintain cyber risk insurance to assist in the cost of recovery from a significant cyber event, such coverage may not be sufficient .

  We also rely extensively on computer systems to process transactions, maintain information and manage our businesses. Disruptions in the availability of our computer systems, through cyber-attacks or otherwise, could impact our ability to

service our customers and adversely affect our sales and the results of operations. For instance, there has been an increase in criminal cyber security attacks against companies where customer and company information has been compromised and company data has been destroyed. Our information systems and records, inc luding those we maintain with our third-party service providers, may be subject to cyber security breaches in the future. In addition, our third-party information system service providers face risks relating to cyber security similar to ours, and we do no t directly control any of such parties' information security operations. A significant theft, loss or fraudulent use of customer or company data maintained by us or by a third-party service provider could have an adverse effect on our reputation, cause a material disruption to our operations and management team, and result in remediation expenses, regulatory penalties and litigation by customers and other parties whose information was subject to such attacks, all of which could have a material adverse eff ect on our business, results of operations and cash flows.

- *We may seek to expand through investments in other businesses and properties or through alliances or acquisitions, and we may also seek to divest some of our properties and other assets, any of which may be unsuccessful* . We intend to consider strategic and complementary acquisitions and investments in other businesses, properties or other assets. Furthermore, we may pursue any of these opportunities in alliance with third parties. Acquisitions and investments in businesses, properties or assets, as well as these alliances, are subject to risks that could affect our business, including risks related to:

    - spending cash and incurring debt;
    - assuming contingent liabilities;
    - unanticipated issues in integrating information, communications and other systems;
    - unanticipated incompatibility of purchasing, logistics, marketing and administration methods;
    - retaining key employees; and
    - consolidating corporate and administrative infrastructures.

  We cannot assure you that we will be able to identify opportunities or complete transactions on commercially reasonable terms or at all, or that we will actually realize any anticipated benefits from such acquisitions, investments or alliances.

- *If the jurisdictions in which we operate increase gaming taxes and fees , our results could be adversely affected* . State and local authorities raise a significant amount of revenue through taxes and fees on gaming activities. From time to time, legislators and government officials have proposed changes in tax laws, or in the administration of such laws, affecting the gaming industry. Periods of economic downturn or uncertainty and budget deficits may intensify such efforts to raise revenues through increases in gaming taxes. If the jurisdictions in which we operate were to increase gaming taxes or fees, depending on the magnitude of the increase and any offsetting factors, our financial condition and results of operations could be materially adversely affected. For instance, income generated from gaming operations of MGM Grand Paradise currently has the benefit of a corporate tax exemption in Macau, which exempts us from paying the 12% complementary tax on profits generated by the operation of casino games. This exemption is effective through the end of 2016 and while we believe that we will be granted additional five-year exemptions in the future we cannot assure you that any extensions of the tax exemption will be granted.

- *Conflicts of interest may arise because certain of our directors and officers are also directors of MGM China , the holding company for MGM Grand Paradise which owns and operates MGM Macau* . As a result of the initial public offering of shares of MGM China common stock, MGM China now has stockholders who are not affiliated with us, and we and certain of our officers and directors who also serve as officers and/or directors of MGM China may have conflicting fiduciary obligations to our stockholders and to the minority stockholders of MGM China. Decisions that could have different implications for us and MGM China, including contractual arrangements that we have entered into or may in the future enter into with MGM China, may give rise to the appearance of a potential conflict of interest or an actual conflict of interest.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our principal executive offices are located at Bellagio. Our significant land holdings are described below; unless otherwise indicated, all properties are wholly owned. We also own or lease various other improved and unimproved properties in Las Vegas and other locations in the United States and certain foreign countries.

Wholly owned domestic resorts and other land

The following table lists our wholly owned domestic resorts land holdings and other land holdings, including land held in connection with our proposed development properties.

Name and Location	Approximate Acres	Notes
Las Vegas, Nevada operations		
Bellagio	77	Two acres of the site are subject to two ground leases that expire (giving effect to our renewal options) in 2019 and 2073.
MGM Grand Las Vegas	102	
Mandalay Bay	124	
The Mirage	77	
Luxor	73	Includes 15 acres of land located across the Las Vegas Strip from Luxor.
Excalibur	51	
New York-New York	23	Includes 3 acres of land related to The Park entertainment district development located between Monte Carlo and New York-New York.
Monte Carlo	21	
Circus Circus Las Vegas	102	Includes 34 acres of land located north of Circus Circus Las Vegas.
Other domestic operations		
MGM Grand Detroit (Detroit, Michigan)	27	
Beau Rivage (Biloxi, Mississippi)	41	Includes 10 acres of tidelands leased from the State of Mississippi under a lease that expires (giving effect to our renewal options) in 2066.
Gold Strike (Tunica, Mississippi)	24	
Other		
T-Mobile Arena (Las Vegas, Nevada)	17	Located adjacent to New York-New York and leased under a 50 year ground lease to Las Vegas Arena Company.
MGM Springfield (Springfield, Massachusetts)	15	
Tunica, Mississippi	388	We own an undivided 50% interest in this land with another, unaffiliated, gaming company.
Atlantic City, New Jersey	141	Approximately 8 acres are leased to Borgata under a short-term lease. Of the remaining land, approximately 74 acres are suitable for development.
Shadow Creek Golf Course (North Las Vegas, Nevada)	310	Includes 66 acres of land adjacent to the golf course.
Fallen Oak Golf Course (Saucier, Mississippi)	511	
Primm Valley Golf Club (Stateline, California)	573	Located at the California state line, four miles from Primm, Nevada. Includes 125 acres of land adjacent to the golf club.

The land and substantially all of the assets of MGM Grand Las Vegas, Bellagio and The Mirage secure up to $3.35 billion of obligations outstanding under our senior credit facility. In addition, the land and substantially all of the assets of New York-New York and Gold Strike Tunica secure the entire amount of our senior credit facility and the land and substantially all of the assets of MGM Grand Detroit secure its $450 million of obligations as a co-borrower under the senior credit facility. In addition, the senior credit facility is secured by a pledge of the equity or limited liability company interests of the subsidiaries that own the pledged properties.

MGM China

MGM Macau occupies an approximately 10 acre site and the MGM Cotai development will occupy an approximately 18 acre site, both of which are possessed under separate 25-year land use right agreements with the Macau government. The MGM China credit facility is secured by MGM Grand Paradise's interest in the Cotai and MGM Macau land use rights, and MGM China, MGM Grand Paradise and their guarantor subsidiaries have granted a security interest in substantially all of their assets to secure the facility. As of December 31, 2015, approximately $1.6 billion was outstanding under the MGM China credit facility. These borrowings are non-recourse to MGM Resorts International.

MGM National Harbor

MGM National Harbor occupies approximately 23 acres of leased land in Prince George's County, Maryland. In January 2016, MGM National Harbor, LLC, the Company's wholly owned subsidiary developing and constructing MGM National Harbor, entered into a $525 million senior secured credit facility consisting of a $100 million revolver and a $425 million delayed draw term loan, of which $250 million was funded at closing. T he credit agreement is secured by a leasehold mortgage on MGM National Harbor and substantially all of the existing and future property of MGM National Harbor.

Unconsolidated Affiliates

CityCenter occupies approximately 67 acres of land between Bellagio and Monte Carlo. The site, along with substantially all of the assets of that resort, serves as collateral for CityCenter's senior secured credit facility. As of December 31, 2015, CityCenter had not drawn on its $75 million revolving credit facility and had $1.5 billion in term loans outstanding.

The Borgata occupies approximately 46 acres of land in Atlantic City, New Jersey. The Borgata's senior secured credit facility is secured by a first priority lien on substantially all of the assets of Borgata, including the land underlying the Borgata. At December 31, 2015, Borgata had drawn $38 million on its revolving credit facility and had $660 million in term loans outstanding.

The Las Vegas Arena Company leases under a long-term ground lease approximately 17 acres of land owned by the Company and located between Frank Sinatra Drive and New York-New York, adjacent to the Las Vegas Strip. Substantially all of the assets of Las Vegas Arena Company are used as collateral for its senior secured credit facility. In connection with this senior secured credit facility, MGM Resorts International and AEG each entered into a repayment guarantee for the term loan B (which is subject to increases and decreases in the event of a rebalancing of the principal amount of indebtedness between the term loan A and term loan B facilities). As of December 31, 2015, term loan A was $120 million and term loan B was $80 million. See Note 11 for discussion of the Company's repayment guarantee related to the T-Mobile Arena.

Except as described above with respect to the Las Vegas Arena Company senior secured credit facility, all of the borrowings by our unconsolidated affiliates described above are non-recourse to MGM Resorts International.

Other than as described above, none of our properties serve as collateral.

ITEM 3. LEGAL PROCEEDINGS

Securities and derivative litigation. In 2009 various shareholders filed six lawsuits in Nevada federal and state court against the Company and various of its former and current directors and officers alleging federal securities laws violations and/or related breaches of fiduciary duties in connection with statements allegedly made by the defendants during the period August 2007 through the date of such lawsuit filings in 2009 (the "class period"). In general, the lawsuits asserted the same or similar allegations, including that during the relevant period defendants artificially inflated the Company's common stock price by knowingly making materially false and misleading statements and omissions to the investing public about the Company's financial statements and condition, operations, CityCenter, and the intrinsic value of the Company's common stock; that these alleged misstatements and omissions thereby enabled certain Company insiders to derive personal profit from the sale of Company common stock to the public; that defendants caused plaintiffs and other shareholders to purchase Company common stock at artificially inflated prices; and that defendants imprudently implemented a share repurchase program to the detriment of the Company. The lawsuits sought unspecified compensatory damages, restitution and disgorgement of alleged profits and/or attorneys' fees and costs in amounts to be proven at trial, as well as injunctive relief related to corporate governance.

The state and federal court derivative actions were dismissed pursuant to defendants' motions. Only two of these lawsuits remain pending. The lawsuits are:

In re MGM MIRAGE Securities Litigation, Case No. 2:09-cv-01558-GMN-LRL. In November 2009, the U.S. District Court for Nevada consolidated the *Robert Lowinger v. MGM MIRAGE, et al.* (Case No. 2:09-cv-01558-RCL-LRL, filed August 19, 2009) and *Khachatur Hovhannisyan v. MGM MIRAGE, et al.* (Case No. 2:09-cv-02011-LRH-RJJ, filed October 19, 2009) putative class actions under the caption "In re MGM MIRAGE Securities Litigation." The cases na me the Company and certain former and current directors and officers as defendants and allege violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Rule 10b-5 promulgated thereunder. After transf er of the cases in 2010 to the Honorable Gloria M. Navarro, the court appointed several employee retirement benefits funds as co-lead plaintiffs and their counsel as co-lead and co-liaison counsel. In January 2011, lead plaintiffs filed a consolidated ame nded complaint, alleging that between August 2, 2007 and March 5, 2009, the Company, its directors and certain of its officers violated Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 thereunder.

In September 2013, the court denied defendants' motion to dismiss plaintiffs' amended complaint. Defendants answered the amended complaint, the court entered a scheduling order and discovery commenced. Plaintiffs filed a motion for class certification in November 2014. Defendants filed their opposition to class certification in February 2015. The court heard oral argument on the class certification motion on April 21, 2015 and took the matter under advisement. No trial date was set in this case.

In July 2015, the lead plaintiffs and defendants agreed in principle to settle the securities class actions. In August 2015, the lead plaintiffs and defendants entered into a Stipulation and Agreement of Settlement (the "Settlement Agreement"). Under the terms of the Settlement Agreement, the claims against the Company and the named former and current directors and officers will be dismissed with prejudice and released in exchange for a $75 million cash payment by the Company's directors and officers liability insurers. In August 2015, the lead plaintiffs filed with the court an Unopposed Motion for Preliminary Approval of the Settlement Agreement. In September 2015, the court entered an Order Preliminarily Approving Settlement, preliminarily certified the class for settlement purposes only, established class notification procedures and scheduled a hearing for December 15, 2015 to determine whether to grant final approval to the settlement.

On December 7, 2015, the court entered an order on a stipulation by the parties, which, among other things, continued the approval hearing to January 29, 2016 to allow additional time to provide notice of the settlement to class members. On January 21, 2016, the court again continued the hearing for final settlement approval, to allow the court time to first resolve a then-pending motion by a non-party to compel certain discovery from the lead plaintiffs' counsel. On January 27, 2016, the court denied the motion to compel. The hearing for final settlement approval has been scheduled for March 1, 2016.

If the court grants final approval of the Settlement Agreement and enters the proposed judgment, all claims in these cases against the Company and the individual defendants will be resolved. In the event that defendants are unable to obtain final court approval of the Settlement Agreement, the Company and all other defendants plan to continue to vigorously defend against the claims asserted in these securities cases.

Other. We and our subsidiaries are also defendants in various other lawsuits, most of which relate to routine matters incidental to our business. We do not believe that the outcome of such pending litigation, considered in the aggregate, will have a material adverse effect on the Company.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Common Stock Information

Our common stock is traded on the New York Stock Exchange ("NYSE") under the symbol "MGM." The following table sets forth, for the calendar quarters indicated, the high and low sale prices of our common stock on the NYSE Composite Tape.

	2015		2014	
	High	Low	High	Low
First quarter	$ 23.25	$ 18.82	$ 28.27	$ 23.28
Second quarter	22.65	17.50	26.43	23.02
Third quarter	22.77	16.84	26.92	22.16
Fourth quarter	24.41	18.19	23.23	18.01

There were approximately 3,956 record holders of our common stock as of February 24, 2016.

We have not paid dividends on our common stock in the last three fiscal years. As a holding company with no independent operations, our ability to pay dividends will depend upon the receipt of dividends and other payments from our subsidiaries. Furthermore, our senior credit facility contains financial covenants and restrictive covenants that could restrict our ability to pay dividends, subject to certain exceptions. In addition, the MGM National Harbor and the MGM China credit facilities each contain limitations on their ability to pay dividends to us. Our Board of Directors periodically reviews our policy with respect to dividends, and any determination to pay dividends in the future will depend on our financial position, future capital requirements and financial debt covenants and any other factors deemed necessary by the Board of Directors. Moreover, should we pay any dividends in the future, there can be no assurance that we will continue to pay such dividends.

ITEM 6. SELECTED FINANCIAL DATA

The following reflects selected historical financial data that should be read in conjunction with "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and notes thereto included elsewhere in this Annual Report on Form 10-K. The financial information presented below has been adjusted for adoption of Accounting Standard Update No. 2015-03, "Simplifying the Presentation of Debt Issuance Cost," ("ASU 2015-03"), which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the carrying amount of the related debt liability. Additionally, prior period amounts have not been adjusted for adoption of Accounting Standard Update No. 2015-17, "Balance Sheet Classification of Deferred Taxes," ("ASU 2015-17"), which we early adopted on a prospective basis. ASU 2015-17 requires that deferred tax liabilities and assets, along with any related valuation allowance, be classified as noncurrent in a classified statement of financial position. For additional information, please see recently issued accounting standards section in Note 2 to the accompanying consolidated financial statements. The historical results are not necessarily indicative of the results of operations to be expected in the future.

	2015	2014	2013	2012	2011
	(In thousands, except per share data)				
Net revenues	$ 9,190,068	$ 10,081,984	$ 9,809,663	$ 9,160,844	$ 7,849,312
Operating income (loss)	(156,232)	1,323,538	1,137,281	121,351	4,105,779
Net income (loss)	(1,039,649)	127,178	41,374	(1,616,912)	3,238,125
Net income (loss) attributable to MGM Resorts International	(447,720)	(149,873)	(171,734)	(1,767,691)	3,117,818
Earnings per share of common stock attributable to MGM Resorts International:					
Basic:					
Net income (loss) per share	$ (0.82)	$ (0.31)	$ (0.35)	$ (3.62)	$ 6.38
Weighted average number of shares	542,873	490,875	489,661	488,988	488,652
Diluted:					
Net income (loss) per share	$ (0.82)	$ (0.31)	$ (0.35)	$ (3.62)	$ 5.63
Weighted average number of shares	542,873	490,875	489,661	488,988	560,895
At-year end:					
Total assets	$ 25,215,178	$ 26,593,914	$ 25,961,843	$ 26,157,799	$ 27,653,655
Total debt, including capital leases	12,713,416	14,063,563	13,326,441	13,462,968	13,359,642
Stockholders' equity	7,764,427	7,628,274	7,860,495	8,116,016	9,882,222
MGM Resorts International stockholders' equity	5,119,927	4,090,917	4,216,051	4,365,548	6,086,578
MGM Resorts International stockholders' equity per share	$ 9.06	$ 8.33	$ 8.60	$ 8.92	$ 12.45
Number of shares outstanding	564,839	491,292	490,361	489,234	488,835

The following events/transactions affect the year-to-year comparability of the selected financial data presented above:

Acquisitions and Dispositions

- In 2011, we acquired an additional 1% of the overall capital stock in MGM China (and obtained a controlling interest) and thereby became the indirect owner of 51% of MGM China. We recorded a gain of $3.5 billion on the transaction. As a result of our acquisition of the additional 1% share of MGM China, we began consolidating the results of MGM China on June 3, 2011 and ceased recording the results of MGM Macau as an equity method investment.

Other

- In 2011, we recorded non-cash impairment charges of $26 million related to our share of the CityCenter residential real estate impairment, $80 million related to Circus Circus Reno, $23 million related to our investment in Silver Legacy and $62 million related to our investment in Borgata.
- In 2012, we recorded non-cash impairment charges of $85 million related to our investment in Grand Victoria, $65 million related to our investment in Borgata, $366 million related to our land on the north end of the Las Vegas Strip, $167 million related to our Atlantic City land and $47 million for the South Jersey Transportation Authority special revenue bonds we hold.
- In 2012, we recorded $18 million related to our share of the CityCenter residential real estate impairment charge and $16 million related to our share of CityCenter's Harmon demolition costs.
- In 2012, we recorded a $563 million loss on debt retirement in connection with the February 2012 amendment and restatement of our senior credit facility and in connection with our December 2012 refinancing transactions.

- In 2013, we recorded non-cash impairment charges of $37 million related to our investment in Grand Victoria, $20 million related to our land in Jean and Sloan, Nevada, and $45 million related to corpo rate buildings expected to be removed from service.
- In 2013, we recorded a $70 million loss for our share of CityCenter's non-operating loss on retirement of long-term debt, primarily consisting of premiums associated with the redemption of the existing first and second lien notes as well as the write-off of previously unamortized debt issuance costs and a gain of $12 million related to our share of Silver Legacy's non-operating gain on retirement of long-term debt.
- In 2014, we recorded a non-cash impairment charge of $29 million related to our investment in Grand Victoria.
- In 2015, we recorded non-cash impairment charges of $1.5 billion to reduce the historical carrying value of goodwill related to the MGM China reporting unit and $17 million related to our investment in Grand Victoria.
- In 2015, we recorded an $80 million gain for our share of CityCenter's gain resulting from the final resolution of its construction litigation and related settlements.
- In 2015, we recorded a gain of $23 million related to the sale of Circus Circus Reno and our 50% interest in Silver Legacy and associated real property.

ITEM 7. M ANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Executive Overview

Our primary business is the ownership and operation of casino resorts, which offer gaming, hotel, convention, dining, entertainment, retail and other resort amenities. We own or invest in several of the finest casino resorts in the world and we continually reinvest in our resorts to maintain our competitive advantage. Most of our revenue is cash-based, through customers wagering with cash or paying for non-gaming services with cash or credit cards. We rely heavily on the ability of our resorts to generate operating cash flow to fund capital expenditures, provide excess cash flow for future development and repay debt financings. We make significant investments in our resorts through newly remodeled hotel rooms, restaurants, entertainment and nightlife offerings, as well as other new features and amenities.

According to the Las Vegas Convention and Visitors Authority, Las Vegas visitor volume increased 3%, Las Vegas Strip REVPAR increased 3% and Las Vegas Strip gaming revenue decreased less than 1% in the year ended December 31, 2015. Results of operations for our wholly owned domestic resorts during 2015 benefited from an increase in operating margins resulting from increases in gaming revenue and REVPAR. Our rooms revenue benefited from increased visitation to the Las Vegas market and robust convention business at our Las Vegas Strip resorts, which resulted in increases in occupancy and allowed us to yield higher room rates across our portfolio of resorts.

Gross gaming revenues in the Macau market decreased 34% in 2015 compared to 2014. We believe operating results have been negatively affected by economic conditions and certain policy initiatives in China and the implementation of a full main floor casino smoking ban in October 2014. Additionally, we believe stricter enforcement of entrance into Macau via the use of transit visas, as well as a decrease in duration of stay permitted for transit visa holders, has negatively affected operating results; however, restrictions surrounding the use of transit visas were eased in July 2015. The decrease in gross gaming revenues accelerated during the second half of 2014 and continued throughout 2015 as Macau has become an increasingly challenging and competitive market, impacting primarily VIP casino gaming operations and, to a lesser extent, main floor operations. According to statistics published by the Statistics and Census Service of the Macau Government, visitor arrivals decreased 3% in 2015 compared to 2014. Despite concerns over the recent events and the sustainability of economic growth in China, we expect the Macau market to grow on a long-term basis due to further development and penetration of the mainland China market and infrastructure improvements expected to facilitate more convenient travel to and within Macau.

Our results of operations are affected by decisions we make related to our capital allocation, our access to capital and our cost of capital. While we continue to be focused on improving our financial position, we are also dedicated to capitalizing on development opportunities. In Macau, we plan to spend approximately $3.0 billion, excluding development fees eliminated in consolidation, capitalized interest and land related costs, to develop MGM Cotai, a resort and casino with capacity for up to 500 gaming tables and up to 1,500 slots, and featuring approximately 1,500 hotel rooms, built on an approximately 18 acre site on the Cotai Strip in Macau. The actual number of gaming tables allocated to MGM Cotai will be determined by the Macau government prior to opening, and such allocation may be less than our 500 gaming table capacity. MGM Cotai is expected to open at the end of the first quarter of 2017.

We were awarded the sixth and final casino license under current statutes in the State of Maryland by the Maryland Video Lottery Facility Location Commission to build and operate MGM National Harbor, a destination casino resort in Prince George's County at National Harbor, which is a waterfront development located on the Potomac River just outside of Washington, D.C. We currently expect the cost to develop and construct MGM National Harbor to be approximately $1.3 billion, excluding capitalized interest and land related costs. We designed the resort to include a casino with approximately 3,600 slots and 160 table games including poker; a 300-room hotel with luxury spa and rooftop pool; 93,100 square feet of high-end branded retail and fine and casual dining; a 3,000-seat theater venue; 50,000 square feet of meeting and event space; and a 4,700-space parking garage. We expect MGM National Harbor to open in the fourth quarter of 2016.

We were awarded a casino license to build and operate MGM Springfield in Springfield, Massachusetts. MGM Springfield will be developed on approximately 14 acres of land in downtown Springfield, Massachusetts. MGM's plans for the resort currently include a casino with approximately 3,000 slots and 100 table games including poker; a 250-room hotel; 100,000 square feet of retail and restaurant space; 44,000 square feet of meeting and event space; and a 3,375-space parking garage; with an expected development and construction cost of approximately $865 million, excluding capitalized interest and land-related costs. Construction of MGM Springfield is expected to be completed in late 2018.

We entered into an agreement with a subsidiary of Anschutz Entertainment Group, Inc. ("AEG") to design, construct, and operate an arena, which will be located on a parcel of our land between Frank Sinatra Drive and New York-New York, adjacent to the Las Vegas Strip. We and AEG each own 50% of Las Vegas Arena Company, the developer of the arena. In September 2014, a wholly

owned subsidiary of Las Vegas Arena Company entered into a $200 million senior secured credit facility to finance const ruction of the arena. The Las Vegas Arena Company recently entered into a multi-year naming rights agreement with T-Mobile. T-Mobile Arena will seat between 18,000 and 20,000 people and is scheduled to open in the April 2016. Such development is estimated to cost approximately $350 million, excluding capitalized interest and land-related costs. In addition, we are building The Park entertainment district which connects to New York-New York, Monte Carlo and T-Mobile Arena.

In August 2015, we announced the implementation of a Profit Growth Plan for sustained growth and margin enhancement. The Profit Growth Plan's initiatives are focused on improving business processes to optimize our scale for greater efficiency and lower cost throughout our business, and to identify areas of opportunity to organically drive incremental revenue growth. The Profit Growth Plan includes a large number of opportunities to enhance our business operations and we continue to explore additional opportunities to drive further margin enhancements. The plan is expected to result in approximately $300 million of annualized Adjusted EBITDA benefit. The Profit Growth Plan has begun to show significant results and is expected to be fully realized by the end of 2017.

On October 29, 2015, we announced the formation of MGP as a newly formed subsidiary that we expect to be taxed as a real estate investment trust ("REIT") for U.S. federal income tax purposes. We intend to contribute to a newly-formed operating partnership that MGP will control through a general partner subsidiary the real estate associated with Mandalay Bay, The Mirage, New York-New York, Luxor, Monte Carlo, Excalibur, The Park, MGM Grand Detroit, Beau Rivage and Gold Strike Tunica (collectively, the "Properties"). We also intend to incur approximately $4 billion of debt to refinance a portion of the debt outstanding under our existing senior credit facility and senior notes, which refinancing debt would be assumed by the operating partnership in connection with the REIT transactions. One of our subsidiaries will then lease the Properties from MGP for use under a long-term, "triple net" master lease agreement with a 10-year term that includes four five-year extensions at our option. We will guarantee our subsidiary's obligations under the master lease. We expect to retain through subsidiaries an approximate 70% economic interest in the new operating partnership, as well as voting control of MGP through our ownership of a controlling share in MGP.

Reportable Segments

We have two reportable segments that are based on the regions in which we operate: wholly owned domestic resorts and MGM China. We currently operate 12 wholly owned resorts in the United States. MGM China's operations consist of MGM Macau resort and the development of MGM Cotai on the Cotai Strip in Macau. We have additional business activities including investments in unconsolidated affiliates, our MGM Hospitality operations and certain other corporate and management operations. CityCenter is our most significant unconsolidated affiliate, which we also manage for a fee. Our operations that are not segregated into separate reportable segments are reported as "corporate and other" operations in our reconciliations of segment results to consolidated results.

Wholly owned domestic resorts. At December 31, 2015, our wholly owned domestic resorts consisted of the following casino resorts:

Las Vegas, Nevada:	Bellagio, MGM Grand Las Vegas (including The Signature), Mandalay Bay (including Delano and Four Seasons), The Mirage, Luxor, New York-New York, Excalibur, Monte Carlo and Circus Circus Las Vegas.
Other:	MGM Grand Detroit in Detroit, Michigan; Beau Rivage in Biloxi, Mississippi; Gold Strike Tunica in Tunica, Mississippi.

Over half of the net revenue from our wholly owned domestic resorts is derived from non-gaming operations including hotel, food and beverage, entertainment and other non-gaming amenities. We market to different customer groups and utilize our significant convention and meeting facilities to maximize hotel occupancy and customer volumes during off-peak times such as mid-week or during traditionally slower leisure travel periods, which also leads to better labor utilization. Our operating results are highly dependent on demand for our services, and the volume of customers at our resorts, which in turn affects the price we can charge for our hotel rooms and other amenities. Also, we generate a significant portion of our revenue from our wholly owned domestic resorts in Las Vegas, Nevada, which exposes us to certain risks, such as increased competition from new or expanded Las Vegas resorts, and from the expansion of gaming in the United States generally.

Key performance indicators related to gaming and hotel revenue at our wholly owned domestic resorts are:

- Gaming revenue indicators: table games drop and slots handle (volume indicators); "win" or "hold" percentage, which is not fully controllable by us. Our normal table games hold percentage is in the range of 18% to 22% of table games drop and our normal slots hold percentage is approximately 8.5% of slots handle; and

- Hotel revenue indicators: hotel occupancy (a volume indicator); average daily rate (“ ADR,” a price indicator); and revenue per available room (“REVPAR,” a summary measure of hotel results, combining ADR and occupancy rate). Our calculation of ADR, which is the average price of occupied rooms per day, includes the impact of complimentary ro oms. Complimentary room rates are determined based on an analysis of retail or “cash” rates for each customer segment and each type of room product to estimate complimentary rates which are consistent with retail rates. Complimentary rates are reviewed at least annually and on an interim basis if there are significant changes in market conditions. Because the mix of rooms provided on a complimentary basis, particularly to casino customers, includes a disproportionate suite component, the composite ADR inclu ding complimentary rooms is slightly higher than the ADR for cash rooms, reflecting the higher retail value of suites.

MGM China. We own a 51% controlling interest in MGM China, which owns MGM Grand Paradise, the Macau company that owns and operates MGM Macau and the related gaming subconcession and land concessions, and is in the process of developing MGM Cotai, an integrated casino, hotel, and entertainment resort on the Cotai Strip in Macau. We believe our investment in MGM China plays an important role in extending our reach internationally and will foster future growth and profitability.

Revenues at MGM Macau are generated from three primary customer segments in the Macau gaming market: VIP casino gaming operations, main floor gaming operations, and slot machine operations. VIP players play mostly in dedicated VIP rooms or designated gaming areas. VIP customers can be further divided into customers sourced by in-house VIP programs and those sourced through gaming promoters. A significant portion of our VIP volume is generated through the use of gaming promoters. Gaming promoters introduce VIP gaming players to MGM Macau, assist these customers with travel arrangements, and extend gaming credit to these players. In exchange for their services, gaming promoters are compensated through payment of revenue-sharing arrangements or rolling chip turnover based commissions. In-house VIP players also typically receive a commission based on the program in which they participate. MGM Macau main floor operations primarily consist of walk-in and day trip visitors. Unlike gaming promoters and in-house VIP players, main floor players do not receive commissions. The profit contribution from the main floor segment exceeds the VIP segment due to commission costs paid to gaming promoters. Gaming revenues from the main floor segment have become an increasingly significant portion of total gaming revenues in recent years and we believe this segment represents the most potential for sustainable growth in the future.

VIP gaming at MGM Macau is conducted by the use of special purpose nonnegotiable gaming chips. Gaming promoters purchase these nonnegotiable chips from MGM Macau and in turn they sell these chips to their players. The nonnegotiable chips allow MGM Macau to track the amount of wagering conducted by each gaming promoters’ clients in order to determine VIP gaming play. Gaming promoter commissions are based on either a percentage of actual win plus a monthly complimentary allowance based on a percentage of the rolling chip turnover their customers generate, or a percentage of the rolling chip turnover plus discounted offerings on nongaming amenities. The estimated portion of the gaming promoter payments that represent amounts passed through to VIP customers is recorded as a reduction of casino revenue, and the estimated portion retained by the gaming promoter for its compensation is recorded as casino expense. In-house VIP commissions are based on a percentage of rolling chip turnover and are recorded as a reduction of casino revenue.

In addition to the key performance indicators used by our wholly owned domestic resorts, MGM Macau utilizes “turnover,” which is the sum of nonnegotiable chip wagers won by MGM Macau calculated as nonnegotiable chips purchased plus nonnegotiable chips exchanged less nonnegotiable chips returned. Turnover provides a basis for measuring VIP casino win percentage. Win for VIP gaming operations at MGM Macau is typically in the range of 2.7% to 3.0% of turnover.

Corporate and other. Corporate and other includes our investments in unconsolidated affiliates and certain management and other operations. See Note 1 and Note 6 to the accompanying consolidated financial statements for discussion of the Company’s unconsolidated affiliates.

Results of Operations

The following discussion is based on our consolidated financial statements for the years ended December 31, 2015, 2014 and 2013.

Summary Operating Results

The following table summarizes our operating results:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
Net revenues	$ 9,190,068	$ 10,081,984	$ 9,809,663
Operating income (loss)	(156,232)	1,323,538	1,137,281

Consolidated net revenues for 2015 decreased 9% compared to 2014 due primarily to a decrease in casino revenue at MGM China, offset by increases in casino and non-casino revenue at our wholly owned domestic resorts. Consolidated net revenues for 2014 increased 3% compared to 2013 due primarily to increased casino and non-casino revenue at our wholly owned domestic resorts.

Consolidated operating loss of $156 million in 2015 was negatively affected by an operating loss for MGM China that included a $1.5 billion non-cash impairment charge to goodwill recognized in the acquisition of a controlling interest in MGM China. We recorded a $3.5 billion non-cash gain in 2011 in connection with that acquisition. The current impairment charge, which represents approximately 42% of the amount of the previously recognized gain, resulted from our annual review of our goodwill carrying values and was incurred as a result of reduced cash flow forecasts for MGM China's resorts based on current market conditions and lower valuation multiples for gaming assets in the Macau market. In addition, the operating loss was affected by a decrease in operating results at MGM Macau. The operating loss for MGM China was partially offset by an increase in operating income at our wholly owned domestic resorts and an increase in income from unconsolidated affiliates, primarily from CityCenter, which included $80 million related to our share of the gain recognized by CityCenter as a result of the final resolution of its construction litigation and related settlements. In addition, corporate expense increased 15% to $275 million in 2015, due primarily to costs incurred to implement initiatives in relation to the Profit Growth Plan of $24 million and costs associated with our proposed REIT transaction of $20 million. Preopening expense primarily related to our ongoing MGM Cotai, MGM Springfield and MGM National Harbor development projects increased to $71 million in 2015 compared to $39 million in 2014. Consolidated operating loss in 2015 was also negatively affected by impairment charges and losses on disposal of certain assets, in addition to the MGM China goodwill impairment charge discussed above, recorded in "Property transactions, net." See "Operating Results – Details of Certain Charges" below for additional detail on our preopening expense and property transactions.

Consolidated operating income of $1.3 billion in 2014 benefited from an increase in revenue at our wholly owned domestic resorts and an increase in main floor table games revenue at MGM China, as well as a decrease in property transactions, net to $41 million in 2014 compared to $125 million in 2013. In addition, depreciation and amortization expense decreased $33 million in 2014 compared to 2013, due primarily to certain assets at our wholly owned resorts and MGM China becoming fully depreciated and a decrease in amortization expense for intangible assets. Operating income was negatively affected by increases in general and administrative expense, corporate expense and preopening expense. General and administrative expense increased primarily related to an increase in payroll and related expense. Corporate expense increased 10% in 2014, due primarily to an increase in payroll costs and professional fees partially offset by a decrease in development related costs. Preopening expense increased to $39 million in 2014, compared to $13 million in 2013, primarily as a result of the commencement of development on MGM Springfield and MGM National Harbor.

Operating Results – Detailed Segment Info rmation

The following table presents a detail by segment of consolidated net revenue and Adjusted EBITDA. Management uses Adjusted Property EBITDA as the primary profit measure for its reportable segments. See "Non-GAAP Measures" for additional information:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
Net Revenues			
Wholly owned domestic resorts	$ 6,497,361	$ 6,342,084	$ 6,052,644
MGM China	2,214,767	3,282,329	3,316,928
Reportable segment net revenues	8,712,128	9,624,413	9,369,572
Corporate and other	477,940	457,571	440,091
	$ 9,190,068	$ 10,081,984	$ 9,809,663
Adjusted EBITDA			
Wholly owned domestic resorts	1,689,966	1,518,307	1,442,686
MGM China	539,881	850,471	814,109
Reportable segment Adjusted Property EBITDA	2,229,847	2,368,778	2,256,795
Corporate and other	9,073	(149,216)	(132,214)
	$ 2,238,920	$ 2,219,562	$ 2,124,581

Wholly owned domestic resorts . The following table presents detailed net revenue at our wholly owned domestic resorts:

	Year Ended December 31,		
	2015	2014	2013
Casino revenue, net		*(In thousands)*	
Table games	$ 880,318	$ 892,842	$ 861,495
Slots	1,720,028	1,679,981	1,671,819
Other	70,148	64,419	66,257
Casino revenue, net	2,670,494	2,637,242	2,599,571
Non-casino revenue			
Rooms	1,813,838	1,705,395	1,589,887
Food and beverage	1,500,039	1,470,315	1,382,480
Entertainment, retail and other	1,167,488	1,184,343	1,130,298
Non-casino revenue	4,481,365	4,360,053	4,102,665
	7,151,859	6,997,295	6,702,236
Less: Promotional allowances	(654,498)	(655,211)	(649,592)
	$ 6,497,361	$ 6,342,084	$ 6,052,644

Casino revenue increased 1% in 2015 compared to 2014 due to a 2% increase in slots revenue as a result of a 3% increase in slots volume. Table games revenue in 2015 decreased 1% compared to 2014 due to a decrease in table games volume of 1% and a decrease in tables games hold percentage to 20.5% in 2015 from 20.9% in 2014.

Casino revenue in 2014 increased 1% compared to 2013 as a result of a 4% increase in table games revenue compared to 2013 due to an increase in table games volume of 2% and an increase in tables games hold percentage to 20.9% in 2014 from 20.5% in 2013. Slots revenue increased slightly compared to 2013.

Rooms revenue increased 6% in 2015 compared to 2014 as a result of a 7% increase in REVPAR at our Las Vegas Strip resorts. Rooms revenue increased 7% in 2014 compared to 2013 as a result of an 8% increase in REVPAR at our Las Vegas Strip resorts. The follo wing table shows key hotel statistics for our Las Vegas Strip resorts:

	Year Ended December 31,		
	2015	2014	2013
Occupancy	93%	93%	91%
Average Daily Rate (ADR)	$ 149	$ 139	$ 131
Revenue per Available Room (REVPAR)	138	129	119

Food and beverage revenues increased 2% in 2015 compared to 2014 primarily as a result of increased convention and banquet business as well as the opening of several new outlets. Food and beverage revenues increased 6% in 2014 compared to 2013 as a result of the same items noted above for the 2015 and 2014 comparative period. Entertainment, retail and other revenues decreased 1% in 2015 compared to 2014 due primarily to a 5% decrease in revenue from Cirque du Soleil production shows, partially offset by a 5% increase in retail revenue. Entertainment, retail and other revenues increased 5% in 2014 compared to 2013, due primarily to the Michael Jackson ONE Cirque du Soleil production show being open for the full year in 2014 compared to a partial year in 2013.

Adjusted Property EBITDA at our wholly owned domestic resorts was $1.7 billion in 2015, an increase of 11% compared to 2014 due primarily to improved casino and non-casino revenue results at our wholly owned domestic resorts as discussed above, and approximately $63 million of incremental Adjusted Property EBITDA as a result of the Company's Profit Growth Plan initiatives. Adjusted Property EBITDA margin increased by approximately 200 basis points to 26.0% in 2015.

Adjusted Property EBITDA at our wholly owned domestic resorts was $1.5 billion in 2014, an increase of 5% compared to 2013 due primarily to improved casino and non-casino revenue results at our wholly owned domestic resorts as discussed above, offset partially by a 4% increase in payroll and related expenses, including health care costs and paid time off. Adjusted Property EBITDA margin increased by approximately 10 basis points from 2013, to 23.9% in 2014.

MGM China. The following table presents detailed net revenue for MGM China:

	Year Ended December 31,		
	2015	2014	2013
Casino revenue, net		*(In thousands)*	
VIP table games	$ 977,182	$ 1,742,034	$ 2,062,200
Main floor table games	986,063	1,237,528	923,415
Slots	209,098	261,971	290,596
Casino revenue, net	2,172,343	3,241,533	3,276,211
Non-casino revenue	135,585	147,754	141,503
	2,307,928	3,389,287	3,417,714
Less: Promotional allowances	(93,161)	(106,958)	(100,786)
	$ 2,214,767	$ 3,282,329	$ 3,316,928

Net revenue for MGM China decreased 33% in 2015 compared to 2014 primarily as a result of a decrease in VIP table games revenue of 44%, as well as a decrease in main floor table games revenue of 20%. VIP table games turnover decreased 54% compared to the prior year, while VIP table games hold percentage increased to 3.3% in 2015 from 2.8% in 2014. Slots revenue decreased 20% in 2015 compared to 2014 due to a 23% decrease in slots volume. Casino revenue continued to be negatively affected throughout 2015 by the changes in economic factors and policy initiatives in China that began to take place in 2014.

MGM China's Adjusted EBITDA was $540 million in 2015 and $850 million in 2014. Excluding branding fees of $39 million and $43 million for the years ended December 31, 2015 and 2014, respectively, Adjusted EBITDA decreased 35% compared to 2014. Adjusted EBITDA margin decreased approximately 150 basis points to 24.4% in 2015 primarily as a result of a decrease in casino revenue.

Net revenue for MGM China decreased 1% in 2014 compared to 2013 due to a decrease in VIP table games revenue of 16%, partially offset by a 34% increase in main floor table games revenue. VIP table games turnover decreased 14% in 2014 compared to 2013, primarily as a result of changes in economic factors and policy initiatives in China. VIP table games hold percentage remained flat at 2.8% in 2014 and 2013. Additionally, gaming tables were reallocated to main floor table games from VIP table games during 2014 to meet increased demand. Main floor gaming revenue benefited from overall Macau market growth as well as management's

strategic focus on premium main floor table games business in 2014 as compared to 2013. Slots revenue decreased 10% in 2014 compared t o 2013 due to a decrease in hold percentage to 4.4% in 2014 from 5.1% in 2013.

MGM China's Adjusted EBITDA was $850 million in 2014 and $814 million in 2013. Excluding branding fees of $43 million and $36 million for the years ended December 31, 2014 and 2013, respectively, Adjusted EBITDA increased 5% compared to 2013. Adjusted EBITDA margin increased approximately 140 basis points to 25.9% in 2014 as a result of an increase in main floor table games revenue, partially offset by a 15% increase in payroll and related costs.

Corporate and other. Corporate and other revenue includes revenues from other corporate operations, management services and reimbursed costs revenue primarily related to our CityCenter management agreement. Reimbursed costs revenue represents reimbursement of costs, primarily payroll-related, incurred by us in connection with the provision of management services and was $399 million, $383 million and $365 million for 2015, 2014 and 2013, respectively.

Adjusted EBITDA related to corporate and other in 2015 included our share of operating income from CityCenter, including certain basis difference adjustments, compared to operating loss from CityCenter in the prior year, and an increase in our share of operating income from Borgata in 2015 compared to 2014. See "Operating Results – Income (Loss) from Unconsolidated Affiliates" for further discussion. The increases in income from CityCenter and Borgata were partially offset by increased corporate expenses in 2015 compared to 2014 as discussed previously under "Summary Operating Results."

Adjusted EBITDA losses related to corporate and other increased in 2014 compared to 2013 due primarily to our share of operating loss from CityCenter, including certain basis difference adjustments, compared to operating income from CityCenter in the prior year, partially offset by an increase in our share of operating income from Borgata. See "Operating Results – Income (Loss) from Unconsolidated Affiliates" for further discussion. In addition, corporate expense increased in 2014 compared to 2013 as discussed previously under "Summary Operating Results."

Operating Results – Details of Certain Charges

Stock compensation expense is recorded within the department of the recipient of the stock compensation award. The following table shows the amount of compensation expense recognized after reimbursed costs and capitalized costs related to employee stock-based awards:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
Casino	$ 7,571	$ 7,351	$ 5,879
Other operating departments	2,580	2,257	2,241
General and administrative	10,729	9,323	8,176
Corporate expense and other	20,966	18,333	16,036
	$ 41,846	$ 37,264	$ 32,332

Preopening and start-up expenses consisted of the following:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
MGM China	$ 13,863	$ 9,091	$ 9,109
MGM National Harbor	32,837	19,521	—
MGM Springfield	19,654	5,261	—
Other	4,973	5,384	4,205
	$ 71,327	$ 39,257	$ 13,314

Preopening and start-up expenses at MGM China relate to the MGM Cotai project which includes $7 million of amortization of the Cotai land concession premium in each of the years ended December 31, 2015, 2014 and 2013. Preopening and startup expenses at MGM National Harbor include $19 million and $13 million of rent expense for the years ended December 31, 2015 and 2014, respectively, which relates to the ground lease for the land on which MGM National Harbor is being developed. Preopening and start-up expenses at MGM Springfield primarily relate to licensing and assessment fees paid to the state and local governments.

Property transactions, net consisted of the following:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
MGM China goodwill impairment	$ 1,467,991	$ —	$ —
Grand Victoria investment impairment	17,050	28,789	36,607
Gain on sale of Circus Circus Reno and Silver Legacy investment	(23,002)	—	—
Corporate buildings impairment	—	—	44,510
Other Nevada land impairment	—	—	20,354
Other property transactions, net	41,903	12,213	23,290
	$ 1,503,942	$ 41,002	$ 124,761

See Note 15 to the accompanying consolidated financial statements for a discussion of property transactions, net for the years ended December 31, 2015, 2014 and 2013.

Operating Results – Income (Loss) from Unconsolidated Affiliates

The following table summarizes information related to our income (loss) from unconsolidated affiliates:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
CityCenter	$ 158,906	$ (11,842)	$ 21,712
Borgata	75,764	52,017	25,769
Grand Victoria and other	23,213	23,661	21,348
	$ 257,883	$ 63,836	$ 68,829

In 2015, our share of CityCenter's operating results, including certain basis difference adjustments, was $159 million and included $80 million related to our share of a gain recognized by CityCenter as a result of the final resolution of its construction litigation and related settlements, compared to an operating loss of $12 million in 2014. Casino revenue at Aria increased 6% in 2015 compared to 2014 due primarily to an increase in table games volume and slots volume of 2% and 3%, respectively. CityCenter's rooms revenue increased 5% in 2015 compared to 2014, due to increases in REVPAR of 6% and 8% at Aria and Vdara, respectively. The increase in revenues from resort operations was partially offset by a decrease in residential revenues. CityCenter's operating income in the current year benefited from a $99 million decrease in depreciation expense as a result of certain furniture and equipment becoming fully depreciated in December 2014 offset in part by $20 million in accelerated depreciation for certain assets associated with the Zarkana theatre, which is scheduled to close in April 2016. CityCenter's operating income also benefited from a $26 million decrease in legal and professional fees as a result of the final resolution of construction litigation and related settlements. Our share of Borgata's operating income increased in 2015 compared to 2014 due to an increase in casino and non-casino revenues and improved operating margins.

In 2014, we recognized a $12 million loss related to our 50% share of CityCenter's operating results, including certain basis difference adjustments, compared to income of $22 million in 2013. CityCenter's operating loss in 2014 was negatively affected by $62 million of property transactions, net and a decrease in residential sales compared to 2013, as well as an increase in payroll and related costs and casino bad debt expense. Casino revenues at Aria decreased 5% in 2014 compared to 2013 due primarily to a decrease in table games hold percentage to 23.5% in 2014 from 24.7% in 2013. CityCenter's rooms revenues increased 11% in 2014 compared to 2013, due to increases in REVPAR of 10% and 14% at Aria and Vdara, respectively. Our share of Borgata's operating income increased in 2014 compared to 2013 and benefited from a reduction in real estate taxes recognized by Borgata.

Non-operating Results

Interest expense . The following table summarizes information related to interest on our long-term debt:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
Total interest incurred – MGM Resorts (excluding MGM China)	$ 808,733	$ 816,345	$ 830,074
Total interest incurred – MGM China	53,644	29,976	32,343
Interest capitalized	(64,798)	(29,260)	(5,070)
	$ 797,579	$ 817,061	$ 857,347
Cash paid for interest, net of amounts capitalized	$ 776,540	$ 776,778	$ 840,280
End-of-year ratio of fixed-to-floating debt	67/33	77/23	75/25
End-of-year weighted average interest rate	5.9%	6.0%	6.0%

In 2015, interest cost related to MGM Resorts, excluding China, decreased compared to 2014 as a result of a decrease in the average long-term debt outstanding during the year related to our senior notes. Interest cost related to MGM China increased in 2015 compared to the prior year due to an increase in the average outstanding amounts borrowed under the MGM China credit facility and an increase in the amortization of debt issuance costs resulting from costs incurred associated with the refinancing of the MGM China credit facility in June 2015. In 2014, interest cost related to MGM Resorts, excluding China, decreased compared to 2013 as a result of a decrease in weighted average long-term debt outstanding during the year, primarily relating to borrowings under our revolving credit facility. Amortization of debt discounts, premiums and issuance costs included in interest expense in 2015, 2014 and 2013 was $46 million, $38 million and $35 million, respectively.

Capitalized interest in 2015 increased compared to 2014 due primarily to the MGM Cotai, National Harbor, and Springfield projects, and our investment in the Las Vegas Arena Company. Capitalized interest in 2014 and 2013 primarily related to the MGM Cotai project.

Non-operating items from unconsolidated affiliates. Non-operating expense from unconsolidated affiliates decreased $11 million in 2015 compared to 2014, due primarily to a decrease in interest expense at CityCenter. Non-operating expense from unconsolidated affiliates decreased $121 million in 2014 compared to 2013, due to a decrease in interest expense at CityCenter as a result of debt restructuring transactions in October 2013, lower statutory interest recorded by CityCenter related to estimated amounts owed in connection with the CityCenter construction litigation and the net impact of the following other non-operating items from unconsolidated affiliates recognized in 2013: a $70 million loss for our share of CityCenter's loss on retirement of long-term debt in October 2013, and $12 million for our share of a gain recognized on debt restructuring transactions at Silver Legacy.

Income taxes. The following table summarizes information related to our income taxes:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
Income (loss) before income taxes	$ (1,046,243)	$ 410,886	$ 62,190
Benefit (provision) for income taxes	6,594	(283,708)	(20,816)
Effective income tax rate	0.6%	69.0%	33.5%
Federal, state and foreign income taxes paid, net of refunds	$ 11,801	$ 42,272	$ 835

Our effective tax rate in 2015 was impacted by the non-cash impairment charge on MGM China goodwill for which we did not record income tax benefit. Our effective tax rate decreased in 2015 compared to 2014 primarily as a result of providing greater tax benefit in 2015 than in 2014 for foreign tax credits, net of valuation allowance, partially offset by tax benefit resulting from audit settlements in 2014. Our effective tax rate increased in 2014 compared to 2013 primarily as a result of the reduced tax benefit in 2014 for foreign tax credits, net of valuation allowance, partially offset by tax provision in 2013 resulting from re-measuring the Macau net deferred tax liability due to the extension of the amortization period of the MGM China gaming subconcession upon effectiveness of the Cotai land concession.

Cash taxes paid decreased in 2015 compared to 2014 primarily as a result of a $16 million refund of taxes and associated interest received in 2015 on the closure of the IRS examination of CityCenter, which is treated as a partnership for income tax purposes which partially offset federal income tax estimated tax payments of $23 million made during the year. The remaining $5

million of cash taxes paid in 2015 consist of state and foreign income taxes. Cash t axes paid increased in 2014 compared to 2013 primarily as a result of $30 million paid to IRS for the closure of examinations covering the 2005 through 2009 tax years and $8 million estimated taxes paid to the IRS during 2014. The remaining $4 million of cash taxes paid in 2014 consist of state and foreign income taxes. Cash taxes paid in 2013 consisted primarily of foreign and state taxes.

Non-GAAP Measures

"Adjusted EBITDA" is earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening and start-up expenses, and property transactions, net. "Adjusted Property EBITDA" is Adjusted EBITDA before corporate expense and stock compensation expense related to the MGM Resorts stock option plan, which is not allocated to each reportable segment or operating segment, as applicable. MGM China recognizes stock compensation expense related to its stock compensation plan which is included in the calculation of Adjusted EBITDA for MGM China. Adjusted EBITDA and Adjusted Property EBITDA information is presented solely as a supplemental disclosure to reported GAAP measures because management believes these measures are 1) widely used measures of operating performance in the gaming and hospitality industry, and 2) a principal basis for valuation of gaming and hospitality companies.

We believe that while items excluded from Adjusted EBITDA and Adjusted Property EBITDA may be recurring in nature and should not be disregarded in evaluation of our earnings performance, it is useful to exclude such items when analyzing current results and trends compared to other periods because these items can vary significantly depending on specific underlying transactions or events that may not be comparable between the periods being presented. Also, we believe excluded items may not relate specifically to current operating trends or be indicative of future results. For example, preopening and start-up expenses will be significantly different in periods when we are developing and constructing a major expansion project and will depend on where the current period lies within the development cycle, as well as the size and scope of the project(s). Property transactions, net includes normal recurring disposals, gains and losses on sales of assets related to specific assets within our resorts, but also includes gains or losses on sales of an entire operating resort or a group of resorts and impairment charges on entire asset groups or investments in unconsolidated affiliates, which may not be comparable period over period. In addition, capital allocation, tax planning, financing and stock compensation awards are all managed at the corporate level. Therefore, we use Adjusted Property EBITDA as the primary measure of wholly owned domestic resorts operating performance.

Adjusted EBITDA or Adjusted Property EBITDA should not be construed as an alternative to operating income or net income, as an indicator of our performance; or as an alternative to cash flows from operating activities, as a measure of liquidity; or as any other measure determined in accordance with generally accepted accounting principles. We have significant uses of cash flows, including capital expenditures, interest payments, taxes and debt principal repayments, which are not reflected in Adjusted EBITDA or Adjusted Property EBITDA. Also, other companies in the gaming and hospitality industries that report Adjusted EBITDA or Adjusted Property EBITDA information may calculate Adjusted EBITDA or Adjusted Property EBITDA in a different manner.

The following table presents a reconciliation of Adjusted EBITDA to net loss attributable to MGM Resorts International:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
Adjusted EBITDA	$ 2,238,920	$ 2,219,562	$ 2,124,581
Preopening and start-up expenses	(71,327)	(39,257)	(13,314)
Property transactions, net	(1,503,942)	(41,002)	(124,761)
Depreciation and amortization	(819,883)	(815,765)	(849,225)
Operating income (loss)	(156,232)	1,323,538	1,137,281
Non-operating income (expense)			
Interest expense, net of amounts capitalized	(797,579)	(817,061)	(857,347)
Other, net	(92,432)	(95,591)	(217,744)
	(890,011)	(912,652)	(1,075,091)
Income (loss) before income taxes	(1,046,243)	410,886	62,190
Benefit (provision) for income taxes	6,594	(283,708)	(20,816)
Net income (loss)	(1,039,649)	127,178	41,374
Less: Net income (loss) attributable to noncontrolling interests	591,929	(277,051)	(213,108)
Net loss attributable to MGM Resorts International	$ (447,720)	$ (149,873)	$ (171,734)

The following tables present reconciliations of operating income (loss) to Adjusted Property EBITDA and Adjusted EBITDA:

	Year Ended December 31, 2015				
	Operating Income (Loss)	Preopening and Start-up Expenses	Property Transactions, Net	Depreciation and Amortization	Adjusted EBITDA
			(In thousands)		
Bellagio	$ 303,858	$ —	$ 1,085	$ 90,442	$ 395,385
MGM Grand Las Vegas	206,896	—	110	73,260	280,266
Mandalay Bay	120,142	—	3,599	79,733	203,474
The Mirage	66,069	115	1,729	44,562	112,475
Luxor	49,369	(2)	94	37,708	87,169
New York-New York	81,618	(74)	4,931	19,982	106,457
Excalibur	67,545	—	111	14,591	82,247
Monte Carlo	55,594	—	3,219	27,149	85,962
Circus Circus Las Vegas	27,305	280	21	15,639	43,245
MGM Grand Detroit	131,016	—	(36)	23,999	154,979
Beau Rivage	62,613	—	(5)	26,235	88,843
Gold Strike Tunica	34,362	—	221	11,440	46,023
Other resort operations	2,975	—	—	466	3,441
Wholly owned domestic resorts	1,209,362	319	15,079	465,206	1,689,966
MGM China	(1,212,377)	13,863	1,472,128	266,267	539,881
Unconsolidated resorts	254,408	3,475	—	—	257,883
Management and other operations	27,395	1,179	1,080	7,765	37,419
	278,788	18,836	1,488,287	739,238	2,525,149
Stock compensation	(32,125)	—	—	—	(32,125)
Corporate	(402,895)	52,491	15,655	80,645	(254,104)
	$ (156,232)	$ 71,327	$ 1,503,942	$ 819,883	$ 2,238,920

	Year Ended December 31, 2014				
	Operating Income (Loss)	Preopening and Start-up Expenses	Property Transactions, Net	Depreciation and Amortization	Adjusted EBITDA
			(In thousands)		
Bellagio	$ 304,144	$ —	$ 900	$ 88,658	$ 393,702
MGM Grand Las Vegas	174,297	197	(667)	81,027	254,854
Mandalay Bay	95,449	1,133	2,307	76,737	175,626
The Mirage	57,338	452	2,464	49,900	110,154
Luxor	31,801	2	432	37,849	70,084
New York-New York	75,360	732	427	18,586	95,105
Excalibur	52,915	—	500	14,804	68,219
Monte Carlo	48,937	1,507	290	21,046	71,780
Circus Circus Las Vegas	8,135	85	61	15,334	23,615
MGM Grand Detroit	118,755	—	2,728	23,315	144,798
Beau Rivage	43,152	—	1,000	26,109	70,261
Gold Strike Tunica	27,460	—	392	12,480	40,332
Other resort operations	(2,318)	—	336	1,759	(223)
Wholly owned domestic resorts	1,035,425	4,108	11,170	467,604	1,518,307
MGM China	547,977	9,091	1,493	291,910	850,471
Unconsolidated resorts	62,919	917	—	—	63,836
Management and other operations	26,152	359	415	9,058	35,984
	1,672,473	14,475	13,078	768,572	2,468,598
Stock compensation	(28,372)	—	—	—	(28,372)
Corporate	(320,563)	24,782	27,924	47,193	(220,664)
	$ 1,323,538	$ 39,257	$ 41,002	$ 815,765	$ 2,219,562

	Year Ended December 31, 2013				
	Operating Income (Loss)	Preopening and Start-up Expenses	Property Transactions, Net	Depreciation and Amortization	Adjusted EBITDA
			(In thousands)		
Bellagio	$ 261,321	$ —	$ 470	$ 96,968	$ 358,759
MGM Grand Las Vegas	149,602	—	2,220	84,310	236,132
Mandalay Bay	78,096	1,903	2,823	84,332	167,154
The Mirage	63,090	—	4,722	49,612	117,424
Luxor	21,730	802	2,177	36,852	61,561
New York-New York	65,006	—	3,533	20,642	89,181
Excalibur	49,184	—	69	14,249	63,502
Monte Carlo	45,597	791	3,773	18,780	68,941
Circus Circus Las Vegas	(1,596)	—	1,078	17,127	16,609
MGM Grand Detroit	135,516	—	(2,402)	22,575	155,689
Beau Rivage	38,015	—	(260)	29,182	66,937
Gold Strike Tunica	22,767	—	1,330	13,390	37,487
Other resort operations	(21,951)	—	23,018	2,243	3,310
Wholly owned domestic resorts	906,377	3,496	42,551	490,262	1,442,686
MGM China	501,021	9,109	390	303,589	814,109
Unconsolidated resorts	68,322	507	—	—	68,829
Management and other operations	13,749	189	4	11,835	25,777
	1,489,469	13,301	42,945	805,686	2,351,401
Stock compensation	(26,112)	—	—	—	(26,112)
Corporate	(326,076)	13	81,816	43,539	(200,708)
	$ 1,137,281	$ 13,314	$ 124,761	$ 849,225	$ 2,124,581

Liquidity and Capital Resources

Cash Flows – Summary

We require a certain amount of cash on hand to operate our resorts. In addition to required cash on hand for operations, we utilize company-wide cash management procedures to minimize the amount of cash held on hand or in banks. Funds are swept from accounts at our resorts daily into central bank accounts, and excess funds are invested overnight or are used to repay borrowings under our senior credit facility. In addition, from time to time we may use excess funds to repurchase our outstanding debt securities subject to limitations in our senior credit facility. At December 31, 2015 and 2014, we held cash and cash equivalents of $1.7 billion. Cash and cash equivalents related to MGM China at December 31, 2015 and 2014 was $700 million and $546 million, respectively.

Our cash flows consisted of the following:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
Net cash provided by operating activities	$ 1,005,079	$ 1,130,670	$ 1,310,448
Investing cash flows:			
Capital expenditures, net of construction payable	(1,466,819)	(872,041)	(562,124)
Dispositions of property and equipment	8,032	7,651	18,030
Proceeds from sale of business units and investment in unconsolidated affiliates	92,207	—	—
Investments in and advances to unconsolidated affiliates	(196,062)	(103,040)	(28,953)
Distributions from unconsolidated affiliates in excess of cumulative earnings	201,612	132	110
Investments in treasury securities - maturities longer than 90 days	—	(123,133)	(219,546)
Proceeds from treasury securities - maturities longer than 90 days	—	210,300	252,592
Investments cash deposits - original maturities longer than 90 days	(200,205)	(570,000)	—
Proceeds from cash deposits - original maturities longer than 90 days	770,205	—	—
Payments for gaming licenses	—	(85,000)	(21,600)
Other	(4,028)	10,981	1,354
Net cash used in investing activities	(795,058)	(1,524,150)	(560,137)
Financing cash flows:			
Net borrowings (repayments) under bank credit facilities	977,275	(28,000)	(28,000)
Issuance of senior notes	—	1,250,750	500,000
Retirement of senior notes	(875,504)	(508,900)	(612,262)
Distributions to noncontrolling interest owners	(307,227)	(386,709)	(318,348)
Proceeds from issuance of redeemable noncontrolling interests	6,250	—	—
Other	(58,673)	(19,064)	(31,098)
Net cash provided by (used in) financing activities	(257,879)	308,077	(489,708)
Effect of exchange rate on cash	793	(889)	(443)
Net increase (decrease) in cash and cash equivalents	$ (47,065)	$ (86,292)	$ 260,160

Cash Flows – Operating Activities

Trends in our operating cash flows tend to follow trends in operating income, excluding non-cash charges, but can be affected by changes in working capital, the timing of significant tax payments or refunds, and distributions from unconsolidated affiliates.

Cash provided by operating activities in 2015 decreased due to a decrease in operating cash flows at MGM China which were $383 million in 2015 compared to $642 million in 2014, partially offset by an increase in operating cash flows at our wholly owned domestic resorts. In 2015, cash provided by operating activities at MGM China was negatively affected by changes in working capital related to short term gaming liabilities but to a lesser extent than in 2014.

Cash provided by operating activities in 2014 decreased due to a decrease in operating cash flows at MGM China compared to $932 million in 2013, partially offset by an increase in operating cash flows at our wholly owned domestic resorts and lower cash paid for interest. Cash provided by operating activities at MGM China was negatively affected by changes in working capital related to short-term gaming liabilities in 2014 while operating cash flows at MGM China were positively impacted by changes in working capital in 2013.

We paid net taxes of $12 million, $42 million and $1 million in 2015, 2014 and 2013, respectively.

Cash Flows – Investing Activities

Our investing cash flows can fluctuate significantly from year to year depending on our decisions with respect to strategic capital investments in new or existing resorts, business acquisitions or dispositions, and the timing of more regular capital investments to maintain the quality of our resorts. Capital expenditures related to more regular investments in our existing resorts can also vary depending on timing of larger remodel projects related to our public spaces and hotel rooms. Most of such costs relate to construction materials, furniture and fixtures, and external labor costs.

- In 2015, we had capital expenditures of $1.5 billion, which included $579 million at MGM China, excluding development fees and capitalized interest on development fees eliminated in consolidation. Capital expenditures at MGM China included $543 million related to the construction of MGM Cotai and $36 million related to improvements at MGM Macau. Capital expenditures at our wholly owned domestic resorts and corporate entities of $888 million included $361 million and $35

million related to the construction of MGM National Harbor and MGM Springfield, respectively, various room remodels including the tower rooms at Mandalay Bay and the suites at Bellagio, construction of additional exhibit space at the Mandalay Bay Convention Center, construction of the Monte Carlo theater, construction of The Park entertainment district, and restaurant and entertainm ent venue remodels.

- In 2014, we had capital expenditures of $872 million, which included $346 million at MGM China, excluding capitalized interest on development fees eliminated in consolidation. Capital expenditures at MGM China included $301 million related to the construction of MGM Cotai and $45 million related to improvements at MGM Macau. Capital expenditures at our wholly owned domestic resorts and corporate entities included $97 million related to the construction of MGM National Harbor, various room remodels including the Delano rooms at Mandalay Bay and suites at Bellagio, a remodel of the facades of New York-New York and Monte Carlo, construction of The Park entertainment district, restaurant and entertainment venue remodels and costs incurred to relocate and renovate certain corporate offices.

- In 2013, we had capital expenditures of $562 million, which included $239 million at MGM China, excluding development fees eliminated in consolidation. Capital expenditures at MGM China primarily related to the construction of MGM Cotai, including a $47 million construction deposit. We spent approximately $324 million in 2013 related to capital expenditures at corporate entities and our wholly owned domestic resorts, which included expenditures for a remodel of the front façades of New York-New York and Monte Carlo, room remodels, theater renovations, information technology and slot machine purchases.

In 2015, investments in and advances to unconsolidated affiliates primarily represented investments in CityCenter pursuant to the completion guarantee of $141 million and investments in the Las Vegas Arena Company of $50 million. In 2014, investments and advances to unconsolidated affiliates primarily represented investments in CityCenter of $56 million, investments in the Las Vegas Arena Company of $36 million, and investments in MGM Hakkasan of $10 million. In 2013, investments in and advances to unconsolidated affiliates primarily represented investments in CityCenter of $24 million.

In 2015, investing activities also included proceeds of $20 million related to the sale of Railroad Pass and Gold Strike Jean, proceeds of $72 million (net of cash included in the sale) related to the sale of Circus Circus Reno and the Company's 50% interest in Silver Legacy, and $202 million of distributions received from unconsolidated affiliates, which includes a $200 million distribution paid by CityCenter in April 2015. In addition, we invested $200 million in certificates of deposit with original maturities longer than 90 days and received proceeds of $770 million related to the maturity of certificates of deposit with original maturities longer than 90 days.

Investing activities also include activity related to investments of funds held by the trust that held our 50% ownership interest in Borgata prior to its dissolution in September 2014. In addition, in 2014 we invested $570 million in certificates of deposit with original maturities longer than 90 days.

Cash Flows – Financing Activities

In 2015, we had net borrowings of $102 million, including $1.0 billion of borrowings under the MGM China credit facility, the repayment of $28 million under our senior credit facility and the repayment of the $875 million 6.625% senior notes at maturity in July 2015 using cash on hand. Additionally, we paid $46 million of debt issuance costs related to the refinancing of the MGM China credit facility. MGM China paid a $400 million special dividend in March 2015, a $120 million final dividend in June 2015 and a $76 million interim dividend in August 2015, of which $196 million, $59 million and $37 million was distributed to noncontrolling interests, respectively. Additionally, we received $6 million in 2015 related to proceeds from the issuance of non-voting membership interests in MGM National Harbor.

In 2014, we had net borrowings of $714 million, including the repayment of $28 million under our senior credit facility. During the year we repaid our $509 million 5.875% senior notes at maturity and issued $1.25 billion of 6% senior notes, due 2023 for net proceeds of $1.24 billion. MGM China paid a $499 million special dividend in March 2014, a $127 million final dividend in June 2014, and a $137 million interim dividend in September 2014, of which $245 million, $62 million and $67 million was distributed to noncontrolling interests, respectively.

In 2013, we repaid net debt of $140 million including $28 million under our senior credit facility. We issued $500 million in 5.25% senior notes due 2020 and repaid the following senior notes:

- $462 million outstanding principal amount of our 6.75% senior notes; and
- $150 million outstanding principal amount of our 7.625% senior subordinated debentures at maturity.

We incurred $24 million of debt issuance costs rela ted to the re-pricing of the term loan B facility in May 2013 and the December 2013 issuance of the $500 million of 5.25% senior notes due 2020.

MGM China paid a $500 million special dividend in March 2013 and a $113 million interim dividend in September 2013, of which $245 million and $55 million was distributed to noncontrolling interests, respectively.

Other Factors Affecting Liquidity

Anticipated uses of cash. We have significant outstanding debt and contractual obligations in addition to planned capital expenditures. At December 31, 2015, we had $1.5 billion of principal amount of long-term debt maturing in 2016, primarily related to our $242.9 million 6.875% senior notes, $732.7 million 7.5% senior notes, and $500 million 10% senior notes, and an estimated $750 million of cash interest payments based on current outstanding debt and applicable interest rates, within the next twelve months.

We expect to make the following capital investments, excluding capitalized interest, during 2016:

- Approximately $440 million in capital expenditures at our wholly owned domestic resorts and corporate entities, which includes expenditures on The Park, the Monte Carlo theatre, the new Excalibur parking garage, and replacement of aircraft;
- Approximately $130 million in capital expenditures related to the MGM Springfield project; and
- Approximately $680 million in capital expenditures related to the MGM National Harbor project.

During 2016, MGM China expects to spend approximately $50 million in capital improvements at MGM Macau and $1.6 billion on the MGM Cotai project, excluding capitalized interest, development fees and land related costs.

Our capital expenditures fluctuate depending on our decisions with respect to strategic capital investments in new or existing resorts and the timing of capital investments to maintain the quality of our resorts, the amounts of which can vary depending on timing of larger remodel projects related to our public spaces and hotel rooms. Future capital expenditures could vary from our current expectations depending on the progress of our development efforts and the structure of our ownership interests in future developments.

Cotai land concession. MGM Grand Paradise's land concession contract for an approximate 18 acre site in Cotai, Macau became effective on January 9, 2013 and has an initial term of 25 years. The total land premium payable to the Macau government for the land concession contract is $161 million and is composed of a down payment and eight additional semi-annual payments. As of December 31, 2015, MGM China had paid $130 million of the contract premium, including interest due on the semi-annual payments. In January 2016, MGM China paid the sixth semi-annual payment of $15 million under the land concession contract. Including interest on the two remaining semi-annual payments, MGM China has $29 million remaining payable for the land concession contract.

MGM China dividend. On February 18, 2016, as part of its regular dividend policy, MGM China's Board of Directors announced it will recommend a final dividend for 2015 of $46 million to MGM China shareholders subject to approval at the MGM China 2016 annual shareholders meeting to be held in May. If approved, we will receive $23 million, our 51% share of the 2015 final dividend.

REIT transaction. In connection with the proposed REIT transaction, we expect to incur approximately $4 billion of debt to refinance a portion of the debt outstanding under our existing senior credit facility and certain of our senior notes, which refinancing debt will be assumed by the Operating Partnership and repaid with the equity proceeds from the contemplated IPO and concurrent debt financings.

Principal Debt Arrangements

Our long-term debt consists of publicly held senior notes and our senior credit facility. At December 31, 2015, excluding MGM China, we had $11.3 billion principal amount of indebtedness, including $2.7 billion of borrowings outstanding under our $3.9 billion senior credit facility. We pay fixed rates of interest ranging from 5.25% to 11.375% on our senior notes. Our senior credit facility consists of a $1.2 billion revolving loan facility, a $1.02 billion term loan A facility and a $1.70 billion term loan B facility. The revolving and term loan A facilities bear interest at LIBOR plus an applicable rate determined by our credit rating (2.75% as of December 31, 2015). The term loan B facility bears interest at LIBOR plus 2.50% with a LIBOR floor of 1.00%. The revolving and term loan A facilities mature in December 2017. The term loan B facility matures in December 2019. The term loan A and term loan B facilities are subject to scheduled amortization payments on the last day of each calendar quarter in an amount equal to 0.25% of the original principal balance. We had approximately $1.2 billion of available borrowing capacity under our senior credit facility at December 31, 2015. At December 31, 2015, the interest rate on the term loan A was 3.17% and the interest rate on the term loan B was 3.50%.

The land and substantially all of the assets of MGM Grand Las Vegas, Bellagio and The Mirage secure up to $3.35 billion of obligations outstanding under the senior credit facility. In addition, the land and substantially all of the assets of New York-New York and Gold Strike Tunica secure the entire amount of the senior credit facility, and the land and substantially all of the assets of MGM Grand Detroit secure its $450 million of obligations as a co-borrower under the senior credit facility. In addition, the senior credit facility is secured by a pledge of the equity or limited liability company interests of the subsidiaries that own the pledged properties.

The senior credit facility contains customary representations and warranties and customary affirmative and negative covenants. In addition, the senior credit facility requires us and our restricted subsidiaries (the "Restricted Group") to maintain a minimum trailing four-quarter EBITDA and limits the ability of the Restricted Group to make capital expenditures and investments. As of December 31, 2015, the Restricted Group is required to maintain a minimum EBITDA (as defined) of $1.30 billion. The minimum EBITDA increases to $1.35 billion for March 31, 2016 through December 31, 2016, and to $1.40 billion for March 31, 2017 and thereafter. EBITDA for the trailing four quarters ended December 31, 2015 calculated in accordance with the terms of the senior credit facility was $1.71 billion. In accordance with our senior credit facility covenants, the Restricted Group is limited to annual capital expenditures of $500 million in each year beginning with 2013 with unused amounts in any fiscal year rolling over to the next fiscal year, but not any fiscal year thereafter. Our total Restricted Group capital expenditures allowable under the senior credit facility for 2015, after giving effect to the unused amount from 2014, was $794 million. In addition, our senior credit facility limits the Restricted Group's ability to make investments subject to certain thresholds and other important exceptions. The Restricted Group was within the limit of capital expenditures and other investments for 2015. We believe we have sufficient capacity under these thresholds to fund our planned development activity.

The senior credit facility provides for customary events of default, including, without limitation, (i) payment defaults, (ii) covenant defaults, (iii) cross-defaults to certain other indebtedness in excess of specified amounts, (iv) certain events of bankruptcy and insolvency, (v) judgment defaults in excess of specified amounts, (vi) the failure of any loan document by a significant party to be in full force and effect and such circumstance, in the reasonable judgment of the required lenders, is materially adverse to the lenders, or (vii) the security documents cease to create a valid and perfected first priority lien on any material portion of the collateral. In addition, the senior credit facility provides that a cessation of business due to revocation, suspension or loss of any gaming license affecting a specified amount of its revenues or assets, will constitute an event of default.

All of our principal debt arrangements are guaranteed by each of our material domestic subsidiaries, other than MGM Grand Detroit, LLC (which is a co-borrower under our senior credit facility), MGM National Harbor, LLC and Blue Tarp reDevelopment, LLC (the company that will own and operate our proposed casino in Springfield, Massachusetts), and each of their respective subsidiaries. Our international subsidiaries, including MGM China and its subsidiaries, are not guarantors of such indebtedness. We and our subsidiaries may from time to time, in our sole discretion, purchase, repay, redeem or retire any of our outstanding debt securities, in privately negotiated or open market transactions, by tender offer or otherwise pursuant to authorization of our Board of Directors and in accordance with the terms of our senior credit facilities.

In June 2015, MGM China and MGM Grand Paradise, as co-borrowers, entered into a second amended and restated credit facility which consists of $1.55 billion of term loans and a $1.45 billion revolving credit facility. The outstanding balance at December 31, 2015 of $1.6 billion was comprised solely of term loans. The interest rate on the facility fluctuates annually based on HIBOR plus a margin that will range between 1.375% and 2.50% based on MGM China's leverage ratio. The MGM China credit facility is secured by MGM Grand Paradise's interest in the Cotai land use right, and MGM China, MGM Grand Paradise and their guarantor subsidiaries have granted a security interest in substantially all of their assets to secure the facility. The credit facility will be used for general corporate purposes and for the development of the Cotai project.

The MGM China credit facility contains customary representations and warranties, events of default, affirmative covenants and negative covenants, which impose restrictions on, among other things, the ability of MGM China and its subsidiaries to make investments, pay dividends and sell assets, and to incur additional liens. As of December 31, 2015, MGM China was required to maintain compliance with a maximum leverage ratio of 4.50 to 1.00 in addition to a minimum interest coverage ratio of 2.50 to 1.00. MGM China was in compliance with the credit facility covenants at December 31, 2015.

In February 2016, the MGM China credit facility was amended to increase the maximum consolidated total leverage ratio. The maximum total leverage ratio increases to 6.00 to 1.00 for September 30, 2016 through June 30, 2017, and then decreases to 5.50 to 1.00 for September 30, 2017, 5.00 to 1.00 for December 31, 2017, and 4.50 to 1.00 for March 31, 2018 and thereafter.

In January 2016, MGM National Harbor, LLC, the Company's wholly owned subsidiary developing and constructing MGM National Harbor, entered into a $100 million revolving credit facility and a $425 million delayed draw term loan facility, of which $250 million was funded at closing. The revolving and term loan facilities will initially bear interest at a LIBOR rate plus an additional rate ranging from 2.00% to 2.25% per annum (determined based on a total leverage ratio) . The term loan is subject to

scheduled amortization payments on the last day of each calendar quarter beginning the fourth full fiscal quarter following the opening of MGM National Harbor, initially in an amount equal to 1.25% of the aggregate principal balance and increasing to 1.875% and 2.50% of the aggregate principal balance on the last day of the twelfth and sixteenth full fiscal quarters, respectively. The term loan and revolving facilities are scheduled to mature in January 2021.

The credit agreement is secured by a leasehold mortgage on MGM National Harbor and substantially all of the existing and future property of MGM National Harbor. Mandatory prepayments will be required upon the occurrence of certain events, including sales of certain assets, casualty events and the incurrence of certain additional indebtedness, subject to certain exceptions and reinvestment rights. In addition, to the extent MGM National Harbor generates excess cash flow (as defined in the credit agreement), a percentage of such excess cash flow (ranging from 0% to 50% based on a total leverage ratio) will be required to be used to prepay the term loan facilities commencing with the fiscal year ended 2017.

The credit agreement contains customary representations and warranties, events of default, affirmative covenants and negative covenants, which impose restrictions on, among other things, the ability of MGM National Harbor, LLC and its restricted subsidiaries to make investments, pay dividends, sell assets, and to incur additional debt and additional liens. In addition, the credit agreement requires MGM National Harbor, LLC and its restricted subsidiaries to maintain a maximum total leverage ratio and a minimum interest coverage ratio. In addition, borrowings under the credit agreement are subject to a customary "in balance test" (as defined in the credit agreement), which looks to the sufficiency of MGM National Harbor, LLC's available resources to complete the MGM National Harbor casino resort.

Off Balance Sheet Arrangements

Our off-balance sheet arrangements consist primarily of investments in unconsolidated affiliates, which consist primarily of our investments in CityCenter, Grand Victoria, Borgata, and T-Mobile Arena. We have not entered into any transactions with special purpose entities, nor have we engaged in any derivative transactions. Our unconsolidated affiliate investments allow us to realize the proportionate benefits of owning a full-scale resort in a manner that minimizes our initial investment. Other than the T-Mobile Arena guarantee described below, we have not historically guaranteed financings obtained by our investees. In addition, there are no other provisions in the agreements with our investees which we believe are unusual or subject us to risks to which we would not be subjected if we had full ownership of the resort.

In conjunction with the Las Vegas Arena Company entering into a senior secured credit facility in September 2014, we and AEG each entered into joint and several completion guarantees for the project, as well as a repayment guarantee for the term loan B (which is subject to increases and decreases in the event of a rebalancing of the principal amount of indebtedness between the term loan A and term loan B facilities). As of December 31, 2015, term loan A was $120 million and term loan B was $80 million.

Commitments and Contractual Obligations

The following table summarizes our scheduled contractual obligations as of December 31, 2015:

	2016	2017	2018	2019	2020	Thereafter
			(In millions)			
Long-term debt	$ 1,504	$ 1,846	$ 1,272	$ 3,197	$ 1,500	$ 3,505
Estimated interest payments on long-term debt (1)	750	646	542	439	316	409
Construction commitments (2)	959	212	4	–	–	–
Operating Leases (3)	55	26	23	21	22	1,098
Capital leases	8	8	2	–	–	–
Tax liabilities (4)	5	–	–	–	–	–
Long-term liabilities	4	3	3	2	2	35
Other obligations (5)	340	72	24	1	1	1
	$ 3,625	$ 2,813	$ 1,870	$ 3,660	$ 1,841	$ 5,048

(1) Estimated interest payments are based on principal amounts and expected maturities of debt outstanding at December 31, 2015 and management's forecasted LIBOR rates for our senior credit facility and HIBOR rates for the MGM China credit facility.

(2) The amount for 2016 includes $640 million related to MGM Cotai and $261 million and $15 million related to MGM National Harbor and MGM Springfield, respectively.

(3) MGM National Harbor is being built on land subject to a long-term ground lease. See Note 11 to the accompanying consolidated financial statements for further discussion.

(4) Approximately $4 million of liabilities related to uncertain tax positions and other tax liabilities are excluded from the table as we cannot reasonably estimate when examination and other activity related to these amounts will conclude or when these amounts will be paid, if ever.

(5) The amount for 2016 includes $118 million related to employment agreements, $105 million for entertainment agreements and $77 million of open purchase orders. Other commitments include various contracted amounts, including information technology, advertising, maintenance and other service agreements. Our largest entertainment commitments consist of minimum contractual payments to Cirque du Soleil, which performs show s at several of our resorts. Our contractual commitments for these shows generally do not exceed 12 months and are based on our ability to exercise certain termination rights; however, we expect these shows to continue for longer periods.

While we have significant indebtedness, we believe we have the ability to meet known obligations, including principal and interest obligations as well as planned capital expenditures over the next twelve months from the balance sheet date with existing cash and cash deposits, cash flows from operations, dividends from MGM China, and availability under our senior credit facility, the MGM China credit agreement and the MGM National Harbor credit agreement. We have $1.5 billion of maturities of long-term debt in 2016. See "Liquidity and Capital Resources – Other Factors Affecting Liquidity" for further discussion of anticipated uses of cash.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our results of operations and liquidity and capital resources are based on our consolidated financial statements. To prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, we must make estimates and assumptions that affect the amounts reported in the consolidated financial statements. We regularly evaluate these estimates and assumptions, particularly in areas we consider to be critical accounting estimates, where changes in the estimates and assumptions could have a material effect on our results of operations, financial position or cash flows. Senior management and the Audit Committee of the Board of Directors have reviewed the disclosures included herein about our critical accounting estimates, and have reviewed the processes to determine those estimates. However, by their nature, judgments are subject to an inherent degree of uncertainty and therefore actual results can differ from our estimates.

Allowance for Doubtful Casino Accounts Receivable

Marker play represents a significant portion of the table games volume at certain of our Las Vegas resorts. In addition, MGM China extends credit to certain in-house VIP gaming customers and gaming promoters. Our other casinos do not emphasize marker play to the same extent, although we offer markers to customers at those casinos as well. We maintain strict controls over the issuance of markers and aggressively pursue collection from our other customers who fail to pay their marker balances timely. These collection efforts are similar to those used by most large corporations when dealing with overdue customer accounts, including the mailing of statements and delinquency notices, personal contacts, the use of outside collection agencies and civil litigation. Markers are generally legally enforceable instruments in the United States and Macau. At December 31, 2015 and 2014, approximately 37% and 30%, respectively, of our casino accounts receivable was owed by customers from the United States. Markers are not legally enforceable instruments in some foreign countries, but the United States assets of foreign customers may be reached to satisfy judgments entered in the United States. At December 31, 2015 and 2014, approximately 44% and 54%, respectively, of our casino accounts receivable was owed by customers from the Far East. We consider the likelihood and difficulty of enforceability, among other factors, when we issue credit to customers who are not residents of the United States.

We maintain an allowance, or reserve, for doubtful casino accounts at all of our operating casino resorts. The provision for doubtful accounts, an operating expense, increases the allowance for doubtful accounts. We regularly evaluate the allowance for doubtful casino accounts. At resorts where marker play is not significant, the allowance is generally established by applying standard reserve percentages to aged account balances. At resorts where marker play is significant, we apply standard reserve percentages to aged account balances under a specified dollar amount and specifically analyze the collectability of each account with a balance over the specified dollar amount, based on the age of the account, the customer's financial condition, collection history and any other known information.

In addition to enforceability issues, the collectability of unpaid markers given by foreign customers is affected by a number of factors, including changes in currency exchange rates and economic conditions in the customers' home countries. Because individual customer account balances can be significant, the allowance and the provision can change significantly between periods, as information about a certain customer becomes known or as changes in a region's economy occur.

The following table shows key st atistics related to our casino receivables:

	December 31,	
	2015	2014
	(In thousands)	
Casino receivables	$ 285,182	$ 307,152
Allowance for doubtful casino accounts receivable	86,010	84,397
Allowance as a percentage of casino accounts receivable	30%	27%
Percentage of casino accounts outstanding over 180 days	26%	24%

Approximately $40 million and $68 million of casino receivables and $9 million and $13 million of the allowance for doubtful casino accounts receivable relate to MGM China at December 31, 2015 and 2014, respectively. The allowance for doubtful accounts as a percentage of casino accounts receivable has increased in the current year due to an increase in specific reserves for high-end gaming customers and an increase in the aging of accounts. At December 31, 2015, a 100 basis-point change in the allowance for doubtful accounts as a percentage of casino accounts receivable would change income before income taxes by $2.9 million.

Fixed Asset Capitalization and Depreciation Policies

Property and equipment are stated at cost. For the majority of our property and equipment, cost was determined at the acquisition date based on estimated fair values in connection with the June 2011 MGM China acquisition, the April 2005 Mandalay acquisition and the May 2000 Mirage Resorts acquisition. Maintenance and repairs that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets. When we construct assets, we capitalize direct costs of the project, including fees paid to architects and contractors, property taxes, and certain costs of our design and construction subsidiaries. In addition, interest cost associated with major development and construction projects is capitalized as part of the cost of the project. Interest is typically capitalized on amounts expended on the project using the weighted-average cost of our outstanding borrowings. Capitalization of interest starts when construction activities begin and ceases when construction is substantially complete or development activity is suspended for more than a brief period.

We must make estimates and assumptions when accounting for capital expenditures. Whether an expenditure is considered a maintenance expense or a capital asset is a matter of judgment. When constructing or purchasing assets, we must determine whether existing assets are being replaced or otherwise impaired, which also may be a matter of judgment. In addition, our depreciation expense is highly dependent on the assumptions we make about our assets' estimated useful lives. We determine the estimated useful lives based on our experience with similar assets, engineering studies, and our estimate of the usage of the asset. Whenever events or circumstances occur which change the estimated useful life of an asset, we account for the change prospectively.

Impairment of Long-lived Assets, Goodwill and Indefinite-lived Intangible Assets

We evaluate our property and equipment and other long-lived assets for impairment based on our classification as held for sale or to be held and used. Several criteria must be met before an asset is classified as held for sale, including that management with the appropriate authority commits to a plan to sell the asset at a reasonable price in relation to its fair value and is actively seeking a buyer. For assets classified as held for sale, we recognize the asset at the lower of carrying value or fair market value less costs of disposal, as estimated based on comparable asset sales, offers received, or a discounted cash flow model. For assets to be held and used, we review for impairment whenever indicators of impairment exist. We then compare the estimated future cash flows of the asset, on an undiscounted basis, to the carrying value of the asset. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, then an impairment is recorded based on the fair value of the asset. For operating assets, fair value is typically measured using a discounted cash flow model whereby future cash flows are discounted using a weighted-average cost of capital, developed using a standard capital asset pricing model, based on guideline companies in our industry. If an asset is still under development, future cash flows include remaining construction costs. All recognized impairment losses, whether for assets to be held for sale or assets to be held and used, are recorded as operating expenses.

There are several estimates, assumptions and decisions in measuring impairments of long-lived assets. First, management must determine the usage of the asset. To the extent management decides that an asset will be sold, it is more likely that an impairment may be recognized. Assets must be tested at the lowest level for which identifiable cash flows exist. This means that some assets must be grouped, and management has some discretion in the grouping of assets. Future cash flow estimates are, by their nature, subjective and actual results may differ materially from our estimates.

On a quarterly basis, we review our major long-lived assets to determine if events have occurred or circumstances exist that indicate a potential imp airment. Potential factors which could trigger an impairment include underperformance compared to historical or projected operating results, negative industry or economic factors, significant changes to our operating environment, or changes in intended us e of the asset group. We estimate future cash flows using our internal budgets and probability weight cash flows in certain circumstances to consider alternative outcomes associated with recoverability of the asset group, including potential sale. Histori cally, undiscounted cash flows of our significant operating asset groups have exceeded their carrying values by a substantial margin.

We review indefinite-lived intangible assets and goodwill at least annually and between annual test dates in certain circumstances. We perform our annual impairment test for indefinite-lived intangible assets and goodwill in the fourth quarter of each fiscal year. Indefinite-lived intangible assets consist primarily of license rights, which are tested for impairment using a discounted cash flow approach, and trademarks, which are tested for impairment using the relief-from-royalty method. See Note 7 to the accompanying consolidated financial statements for further discussion of goodwill and other intangible assets.

Goodwill represents the excess of purchase price over fair market value of net assets acquired in business combinations. Goodwill for relevant reporting units is tested for impairment using a discounted cash flow analysis based on our budgeted future results discounted using a weighted average cost of capital, developed using a standard capital asset pricing model based on guideline companies in our industry, and market indicators of terminal year capitalization rates, as well as a market approach that utilizes business enterprise value multiples based on a range of multiples in our peer group. If the carrying value of the reporting unit exceeds its fair value, an indication of impairment exists and we must proceed to measure an impairment loss, if any. In measuring an impairment loss, the implied fair value of a reporting unit's goodwill is compared to the carrying value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit to its assets and liabilities and the amount remaining, if any, is the implied fair value of goodwill. If the implied fair value of goodwill is less than its carrying value then it must be written down to its implied fair value.

Due to a significant decrease in MGM China's cash flows as well as a decline in the market capitalization of MGM China relative to its net book value, we performed an interim impairment test of goodwill related to the MGM China reporting unit in the second quarter of 2015. As of the date we completed our 2015 interim goodwill impairment analysis, the estimated fair value of our MGM China reporting unit exceeded its carrying value by 9%. We therefore concluded that goodwill related to the MGM China reporting unit was not impaired. During the fourth quarter of 2015, we conducted our annual impairment tests of goodwill by reviewing each of our reporting units, including our MGM China reporting unit. The step one goodwill analysis of the MGM China reporting unit indicated the fair value was less than its carrying value by 4%. The decrease in fair value from the interim test valuation date resulted from a further decrease in forecasted cash flows from our interim analysis based on current market conditions and a further sustained decline in the enterprise value multiples of the MGM China reporting unit as well as those of the MGM China reporting unit's peer group. As a result of the indication of impairment from the step one analysis, we proceeded to perform a step two impairment analysis to measure the impairment loss. As such, we determined the current fair values of all assets of the MGM China reporting unit, including its separately identifiable intangible assets. The current fair values of each of the separately identifiable intangible assets exceeded their respective carrying values by a significant amount, leading to a lower implied fair value of goodwill. Therefore, we recorded a $1.5 billion non-cash impairment charge to reduce the historical carrying value of goodwill related to the MGM China reporting unit to its implied fair value.

With the exception of our MGM China reporting unit, as discussed above, none of our other reporting units incurred any goodwill impairment charges in 2015, 2014 or 2013. As of the date we completed our 2015 goodwill impairment analysis, the estimated fair values of our wholly owned domestic resorts reporting units with associated goodwill were substantially in excess of their carrying values. As discussed below, management makes significant judgments and estimates as part of these analyses. If future operating results of our reporting units do not meet current expectations it could cause carrying values of our reporting units to exceed their fair values in future periods, potentially resulting in a goodwill impairment charge.

There are several estimates inherent in evaluating these assets for impairment. In particular, future cash flow estimates are, by their nature, subjective and actual results may differ materially from our estimates. In addition, the determination of multiples, capitalization rates and the discount rates used in the impairment tests are highly judgmental and dependent in large part on expectations of future market conditions.

See Notes 7 and 15 to the accompanying consolidated financial statements for further discussion of write downs and impairments of goodwill and long-lived assets.

Impairment of Investments in Unconsolidated Affiliates

We evaluate our investments in unconsolidated affiliates for impairment whenever events or changes in circumstances indicate that the carrying value of our investment may have experienced an other-than-temporary decline in value. If such conditions exist, we

compare the estimated fair value of the investment to its carrying value to determine whether an impairment is indicated and determine whether the impairment is other-than-temporary based on our assessment of relevant factors, including consideration of our intent and ability to retain o ur investment. We estimate fair value using a discounted cash flow analysis based on estimates of future cash flows and market indicators of discount rates and terminal year capitalization rates, as well as a market approach that utilizes business enterpri se value multiples based on a range of multiples in our peer group. See Note 6 and Note 15 to the accompanying consolidated financial statements for discussion of other-than-temporary impairment charges.

Income Taxes

We recognize deferred tax assets, net of applicable reserves, related to net operating loss and tax credit carryforwards and certain temporary differences with a future tax benefit to the extent that realization of such benefit is more likely than not. Otherwise, a valuation allowance is applied. As of December 31, 2015, the scheduled future reversal of existing U.S. federal taxable temporary differences exceeds the scheduled future reversal of existing U.S. federal deductible temporary differences. Consequently, we no longer apply a valuation allowance against our U.S. federal deferred tax assets other than our foreign tax credit deferred tax asset and a capital loss carryforward.

As of December 31, 2015, we have a foreign tax credit carryover of $2.9 billion against which we have recorded a valuation allowance of $2.7 billion based upon our assessment of future realization. The foreign tax credits are attributable to the Macau Special Gaming Tax which is 35% of gross gaming revenue in Macau. Because MGM China is presently exempt from the Macau 12% complementary tax on gaming profits, we believe that payment of the Macau Special Gaming Tax qualifies as a tax paid in lieu of an income tax that is creditable against U.S. taxes. Although MGM China's current five-year exemption from the Macau 12% complementary tax on gaming profits ends on December 31, 2016, we believe it will be entitled to receive a third five-year exemption from Macau based upon exemptions granted to its competitors in order to ensure non-discriminatory treatment among gaming concessionaires and subconcessionaires. For all periods beyond December 31, 2021, we have assumed that MGM China will be paying the Macau 12% complementary tax on gaming profits and will thus not be able to credit the Macau Special Gaming Tax in such years and have factored that assumption into our assessment of the realization of the foreign tax credit deferred tax asset. Furthermore, we do not rely on future U.S. source operating income in assessing future foreign tax credit realization due to our history of recent losses in the U.S. and therefore only rely on U.S. federal taxable temporary differences that we expect will reverse during the 10-year foreign tax credit carryover period.

Our assessment of realization of our foreign tax credit deferred tax asset is based on available evidence, including assumptions about future profitability of and distributions from MGM China, our assumption concerning renewals of the five year exemption from Macau's 12% complementary tax on gaming profits and assumptions concerning future U.S. operating profits. As a result, significant judgment is required in assessing the possible need for a valuation allowance and changes to our assumptions may have a material impact on the amount of the valuation allowance. For example, should we in a future period actually receive or be able to assume an additional five year exemption, an additional valuation allowance would likely need to be provided on some portion or all of the foreign tax credit deferred tax asset, resulting in an increase in the provision for income taxes in such period and such increase may be material. In addition, a change to our forecasts of future profitability of and distributions from MGM China could also result in a material change in the valuation allowance with a corresponding impact on the provision for income taxes in such period.

Finally, we do not currently rely on future U.S. source operating income in assessing future foreign tax credit realization due to our recent history of cumulative losses in the U.S. and therefore only rely on U.S. federal taxable temporary differences that we expect will reverse during the 10-year foreign tax credit carryover period. However, due to improvements in our U.S. operations we have generated U.S. operating profits for the past four consecutive quarters. Should these profits continue in future periods, we may during the next 12 months begin to utilize projections of future U.S. source operating income in our assessment of the realizability of our foreign tax credit deferred tax asset, which could result in a reduction in the valuation allowance and a corresponding reduction in the provision for income taxes in such period. However, the exact timing and amount of reduction in the valuation allowance are subject to change on the basis of the level of profitability that we are able to actually achieve.

In addition, there is an $18 million valuation allowance, after federal effect, provided on certain state deferred tax assets, a valuation allowance of $3 million on a federal income tax capital loss carryforward, a valuation allowance of $69 million on certain Macau deferred tax assets, and a valuation allowance of $1 million on Hong Kong net operating losses because we believe these assets do not meet the "more likely than not" criteria for recognition.

We file income tax returns in the U.S. federal jurisdiction, various state and local jurisdictions, and foreign jurisdictions, although the income taxes paid in foreign jurisdictions are not material. Our income tax returns are subject to examination by the Internal Revenue Service ("IRS") and other tax authorities. Positions taken in tax returns are sometimes subject to uncertainty in the tax laws and may not ultimately be accepted by the IRS or other tax authorities. See Note 10 in the accompanying consolidated financial statements for a discussion of the status and impact of examinations by tax authorities.

We assess our tax positions using a two-step process. A tax position is recognized if it meets a "more likely than not" threshold, and is measured at the largest amount of benefit that is greater than fifty percent likely of being realized. Uncertain tax positions must be reviewed at each balance sheet date. Liabilities we record as a result of this analysis are recorded separately from any current or deferred income tax accounts, and are classified as current in "Other accrued liabilities" or long-term in "Other long-term liabilities" based on the time until expected payment. Additionally, we recognize accrued interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

During the fourth quarter of 2015, we early adopted on a prospective basis FASB Accounting Standards Update No. 2015-17, "Balance sheet Classification of Deferred Taxes," ("ASU 2015-17"), which is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. ASU 2015-17 requires that deferred tax liabilities and assets, along with any related valuation allowance, be classified as noncurrent in a classified statement of financial position. Prior to adopting ASU 2015-17, we had a current deferred tax liability of $62 million for the period ending December 31, 2014. Prior periods are not retrospectively adjusted in the accompanying financial statements.

Stock-based Compensation

We account for stock options and stock appreciation rights ("SARs") measuring fair value using the Black-Scholes model. For restricted share units ("RSUs"), compensation expense is calculated based on the fair market value of our stock on the date of grant. We account for performance stock units ("PSUs") measuring fair value using the Monte Carlo valuation model. There are several management assumptions required to determine the inputs into the Black-Scholes model and Monte Carlo valuation model. Our volatility and expected term assumptions used in the Black-Scholes model can significantly affect the fair value of stock options and SARs. The Monte Carlo valuation model also utilizes multiple assumptions, including volatility, to determine the fair value of the award. Changes in the subjective assumptions can materially affect the estimate of the fair value of share-based compensation and consequently, the related amount recognized in the consolidated financial statements. The extent of the impact will depend, in part, on the extent of awards in any given year.

Market Risk

In addition to the inherent risks associated with our normal operations, we are also exposed to additional market risks. Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates and foreign currency exchange rates. Our primary exposure to market risk is interest rate risk associated with our variable rate long-term debt. We attempt to limit our exposure to interest rate risk by managing the mix of our long-term fixed rate borrowings and short-term borrowings under our bank credit facilities. A change in interest rates generally does not have an impact upon our future earnings and cash flow for fixed-rate debt instruments. As fixed-rate debt matures, however, and if additional debt is acquired to fund the debt repayment, future earnings and cash flow may be affected by changes in interest rates. This effect would be realized in the periods subsequent to the periods when the debt matures. We do not hold or issue financial instruments for trading purposes and do not enter into derivative transactions that would be considered speculative positions.

As of December 31, 2015, long-term variable rate borrowings represented approximately 33% of our total borrowings. Assuming a 100 basis-point increase in LIBOR (in the case of term loan B, over the 1% floor specified in our senior credit facility), our annual interest cost would change by approximately $27 million based on gross amounts outstanding at December 31, 2015. Assuming a 100 basis-point increase in HIBOR for the MGM China credit facility, our annual interest cost would change by approximately $16 million based on amounts outstanding at December 31, 2015. The following table provides additional information about our gross long-term debt subject to changes in interest rates:

	Debt maturing in,							Fair Value December 31,
	2016	2017	2018	2019	2020	Thereafter	Total	2015
				(In millions)				
Fixed-rate	$ 1,476	$ 743	$ 475	$ 850	$ 1,500	$ 3,504	$ 8,548	$ 8,815
Average interest rate	8.3%	7.6%	11.9%	8.6%	6.3%	6.7%	7.5%	
Variable rate	$ 28	$ 1,104	$ 797	$ 2,347	$ —	$ —	$ 4,276	$ 4,245
Average interest rate	3.4%	3.1%	2.0%	3.0%	N/A	N/A	2.9%	

In addition to the risk associated with our variable interest rate debt, we are also exposed to risks related to changes in foreign currency exchange rates, mainly related to MGM China and to our operations at MGM Macau and the development of MGM Cotai. While recent fluctuations in exchange rates have not been significant, potential changes in policy by governments or fluctuations in the economies of the United States, China, Macau or Hong Kong could cause variability in these exchange rates. We cannot assure

you that the Hong Kong dollar will continue to be pegged to the U.S. dollar or the c urrent peg rate for the Hong Kong dollar will remain at the same level. The possible changes to the peg of the Hong Kong dollar may result in severe fluctuations in the exchange rate thereof. As of December 31, 2015, a 1% increase in the Hong Kong dollar (the functional currency of MGM China) to the U.S. dollar exchange rate would impact the carrying value of our cash balance by $7 million and a 1% decrease in the exchange rate would impact the carrying value of our debt balance by $16 million.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We incorporate by reference the information appearing under "Market Risk" in Item 7 of this Form 10-K.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Our Consolidated Financial Statements and Notes to Consolidated Financial Statements, including the Independent Registered Public Accounting Firm's Report thereon, referred to in Item 15(a)(1) of this Form 10-K, are included at pages 66 to 111 of this Form 10-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

IT EM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer) have concluded that our disclosure controls and procedures are effective as of December 31, 2015 to provide reasonable assurance that information required to be disclosed in the Company's reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and regulations and to provide that such information is accumulated and communicated to management to allow timely decisions regarding required disclosures. This conclusion is based on an evaluation as required by Rule 13a-15(b) and 15d-15(b) under the Exchange Act conducted under the supervision and participation of the principal executive officer and principal financial officer along with company management.

Changes in Internal Control over Financial Reporting

During the quarter ended December 31, 2015, there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Annual Report on Internal Control over Financial Reporting

Management's Annual Report on Internal Control Over Financial Reporting, referred to in Item 15(a)(1) of this Form 10-K, is included at page 64 of this Form 10-K.

Attestation Report of the Independent Registered Public Accounting Firm

The Independent Registered Public Accounting Firm's Attestation Report on our internal control over financial reporting referred to in Item 15(a)(1) of this Form 10-K, is included at page 65 of this Form 10-K.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

We incorporate by reference the information appearing under "Executive Officers of the Registrant" in Item 1 of this Form 10-K and under "Election of Directors" and "Corporate Governance" in our definitive Proxy Statement for our 2016 Annual Meeting of Stockholders, which we expect to file with the SEC on or before April 20, 2016 (the "Proxy Statement").

ITEM 11. EXECUTIVE COMPENSATION

We incorporate by reference the information appearing under "Director Compensation" and "Executive Compensation" and "Corporate Governance — Compensation Committee Interlocks and Insider Participation" and "Compensation Committee Report" in the Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

We incorporate by reference the information appearing under "Principal Stockholders" and "Election of Directors" in the Proxy Statement.

Equity Compensation Plan Information

The following table includes information about our equity compensation plans at December 31, 2015:

	Securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Securities available for future issuance under equity compensation plans
		(In thousands, except per share data)	
Equity compensation plans approved by security holders (1)	18,410	$ 14.82	21,795
Equity compensation plans not approved by security holders	—	—	—

(1) As of December 31, 2015 we had 1.6 million restricted stock units and 2.6 million performance share units outstanding that do not have an exercise price; therefore, the weighted average per share exercise price only relates to outstanding stock appreciation rights. The amount included in the securities outstanding above for performance share units assumes that each target price is achieved.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

We incorporate by reference the information appearing under "Transactions with Related Persons" and "Corporate Governance" in the Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

We incorporate by reference the information appearing under "Selection of Independent Registered Public Accounting Firm" in the Proxy Statement.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a)(1). **Financial Statements.**

Audited consolidated financial statements for CityCenter Holdings, LLC as of and for the three years in the period ended December 31, 2015 are presented in Exhibit 99.3 and are incorporated herein by reference.

(a)(2). **Financial Statement Schedule.**

We have omitted schedules other than the one listed above because they are not required or are not applicable, or the required information is shown in the financial statements or notes to the financial statements.

(a)(3). **Exhibits.**

Exhibit Number	Description
3(1)	Amended and Restated Certificate of Incorporation of the Company, dated June 14, 2011 (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
3(2)	Amended and Restated Bylaws of the Company, effective January 13, 2016 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on January 15, 2016).
4.1(1)	Indenture, dated February 1, 1996, by and between Mandalay and First Interstate Bank of Nevada, N.A., as Trustee (the "Mandalay February 1996 Indenture") (incorporated by reference to Exhibit 4(b) to Mandalay's Current Report on Form 8-K filed on February 13, 1996).
4.1(2)	Supplemental Indenture, dated as of November 15, 1996, by and between Mandalay and Wells Fargo Bank (Colorado), N.A., (successor to First Interstate Bank of Nevada, N.A.), as Trustee, to the Mandalay February 1996 Indenture, with respect to $150 million aggregate principal amount of 6.70% Senior Notes due 2096 (incorporated by reference to Exhibit 4(c) to Mandalay's Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 1996 (the "Mandalay October 1996 10-Q")).
4.1(3)	6.70% Senior Notes due February 15, 2096 in the principal amount of $150,000,000 (incorporated by reference to Exhibit 4(d) to the Mandalay October 1996 10-Q).
4.1(4)	Indenture, dated November 15, 1996, by and between Mandalay and Wells Fargo Bank (Colorado), N.A., as Trustee (the "Mandalay November 1996 Indenture") (incorporated by reference to Exhibit 4(e) to the Mandalay October 1996 10-Q).
4.1(5)	Supplemental Indenture, dated as of November 15, 1996, to the Mandalay November 1996 Indenture, with respect to $150 million aggregate principal amount of 7.0% Senior Notes due 2036 (incorporated by reference to Exhibit 4(f) to the Mandalay October 1996 10-Q).

Exhibit Number	Description
4.1(6)	7.0% Senior Notes due February 15, 2036, in the principal amount of $150,000,000 (incorporated by reference to Exhibit 4(g) to the Mandalay October 1996 10-Q).
4.1(7)	Indenture, dated April 5, 2006, among the Company, certain subsidiaries of the Company, and U.S. Bank National Association, with respect to $500 million aggregate principal amount of 6.75% Senior Notes due 2013 and $250 million original principal amount of 6.875% Senior Notes due 2016 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 7, 2006).
4.1(8)	Indenture dated as of December 21, 2006, among the Company, certain subsidiaries of the Company, and U.S. Bank National Association (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on December 21, 2006 (the "December 2006 8-K")).
4.1(9)	First Supplemental Indenture dated as of December 21, 2006, by and among the Company, certain subsidiaries of the Company, and U.S. Bank National Association, with respect to $750 million aggregate principal amount of 7.625% Senior Notes due 2017 (incorporated by reference to Exhibit 4.2 to the December 2006 8-K).
4.1(10)	Second Supplemental Indenture dated as of May 17, 2007 among the Company, certain subsidiaries of the Company, and U.S. Bank National Association, with respect to $750 million aggregate principal amount of 7.5% Senior Notes due 2016 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on May 17, 2007).
4.1(11)	Indenture, dated as of September 22, 2009, among the Company, certain subsidiaries of the Company, and U.S. Bank National Association, with respect to $475 million aggregate principal amount of 11.375% Senior Notes due 2018 (incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K filed on September 25, 2009).
4.1(12)	Indenture dated as of October 28, 2010, among the Company, as issuer, the subsidiary guarantors party thereto, and U.S. Bank National Association as Trustee with respect to $500 million aggregate principal amount of 10% Senior Notes due 2016 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on October 29, 2010).
4.1(13)	Indenture, dated as of January 17, 2012, among the Company, the guarantors named therein and U.S. Bank National Association, as Trustee with respect to $850 million aggregate principal amount of 8.625% Senior Notes due 2019 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on January 17, 2012).
4.1(14)	Indenture, dated March 22, 2012, between the Company and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on March 22, 2012).
4.1(15)	First Supplemental Indenture, dated March 22, 2012, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee with respect to $1.0 billion aggregate principal amount of 7.75% senior notes due 2022 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on March 22, 2012).
4.1(16)	Indenture, dated as of September 19, 2012, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee with respect to $1.0 billion aggregate principal amount of 6.750% Senior Notes due 2020 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on September 19, 2012).
4.1(17)	Second Supplemental Indenture, dated December 20, 2012, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee to the Indenture, dated as of March 22, 2012, among the Company and U.S. Bank National Association, as trustee, relating to the 6.625% senior notes due 2021 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on December 20, 2012).

Exhibit Number	Description
4.1(18)	Third Supplemental Indenture, dated December 19, 2013, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee to the Indenture, dated as of March 22, 2012, among the Company and U.S. Bank National Association, as trustee, relating to the 5.250% senior notes due 2020 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on December 19, 2013).
4.1(19)	Fourth Supplemental Indenture, dated November 25, 2014, among the Company, the guarantors named therein and U.S. Bank National Association, as trustee, to the Indenture, dated as of March 22, 2012, among the Company and U.S. Bank National Association, as trustee, relating to the 6.000% senior notes due 2023 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on November 25, 2014).
4.2(1)	Guarantee (Mandalay Resort Group 6.70% Senior Notes due 2096), dated as of April 25, 2005, by the Company certain subsidiaries of the Company, in favor of The Bank of New York, as successor in interest to First Interstate Bank of Nevada, N.A., as trustee for the benefit of the holders of the Notes pursuant to the Indenture referred to therein (incorporated by reference to Exhibit 10.21 to the September 2005 10-Q).
4.2(2)	Guarantee (Mandalay Resort Group 7.0% Senior Notes due 2036), dated as of April 25, 2005, by the Company and certain subsidiaries of the Company, in favor of The Bank of New York, as trustee for the benefit of the holders of the Notes pursuant to the Indenture referred to therein (incorporated by reference to Exhibit 10.22 to the September 2005 10-Q).
10.1(1)	Amended and Restated Credit Agreement, dated as of December 20, 2012, among the Company, MGM Grand Detroit, LLC, a Delaware limited liability company, the Lenders from time to time party thereto and Bank of America, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 20, 2012).
10.1(2)	First Amendment to Credit Agreement, dated as of February 14, 2013, by and among the Company, MGM Grand Detroit, LLC and Bank of America, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 8, 2013).
10.1(3)	Second Amendment to Credit Agreement, dated May 14, 2013, among the Company, MGM Grand Detroit, LLC, the guarantors named therein and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 16, 2013).
10.1(4)	Third Amendment to Credit Agreement, dated May 4, 2015, among the Company, MGM Grand Detroit, LLC, the guarantors named therein and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 10-Q filed on August 7, 2015).
10.1(5)	Security Agreement, dated as of December 20, 2012, among MGM Grand Detroit, LLC, MGM Grand Hotel, LLC, New York-New York Hotel & Casino, LLC, Bellagio, LLC, The Mirage Casino-Hotel, MGM Resorts Mississippi, Inc. and Bank of America, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on December 20, 2012).
10.1(6)	Pledge Agreement, dated as of December 20, 2012, among the Company, MGM Grand Detroit, Inc., New PRMA Las Vegas, Inc., Mirage Resorts, Incorporated, Mandalay Resort Group and Bank of America, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on December 20, 2012).

Exhibit Number	Description
10.1(7)	Second Supplemental Agreement, dated June 9, 2015, between MGM China Holdings Limited and MGM Grand Paradise, S.A., certain Lenders and Arrangers named therein, Bank of America, N.A., Hong Kong Branch, as Facility Agent and Issuing Bank, and Banco Nacional Ultramarino, S.A., as Original Security Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 12, 2015).
10.1(8)	Amendment No. 1 to the Third Amended and Restated Sponsor Completion Guarantee, dated June 10, 2015, by and among MGM Resorts International, CityCenter Holdings, LLC, and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 12, 2015).
10.2(1)	Subconcession Contract for the Exploitation of Games Fortune and Chance or Other Games in Casino in the Special Administrative Region of Macau, dated April 19, 2005, between Sociedade de Jogos de Macau, S.A., as concessionaire, and MGM Grand Paradise S.A., as subconcessionaire (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on November 7, 2011).
10.2(2)	Land Concession Agreement, dated as of April 18, 2005, relating to the MGM Macau resort and casino between the Special Administrative Region of Macau and MGM Grand Paradise, S.A. (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
10.2(3)	Land Concession Agreement, effective as of January 9, 2013, relating to the MGM Macau resort and casino between the Special Administrative Region of Macau and MGM Grand Paradise, S.A. (incorporated by reference to Exhibit 10.2(4) to the Company's Annual Report on Form 10-K filed on March 3, 2013).
10.3(1)	Third Amended and Restated Limited Liability Company Agreement of CityCenter Holdings, LLC, dated December 22, 2015.
10.3(2)	Company Stock Purchase and Support Agreement, dated August 21, 2007, by and between the Company and Infinity World Investments, LLC (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed August 27, 2007).
10.3(3)	Amendment No. 1, dated October 17, 2007, to the Company Stock Purchase and Support Agreement by and between the Company and Infinity World Investments, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 23, 2007).
*10.4(1)	Nonqualified Stock Option Plan (incorporated by reference to Exhibit 10(1) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1996).
*10.4(2)	1997 Nonqualified Stock Option Plan, Amended and Restated February 2, 2004 (incorporated by reference to Exhibit 10.1 to the Company's Quarter report on Form 10-Q for the fiscal quarter ended June 30, 2004).
*10.4(3)	Amendment to the Company's 1997 Nonqualified Stock Option Plan (incorporated by reference to Exhibit 10 to the Company's Current Report on Form 8-K filed on July 13, 2007).
*10.4(4)	Amended and Restated 2005 Omnibus Incentive Plan (incorporated by reference to Exhibit 10 to the Company's Current Report on Form 8-K filed on June 5, 2014).
*10.4(5)	Second Amended and Restated Annual Performance-Based Incentive Plan for Executive Officers (incorporated by reference to Appendix B to the Company's Proxy Statement filed on April 25, 2011).
*10.4(6)	Deferred Compensation Plan II, as Amended and Restated, effective December 17, 2014 (incorporated by reference to Exhibit 10.4(6) to the Company's Annual Report on Form 10-K filed on March 2, 2015).

Exhibit Number	Description
*10.4(7)	Supplemental Executive Retirement Plan II, dated as of December 30, 2004 (incorporated by reference to Exhibit 10.1 to the January 2005 8-K).
*10.4(8)	Amendment No. 1 to the Supplemental Executive Retirement Plan II, dated as of July 10, 2007 (incorporated by reference to Exhibit 10.3(12) to the 2007 10-K).
*10.4(9)	Amendment No. 2 to the Supplemental Executive Retirement Plan II, dated as of October 15, 2007 (incorporated by reference to Exhibit 10.3(14) to the 2007 10-K).
*10.4(10)	Amendment No. 1 to the Supplemental Executive Retirement Plan II, dated as of November 4, 2008 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 7, 2008).
*10.4(11)	Employment Agreement, effective as of December 13, 2014, between the Company and Robert H. Baldwin (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 13, 2015).
*10.4(12)	Employment Agreement, dated as of November 5, 2012, by and between the Company and James J. Murren (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 8, 2012).
*10.4(13)	Employment Agreement, executed as of August 24, 2015, between the Company and Daniel J. D'Arrigo (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 28, 2015).
*10.4(14)	Employment Agreement, dated as of March 1, 2013, between the Company and Corey Sanders (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 18, 2013).
*10.4(15)	Employment Agreement, effective as of August 10, 2013, between the Company and William Hornbuckle (incorporated by reference to Exhibit 10.4(19) of the Company's Annual Report on Form 10-K for the year ended December 31, 2013).
*10.4(16)	Time-Vesting Stock Appreciation Right Agreement, dated April 6, 2009, between the Company and James J. Murren (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(17)	Time- and Price-Vesting Stock Appreciation Right Agreement, dated April 6, 2009, between the Company and James J. Murren (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(18)	Time- and Price-Vesting Stock Appreciation Right Agreement, dated April 6, 2009, between the Company and James J. Murren (incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(19)	Amendment to Time- and Price-Vesting Stock Appreciation Right Agreement ($8 SAR granted on April 6, 2009), dated as of November 5, 2012, by and between the Company and James J. Murren (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on November 8, 2012).
*10.4(20)	Amendment to Time- and Price-Vesting Stock Appreciation Right Agreement ($17 SAR granted on April 6, 2009), dated as of November 5, 2012, by and between the Company and James J. Murren (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on November 8, 2012).
*10.4(21)	Amendment to Time-Vesting Stock Appreciation Right Agreement (granted on April 6, 2009), dated as of November 5, 2012, by and between the Company and James J. Murren (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed on November 8, 2012).

Exhibit Number	Description
*10.4(22)	Deferred Compensation Plan for Non-Employee Directors, effective as of June 12, 2012 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2012).
*10.4(23)	Form of Restricted Stock Units Agreement of the Company (time vesting), effective for awards granted in November 2011 and prior to August 2012 (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on November 7, 2011).
*10.4(24)	Form of Restricted Stock Units Agreement of the Company (performance vesting), effective for awards granted in November 2011 and prior to August 2012 (incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q filed on November 7, 2011).
*10.4(25)	Form of Restricted Stock Units Agreement of the Company (non-employee director), effective for awards granted in November 2011 and prior to August 2012 (incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q filed on November 7, 2011).
*10.4(26)	Form of Restricted Stock Units Agreement of the Company, effective for awards granted in August 2012 through 2015 (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2012).
*10.4(27)	Form of Restricted Stock Units Agreement of the Company (Non-Employee Director), effective for awards granted in August 2012 and thereafter (incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2012).
*10.4(28)	Form of Restricted Stock Units Agreement of the Company (Performance), effective for awards granted in August 2012 through 2015 (incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2012).
*10.4(29)	Form of Restricted Stock Units Agreement of the Company effective for awards granted in October 2015 and thereafter (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on November 6, 2015).
*10.4(30)	Form of Restricted Stock Units Agreement of the Company (Performance) effective for awards granted in October 2015 and thereafter (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on November 6, 2015).
*10.4(31)	Form of Performance Share Units Agreement of the Company, effective for awards granted in August 2012 through March 2014 (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2012).
*10.4(32)	Form of Performance Share Units Agreement of the Company, effective for bonus awards granted in March 2014 through October 2015 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 8, 2014).
*10.4(33)	Form of Performance Share Units Agreement of the Company effective for awards granted in October 2015 and thereafter (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed on November 6, 2015).
*10.4(34)	Change of Control Policy for Executive Officers, dated as of November 5, 2012 (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K filed on November 8, 2012).
*10.4(35)	Form of Memorandum Agreement re: Changes to Severance and Change of Control Policies (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K filed on November 8, 2012).
*10.4(36)	Form of Freestanding Stock Appreciation Right Agreement of the Company (non-employee director) effective for awards granted in November 2011 through August 2012 (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on November 7, 2011).

Exhibit Number	Description
*10.4(37)	Form of Freestanding Stock Appreciation Right Agreement of the Company (employee), effective for awards granted in November 2011 through August 2012 (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on November 7, 2011).
*10.4(38)	Form of Freestanding Stock Appreciation Right Agreement of the Company effective for awards granted in August 2012 and thereafter (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2012).
*10.4(39)	Freestanding Stock Appreciation Right Agreement of the Company, effective for awards to named executive officers prior to November 2011 (incorporated by reference to Exhibit 10.3(15) of the Company's Annual Report on Form 10-K for the year ended December 31, 2008).
*10.4(40)	Form of Freestanding Stock Appreciation Right Agreement of the Company effective for awards granted in October 2013 and thereafter (incorporated by reference to Exhibit 10.4(43) of the Company's Annual Report on Form 10-K for the year ended December 31, 2013).
*10.4(41)	Amendment to all Stock Appreciation Right Agreements adopted by the Compensation Committee of the Board of Directors on October 7, 2013 (incorporated by reference to Exhibit 10.4(44) of the Company's Annual Report on Form 10-K for the year ended December 31, 2013).
*10.4(42)	Amendment to Freestanding Stock Appreciation Right Agreement, dated June 30, 2011, between the Company and James J. Murren (incorporated by reference to Exhibit 10.10 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(43)	Amended and Restated Freestanding Stock Appreciation Right Agreement, dated April 8, 2011, between the Company and James J. Murren (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(44)	Form of Freestanding Stock Appreciation Right Agreement of the Company effective for awards granted in October 2015 and thereafter (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on November 6, 2015).
*10.4(45)	Amendment to Nonqualified Stock Option Agreements, dated June 30, 2011, between the Company and James J. Murren (incorporated by reference to Exhibit 10.11 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(46)	Amendment to Freestanding Stock Appreciation Right Agreement, dated June 30, 2011, between the Company and Daniel J. D'Arrigo (incorporated by reference to Exhibit 10.12 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(47)	Amendment to Stock Appreciation Right Agreement, dated June 30, 2011, between the Company and James J. Murren (incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(48)	Amendment to Restricted Stock Units Agreements, dated June 30, 2011, between the Company and Daniel J. D'Arrigo (incorporated by reference to Exhibit 10.13 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(49)	Amendment to Restricted Stock Units Agreement, dated June 30, 2011, between the Company and Robert H. Baldwin (incorporated by reference to Exhibit 10.15 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(50)	Amendment to Nonqualified Stock Option Agreements, dated June 30, 2011, between the Company and Daniel J. D'Arrigo (incorporated by reference to Exhibit 10.14 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).

Exhibit Number	Description
*10.4(51)	Amendment to Nonqualified Stock Option Agreements, dated June 30, 2011, between the Company and Robert H. Baldwin (incorporated by reference to Exhibit 10.17 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(52)	Amended and Restated Freestanding Stock Appreciation Right Agreement, dated April 8, 2011, between the Company and Robert H. Baldwin (incorporated by reference to Exhibit 10.18 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(53)	Amendment to Freestanding Stock Appreciation Right Agreements, dated June 30, 2011, between the Company and Robert H. Baldwin (incorporated by reference to Exhibit 10.16 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(54)	Amendment to Freestanding Stock Appreciation Right Agreement, dated June 30, 2011, between the Company and Corey Sanders (incorporated by reference to Exhibit 10.22 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(55)	Amendment to Freestanding Stock Appreciation Right Agreement, dated June 30, 2011, between the Company and Corey Sanders (incorporated by reference to Exhibit 10.20 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(56)	Amendment to Freestanding Stock Appreciation Right Agreement, dated June 30, 2011, between the Company and William J. Hornbuckle (incorporated by reference to Exhibit 10.23 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(57)	Amendment to Freestanding Stock Appreciation Right Agreement, dated June 30, 2011, between the Company and William J. Hornbuckle (incorporated by reference to Exhibit 10.24 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(58)	Amendment to Restricted Stock Units Agreements, dated June 30, 2011, between the Company and William J. Hornbuckle (incorporated by reference to Exhibit 10.25 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(59)	Amended and Restated Restricted Stock Units Agreement, dated April 8, 2011, between the Company and James J. Murren (incorporated by reference to Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(60)	Amendment to Restricted Stock Units Agreement, dated June 30, 2011, between the Company and Corey Sanders (incorporated by reference to Exhibit 10.21 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(61)	Amendment to Nonqualified Stock Option Agreements, dated June 30, 2011, between the Company and Corey Sanders (incorporated by reference to Exhibit 10.19 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(62)	Amendment to Nonqualified Stock Option Agreements, dated June 30, 2011, between the Company and William J. Hornbuckle (incorporated by reference to Exhibit 10.26 to the Company's Quarterly Report on Form 10-Q filed on August 9, 2011).
*10.4(63)	Profit Growth Share Incentive Plan of the Company (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on November 6, 2015).
*10.4(64)	Form of Performance Share Units Agreement (Profit Growth Share Incentive Plan) of the Company (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on November 6, 2015).
12	Computation of ratio of earnings to fixed charges.
21	List of subsidiaries of the Company.
23.1	Consent of Deloitte & Touche LLP, independent auditors to the Company.

Exhibit Number	Description
23.2	Consent of Deloitte & Touche LLP, independent auditors to CityCenter Holdings, LLC.
31.1	Certification of Chief Executive Officer of Periodic Report Pursuant to Rule 13a-14(a) and Rule 15d-14(a).
31.2	Certification of Chief Financial Officer of Periodic Report Pursuant to Rule 13a-14(a) and Rule 15d-14(a).
**32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350.
**32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350.
99.1	Description of our Operating Resorts.
99.2	Description of Regulation and Licensing.
99.3	Audited consolidated financial statements of CityCenter Holdings, LLC, as of and for the three years in the period ended December 31, 2015.
101	The following information from the Company's Annual Report on Form 10-K for the year ended December 31, 2015 formatted in eXtensible Business Reporting Language: (i) Consolidated Balance Sheets at December 31, 2015 and December 31, 2014; (ii) Consolidated Statements of Operations for the years ended December 31, 2015, 2014 and 2013; (iii) Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2015, 2014 and 2013; (iv) Consolidated Statements of Cash Flows for the years ended December 31, 2015, 2014 and 2013; (v) Consolidated Statements of Stockholders' Equity for the years ended December 31, 2015, 2014 and 2013; (vi) Notes to the Consolidated Financial Statements and (vii) Financial Statement Schedule.

* Management contract or compensatory plan or arrangement.

** Exhibits 32.1 and 32.2 shall not be deemed filed with the SEC, nor shall they be deemed incorporated by reference in any filing with the SEC under the Exchange Act or the Securities Act of 1933, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any filings

M ANAGEMENT'S ANNUAL REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management's Responsibilities

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Sections 13a-15(f) and 15d-15(f) of the Exchange Act) for MGM Resorts International and subsidiaries (the "Company").

Objective of Internal Control over Financial Reporting

In establishing adequate internal control over financial reporting, management has developed and maintained a system of internal control, policies and procedures designed to provide reasonable assurance that information contained in the accompanying consolidated financial statements and other information presented in this annual report is reliable, does not contain any untrue statement of a material fact or omit to state a material fact, and fairly presents in all material respects the financial condition, results of operations and cash flows of the Company as of and for the periods presented in this annual report. These include controls and procedures designed to ensure that this information is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate for all timely decisions regarding required disclosure. Significant elements of the Company's internal control over financial reporting include, for example:

- Hiring skilled accounting personnel and training them appropriately;
- Written accounting policies;
- Written documentation of accounting systems and procedures;
- Segregation of incompatible duties;
- Internal audit function to monitor the effectiveness of the system of internal control; and
- Oversight by an independent Audit Committee of the Board of Directors.

Management's Evaluation

Management, with the participation of the Company's principal executive officer and principal financial officer, has evaluated the Company's internal control over financial reporting using the criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on its evaluation as of December 31, 2015, management believes that the Company's internal control over financial reporting is effective in achieving the objectives described above.

Report of Independent Registered Public Accounting Firm

Deloitte & Touche LLP audited the Company's consolidated financial statements as of and for the year ended December 31, 2015 and issued their report thereon, which is included in this annual report. Deloitte & Touche LLP has also issued an attestation report on the effectiveness of the Company's internal control over financial reporting and such report is also included in this annual report.

R EPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
MGM Resorts International

We have audited the internal control over financial reporting of MGM Resorts International and subsidiaries (the "Company") as of December 31, 2015, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the effectiveness of the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement schedule as of and for the year ended December 31, 2015. Our report dated February 29, 2016 expressed an unqualified opinion on those financial statements and financial statement schedule.

/s/ DELOITTE & TOUCHE LLP

Las Vegas, Nevada
February 29, 2016

R EPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
MGM Resorts International

We have audited the accompanying consolidated balance sheets of MGM Resorts International and subsidiaries (the "Company") as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2015. Our audits also included the financial statement schedule of Valuation and Qualifying Accounts included in Item 15(a)(2). These financial statements and the financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of MGM Resorts International and subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2015, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2015, based on the criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 29, 2016, expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ DELOITTE & TOUCHE LLP

Las Vegas, Nevada
February 29, 2016

MGM RESORTS INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	December 31,	
	2015	**2014**
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,670,312	$ 1,713,715
Cash deposits - original maturities longer than 90 days	—	570,000
Accounts receivable, net	480,559	473,345
Inventories	104,200	104,011
Income tax receivable	15,993	14,675
Prepaid expenses and other	137,685	151,414
Total current assets	2,408,749	3,027,160
Property and equipment, net	15,371,795	14,441,542
Other assets		
Investments in and advances to unconsolidated affiliates	1,491,497	1,559,034
Goodwill	1,430,767	2,897,110
Other intangible assets, net	4,164,781	4,364,856
Other long-term assets, net	347,589	304,212
Total other assets	7,434,634	9,125,212
	$ 25,215,178	$ 26,593,914
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 182,031	$ 164,252
Construction payable	250,120	170,439
Current portion of long-term debt	328,442	1,245,320
Deferred income taxes, net	—	62,142
Accrued interest on long-term debt	165,914	191,155
Other accrued liabilities	1,311,444	1,574,617
Total current liabilities	2,237,951	3,407,925
Deferred income taxes, net	2,680,576	2,621,860
Long-term debt	12,368,311	12,805,285
Other long-term obligations	157,663	130,570
Redeemable noncontrolling interests	6,250	—
Commitments and contingencies (Note 11)		
Stockholders' equity		
Common stock, $.01 par value: authorized 1,000,000,000 shares, issued and outstanding 564,838,893 and 491,292,117 shares	5,648	4,913
Capital in excess of par value	5,655,886	4,180,922
Accumulated deficit	(555,629)	(107,909)
Accumulated other comprehensive income	14,022	12,991
Total MGM Resorts International stockholders' equity	5,119,927	4,090,917
Noncontrolling interests	2,644,500	3,537,357
Total stockholders' equity	7,764,427	7,628,274
	$ 25,215,178	$ 26,593,914

The accompanying notes are an integral part of these consolidated financial statements.

MGM RESORTS INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Year Ended December 31,		
	2015	**2014**	**2013**
Revenues			
Casino	$ 4,842,836	$ 5,878,775	$ 5,875,782
Rooms	1,876,733	1,768,012	1,646,303
Food and beverage	1,575,496	1,558,937	1,469,582
Entertainment	539,318	560,116	522,911
Retail	201,688	191,351	194,602
Other	506,934	507,639	490,349
Reimbursed costs	398,836	383,434	364,664
	9,941,841	10,848,264	10,564,193
Less: Promotional allowances	(751,773)	(766,280)	(754,530)
	9,190,068	10,081,984	9,809,663
Expenses			
Casino	2,882,752	3,643,881	3,684,810
Rooms	564,094	548,993	516,605
Food and beverage	917,993	908,916	844,431
Entertainment	410,284	422,115	386,252
Retail	102,904	99,455	107,249
Other	348,513	361,904	354,705
Reimbursed costs	398,836	383,434	364,664
General and administrative	1,309,104	1,318,749	1,278,450
Corporate expense	274,551	238,811	216,745
Preopening and start-up expenses	71,327	39,257	13,314
Property transactions, net	1,503,942	41,002	124,761
Depreciation and amortization	819,883	815,765	849,225
	9,604,183	8,822,282	8,741,211
Income from unconsolidated affiliates	257,883	63,836	68,829
Operating income (loss)	(156,232)	1,323,538	1,137,281
Non-operating income (expense)			
Interest expense, net of amounts capitalized	(797,579)	(817,061)	(857,347)
Non-operating items from unconsolidated affiliates	(76,462)	(87,794)	(208,682)
Other, net	(15,970)	(7,797)	(9,062)
	(890,011)	(912,652)	(1,075,091)
Income (loss) before income taxes	(1,046,243)	410,886	62,190
Benefit (provision) for income taxes	6,594	(283,708)	(20,816)
Net income (loss)	(1,039,649)	127,178	41,374
Less: Net (income) loss attributable to noncontrolling interests	591,929	(277,051)	(213,108)
Net loss attributable to MGM Resorts International	$ (447,720)	$ (149,873)	$ (171,734)
Net loss per share of common stock attributable to MGM Resorts International			
Basic	$ (0.82)	$ (0.31)	$ (0.35)
Diluted	$ (0.82)	$ (0.31)	$ (0.35)

The accompanying notes are an integral part of these consolidated financial statements.

MGM RESORTS INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	Year Ended December 31,		
	2015	**2014**	**2013**
Net income (loss)	$ (1,039,649)	$ 127,178	$ 41,374
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustment	3,727	(1,293)	(3,993)
Other	(672)	1,250	115
Other comprehensive income (loss)	3,055	(43)	(3,878)
Comprehensive income (loss)	(1,036,594)	127,135	37,496
Less: Comprehensive (income) loss attributable to noncontrolling interests	589,905	(276,520)	(211,030)
Comprehensive loss attributable to MGM Resorts International	$ (446,689)	$ (149,385)	$ (173,534)

The accompanying notes are an integral part of these consolidated financial statements.

MGM RESORTS INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,		
	2015	**2014**	**2013**
Cash flows from operating activities			
Net income (loss)	$ (1,039,649)	$ 127,178	$ 41,374
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	819,883	815,765	849,225
Amortization of debt discounts, premiums and issuance costs	46,280	37,650	35,281
Loss on retirement of long-term debt	1,924	—	3,801
Provision for doubtful accounts	54,691	46,698	14,969
Stock-based compensation	42,872	37,264	32,332
Property transactions, net	1,503,942	41,002	124,761
(Income) loss from unconsolidated affiliates	(177,946)	24,875	140,360
Distributions from unconsolidated affiliates	29,333	15,568	16,928
Deferred income taxes	(3,615)	331,833	48,470
Change in operating assets and liabilities:			
Accounts receivable	(62,720)	(32,435)	(59,842)
Inventories	(2,649)	3,167	(336)
Income taxes receivable and payable, net	(5,946)	(29,485)	13,468
Prepaid expenses and other	(13,694)	22,144	(38,790)
Prepaid Cotai land concession premium	(22,427)	(22,423)	(7,917)
Accounts payable and accrued liabilities	(139,069)	(288,955)	116,623
Other	(26,131)	824	(20,259)
Net cash provided by operating activities	1,005,079	1,130,670	1,310,448
Cash flows from investing activities			
Capital expenditures, net of construction payable	(1,466,819)	(872,041)	(562,124)
Dispositions of property and equipment	8,032	7,651	18,030
Proceeds from sale of business units and investment in unconsolidated affiliates	92,207	—	—
Investments in and advances to unconsolidated affiliates	(196,062)	(103,040)	(28,953)
Distributions from unconsolidated affiliates in excess of cumulative earnings	201,612	132	110
Investments in treasury securities - maturities longer than 90 days	—	(123,133)	(219,546)
Proceeds from treasury securities - maturities longer than 90 days	—	210,300	252,592
Investments in cash deposits - original maturities longer than 90 days	(200,205)	(570,000)	—
Proceeds from cash deposits - original maturities longer than 90 days	770,205	—	—
Payments for gaming licenses	—	(85,000)	(21,600)
Other	(4,028)	10,981	1,354
Net cash used in investing activities	(795,058)	(1,524,150)	(560,137)
Cash flows from financing activities			
Net borrowings (repayments) under bank credit facilities – maturities of 90 days or less	977,275	(28,000)	(28,000)
Borrowings under bank credit facilities – maturities longer than 90 days	5,118,750	5,171,250	2,793,000
Repayments under bank credit facilities – maturities longer than 90 days	(5,118,750)	(5,171,250)	(2,793,000)
Issuance of senior notes	—	1,250,750	500,000
Retirement of senior notes	(875,504)	(508,900)	(612,262)
Debt issuance costs	(46,170)	(13,681)	(23,576)
Distributions to noncontrolling interest owners	(307,227)	(386,709)	(318,348)
Proceeds from issuance of redeemable noncontrolling interests	6,250	—	—
Other	(12,503)	(5,383)	(7,522)
Net cash provided by (used in) financing activities	(257,879)	308,077	(489,708)
Effect of exchange rate on cash	793	(889)	(443)
Cash and cash equivalents			
Net increase (decrease) for the period	(47,065)	(86,292)	260,160
Change in cash related to assets held for sale	3,662	(3,662)	—
Balance, beginning of period	1,713,715	1,803,669	1,543,509
Balance, end of period	$ 1,670,312	$ 1,713,715	$ 1,803,669
Supplemental cash flow disclosures			
Interest paid, net of amounts capitalized	$ 776,540	$ 776,778	$ 840,280
Federal, state and foreign income taxes paid, net of refunds	11,801	42,272	835
Non-cash investing and financing activities			
Conversion of convertible senior notes to equity	$ 1,449,499	$ —	$ —
Increase (decrease) in investment in and advances to CityCenter related to change in completion guarantee liability	(8,198)	83,106	92,956
Increase in construction accounts payable	79,681	74,237	39,287

The accompanying notes are an integral part of these consolidated financial statements .

MGM RESORTS INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Years ended December 31, 2015, 2014 and 2013
(In thousands)

	Common Stock		Capital in Excess of Par Value	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income	Total MGM Resorts International Stockholders' Equity	Non-Controlling Interests	Total Stockholders' Equity
	Shares	Par Value						
Balances, January 1, 2013	489,234	$ 4,892	$ 4,132,655	$ 213,698	$ 14,303	$ 4,365,548	$ 3,750,468	$ 8,116,016
Net income (loss)	—	—	—	(171,734)	—	(171,734)	213,108	41,374
Currency translation adjustment	—	—	—	—	(1,915)	(1,915)	(2,078)	(3,993)
Other comprehensive income from unconsolidated affiliates, net	—	—	—	—	115	115	—	115
Stock-based compensation	—	—	30,374	—	—	30,374	3,048	33,422
Tax effect of stock-based compensation	—	—	4,188	—	—	4,188	—	4,188
Issuance of common stock pursuant to stock-based compensation awards	1,127	12	(8,706)	—	—	(8,694)	—	(8,694)
Cash distributions to noncontrolling interest owners	—	—	—	—	—	—	(318,344)	(318,344)
Other	—	—	(1,831)	—	—	(1,831)	(1,758)	(3,589)
Balances, December 31, 2013	490,361	4,904	4,156,680	41,964	12,503	4,216,051	3,644,444	7,860,495
Net income (loss)	—	—	—	(149,873)	—	(149,873)	277,051	127,178
Currency translation adjustment	—	—	—	—	(762)	(762)	(531)	(1,293)
Other comprehensive income from unconsolidated affiliates, net	—	—	—	—	1,250	1,250	—	1,250
Stock-based compensation	—	—	34,102	—	—	34,102	4,266	38,368
Tax effect of stock-based compensation	—	—	(7,807)	—	—	(7,807)	—	(7,807)
Issuance of common stock pursuant to stock-based compensation awards	931	9	(8,893)	—	—	(8,884)	—	(8,884)
Cash distributions to noncontrolling interest owners	—	—	—	—	—	—	(387,211)	(387,211)
Issuance of performance share units	—	—	7,529	—	—	7,529	—	7,529
Other	—	—	(689)	—	—	(689)	(662)	(1,351)
Balances, December 31, 2014	491,292	4,913	4,180,922	(107,909)	12,991	4,090,917	3,537,357	7,628,274
Net loss	—	—	—	(447,720)	—	(447,720)	(591,929)	(1,039,649)
Currency translation adjustment	—	—	—	—	1,703	1,703	2,024	3,727
Other comprehensive loss from unconsolidated affiliates, net	—	—	—	—	(672)	(672)	—	(672)
Stock-based compensation	—	—	38,464	—	—	38,464	4,538	43,002
Tax effect of stock-based compensation	—	—	7,740	—	—	7,740	—	7,740
Issuance of common stock pursuant to stock-based compensation awards	1,844	18	(24,896)	—	—	(24,878)	—	(24,878)
Conversion of convertible debt to common stock	71,703	717	1,448,779	—	—	1,449,496	—	1,449,496
Cash distributions to noncontrolling interest owners	—	—	—	—	—	—	(307,494)	(307,494)
Issuance of performance share units	—	—	4,872	—	—	4,872	—	4,872
Other	—	—	5	—	—	5	4	9
Balances, December 31, 2015	564,839	$ 5,648	$ 5,655,886	$ (555,629)	$ 14,022	$ 5,119,927	$ 2,644,500	$ 7,764,427

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 — ORGANIZATION

Organization. MGM Resorts International (the "Company") is a Delaware corporation that acts largely as a holding company and, through wholly owned subsidiaries, owns and/or operates casino resorts. The Company owns and operates the following integrated casino, hotel and entertainment resorts in Las Vegas, Nevada: Bellagio, MGM Grand Las Vegas, The Mirage, Mandalay Bay, Luxor, New York-New York, Monte Carlo, Excalibur and Circus Circus Las Vegas. Operations at MGM Grand Las Vegas include management of The Signature at MGM Grand Las Vegas, a condominium-hotel consisting of three towers. In April 2015, the Company closed the sale of Railroad Pass and Gold Strike which included related assets in Jean, Nevada. In November 2015, the Company closed the sale of Circus Circus Reno as well as the Company's 50% interest in Silver Legacy and associated real property, with Eldorado Resorts, Inc. See Note 4 for additional discussion of dispositions. Along with local investors, the Company owns and operates MGM Grand Detroit in Detroit, Michigan. The Company owns and operates the following resorts in Mississippi: Beau Rivage in Biloxi and Gold Strike Tunica. The Company also owns Shadow Creek, an exclusive world-class golf course located approximately ten miles north of its Las Vegas Strip resorts, Primm Valley Golf Club at the California/Nevada state line and Fallen Oak golf course in Saucier, Mississippi.

The Company owns 51% and has a controlling interest in MGM China Holdings Limited ("MGM China"), which owns MGM Grand Paradise, S.A. ("MGM Grand Paradise"), the Macau company that owns and operates the MGM Macau resort and casino and the related gaming subconcession and land concessions, and is in the process of developing an 18 acre site on the Cotai Strip in Macau ("MGM Cotai"). MGM Cotai will be an integrated casino, hotel and entertainment resort with capacity for up to 500 gaming tables and up to 1,500 slots, and featuring approximately 1,500 hotel rooms. The actual number of gaming tables allocated to MGM Cotai will be determined by the Macau government prior to opening, and such allocation may be less than MGM Cotai's 500 gaming table capacity. The total estimated project budget is $3.0 billion excluding development fees eliminated in consolidation, capitalized interest and land related costs.

The Company owns 50% of and manages CityCenter, located between Bellagio and Monte Carlo. The other 50% of CityCenter is owned by Infinity World Development Corp, a wholly owned subsidiary of Dubai World, a Dubai, United Arab Emirates government decree entity. CityCenter consists of Aria, an integrated casino, hotel and entertainment resort; Mandarin Oriental Las Vegas, a non-gaming boutique hotel; Crystals, a retail, dining and entertainment district; and Vdara, a luxury condominium-hotel. In addition, CityCenter features residential units in the Residences at Mandarin Oriental and Veer. See Note 6, Note 11 and Note 17 for additional information related to CityCenter.

The Company owns 50% of the Borgata Hotel Casino & Spa ("Borgata") located on Renaissance Pointe in the Marina area of Atlantic City, New Jersey. Boyd Gaming Corporation owns the other 50% of Borgata and also operates the resort. The Company also has a 50% interest in Grand Victoria. Grand Victoria is a riverboat casino in Elgin, Illinois; an affiliate of Hyatt Gaming owns the other 50% of Grand Victoria and also operates the resort. See Note 6 for additional information regarding the Company's investments in unconsolidated affiliates.

The Maryland Video Lottery Facility Location Commission has awarded the Company's subsidiary developing MGM National Harbor a license to build and operate a destination integrated casino, hotel and entertainment resort in Prince George's County at National Harbor, which is a waterfront development located on the Potomac River just outside of Washington D.C. The expected cost to develop and construct MGM National Harbor is approximately $1.3 billion, excluding capitalized interest and land related costs. The Company expects the resort to include a casino with approximately 3,600 slots and 160 table games including poker; a 300-room hotel with luxury spa and rooftop pool; 93,100 square feet of high-end branded retail and fine and casual dining; a dedicated 3,000 seat theater venue; 50,000 square feet of meeting and event space; and a 4,700-space parking garage.

A subsidiary of the Company was awarded a casino license to build and operate MGM Springfield in Springfield, Massachusetts. MGM Springfield will be developed on approximately 14 acres of land in downtown Springfield, Massachusetts. The Company's plans for the resort currently include a casino with approximately 3,000 slots and 100 table games including poker; a 250-room hotel; 100,000 square feet of retail and restaurant space; 44,000 square feet of meeting and event space; and a 3,375 space parking garage, with an expected development and construction cost of approximately $865 million, excluding capitalized interest and land related costs.

In 2013, the Company formed Las Vegas Arena Company, LLC (the "Las Vegas Arena Company") with a subsidiary of Anschutz Entertainment Group, Inc. ("AEG") – a leader in sports, entertainment, and promotions – to design, construct, and operate an arena that will be located on a parcel of the Company's land between Frank Sinatra Drive and New York-New York, adjacent to the Las Vegas Strip. The Company and AEG each own 50% of Las Vegas Arena Company. Such development is estimated to cost

approximately $350 million, excluding capitalized interest and land-related costs. The Las Vegas Arena Company recently entered into a multi-year naming rights agreement with T-Mobile. T-Mobile Arena is anticipated to seat between 18,000-2 0,000 people. In addition, the Company is building The Park entertainment district which connects to New York-New York, Monte Carlo and T-Mobile Arena. Also, effective January 1, 2016, the Las Vegas Arena Company leases and operates the MGM Grand Garden Arena under a long term lease with an initial 15-year term, plus two 5-year renewal options. See Note 6 and Note 11 for additional information related to Las Vegas Arena Company.

The Company has two reportable segments: wholly owned domestic resorts and MGM China. See Note 16 for additional information about the Company's segments.

NOTE 2 — BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation. The consolidated financial statements include the accounts of the Company and its subsidiaries. The Company's investments in unconsolidated affiliates which are 50% or less owned are accounted for under the equity method. The Company does not have significant variable interests in variable interest entities. All intercompany balances and transactions have been eliminated in consolidation.

Management's use of estimates. The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. These principles require the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair value measurements. Fair value measurements affect the Company's accounting and impairment assessments of its long-lived assets, investments in unconsolidated affiliates, cost method investments, assets acquired and liabilities assumed in an acquisition, and goodwill and other intangible assets. Fair value measurements also affect the Company's accounting for certain of its financial assets and liabilities. Fair value is defined as 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 and is measured according to a hierarchy that includes: Level 1 inputs, such as quoted prices in an active market; Level 2 inputs, which are observable inputs for similar assets; or Level 3 inputs, which are unobservable inputs.

- The Company uses Level 1 inputs for its long-term debt fair value disclosures. See Note 9;
- The Company used Level 3 inputs when assessing the fair value of its investment in Grand Victoria. See Note 6; and
- The Company used Level 2 and Level 3 inputs when measuring the impairment of goodwill related to the MGM China reporting unit, See Note 7.

Cash and cash equivalents. Cash and cash equivalents include investments and interest bearing instruments with maturities of 90 days or less at the date of acquisition. Such investments are carried at cost, which approximates market value. Book overdraft balances resulting from the Company's cash management program are recorded as accounts payable, construction payable, or other accrued liabilities, as applicable.

Cash deposits – original maturities longer than 90 days. At December 31, 2014, the Company had $570 million in certificates of deposit with original maturities longer than 90 days. Scheduled maturities were at or prior to March 31, 2015. The fair value of the certificates of deposit equaled their carrying value.

Accounts receivable and credit risk. Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of casino accounts receivable. The Company issues credit to approved casino customers and gaming promoters following background checks and investigations of creditworthiness. At December 31, 2015, 63% of the Company's casino receivables were due from customers residing in foreign countries. Business or economic conditions or other significant events in these countries could affect the collectability of such receivables.

Accounts receivable are typically non-interest bearing and are initially recorded at cost. Accounts are written off when management deems the account to be uncollectible. Recoveries of accounts previously written off are recorded when received. An estimated allowance for doubtful accounts is maintained to reduce the Company's receivables to their net carrying amount, which approximates fair value. The allowance is estimated based on both a specific review of customer accounts as well as historical collection experience and current economic and business conditions. Management believes that as of December 31, 2015, no significant concentrations of credit risk existed for which an allowance had not already been recorded.

Inventories. Inventories consist primarily of food and beverage, retail merchandise and operating supplies, and are stated at the lower of cost or market. Cost is determi ned primarily using the average cost method for food and beverage and operating supplies. Cost for retail merchandise is determined using the cost method.

Property and equipment. Property and equipment are stated at cost. A significant amount of the Company's property and equipment was acquired through business combinations and therefore recognized at fair value at the acquisition date. Gains or losses on dispositions of property and equipment are included in the determination of income or loss. Maintenance costs are expensed as incurred. As of December 31, 2015 and 2014, the Company had accrued $17 million and $14 million for property and equipment within accounts payable and $44 million and $24 million related to construction retention accrued in other long-term liabilities, respectively.

Property and equipment are generally depreciated over the following estimated useful lives on a straight-line basis:

Buildings and improvements	20 to 40 years
Land improvements	10 to 20 years
Furniture and fixtures	3 to 20 years
Equipment	3 to 20 years

The Company evaluates its property and equipment and other long-lived assets for impairment based on its classification as held for sale or to be held and used. Several criteria must be met before an asset is classified as held for sale, including that management with the appropriate authority commits to a plan to sell the asset at a reasonable price in relation to its fair value and is actively seeking a buyer. For assets held for sale, the Company recognizes the asset at the lower of carrying value or fair market value less costs to sell, as estimated based on comparable asset sales, offers received, or a discounted cash flow model. For assets to be held and used, the Company reviews for impairment whenever indicators of impairment exist. The Company then compares the estimated future cash flows of the asset, on an undiscounted basis, to the carrying value of the asset. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, then an impairment is recorded based on the fair value of the asset, typically measured using a discounted cash flow model. If an asset is still under development, future cash flows include remaining construction costs. All recognized impairment losses, whether for assets held for sale or assets to be held and used, are recorded as operating expenses. See Note 15 for information on recorded impairment charges.

Capitalized interest. The interest cost associated with major development and construction projects is capitalized and included in the cost of the project. When no debt is incurred specifically for a project, interest is capitalized on amounts expended on the project using the weighted-average cost of the Company's outstanding borrowings. Capitalization of interest ceases when the project is substantially complete or development activity is suspended for more than a brief period.

Investments in and advances to unconsolidated affiliates. The Company has investments in unconsolidated affiliates accounted for under the equity method. Under the equity method, carrying value is adjusted for the Company's share of the investees' earnings and losses, amortization of certain basis differences, as well as capital contributions to and distributions from these companies. Distributions in excess of equity method earnings are recognized as a return of investment and recorded as investing cash inflows in the accompanying consolidated statements of cash flows. The Company classifies operating income and losses as well as gains and impairments related to its investments in unconsolidated affiliates as a component of operating income or loss, as the Company's investments in such unconsolidated affiliates are an extension of the Company's core business operations.

The Company evaluates its investments in unconsolidated affiliates for impairment whenever events or changes in circumstances indicate that the carrying value of its investment may have experienced an "other-than-temporary" decline in value. If such conditions exist, the Company compares the estimated fair value of the investment to its carrying value to determine if an impairment is indicated and determines whether the impairment is "other-than-temporary" based on its assessment of all relevant factors, including consideration of the Company's intent and ability to retain its investment. The Company estimates fair value using a discounted cash flow analysis based on estimated future results of the investee and market indicators of terminal year capitalization rates, and a market approach that utilizes business enterprise value multiples based on a range of multiples from the Company's peer group. See Note 6 for results of the Company's review of its investment in certain of its unconsolidated affiliates.

Goodwill and other intangible assets. Goodwill represents the excess of purchase price over fair market value of net assets acquired in business combinations. Goodwill and indefinite-lived intangible assets must be reviewed for impairment at least annually and between annual test dates in certain circumstances. The Company performs its annual impairment tests in the fourth quarter of each fiscal year. An impairment of goodwill related to the MGM China reporting unit was recorded as a result of the annual impairment review in 2015. No impairments were indicated or recorded in 2014 and 2013. See Note 7.

Goodwill for relevant reporting units is tested for impairment using a discounted cash flow analysis based on the estimated future results of the Company's reporting units discounted using market discount rates and market indicators of terminal year capitalization rates, and a market approach that utilizes business enterprise value multiples based on a range of multiples from the Company's peer group. If the carrying value of the reporting unit exceeds its fair value, an indication of impairment exists and the Company must proceed to measure an impairment loss, if any. To me asure an impairment loss, the implied fair value of a reporting unit's goodwill is compared to the carrying value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit to its assets and liabi lities and the amount remaining, if any, is the implied fair value of goodwill. If the implied fair value of goodwill is less than its carrying value then it must be written down to its implied fair value. License rights are tested for impairment using a discounted cash flow approach, and trademarks are tested for impairment using the relief-from-royalty method. If the fair value of an indefinite-lived intangible asset is less than its carrying amount, an impairment loss is recognized equal to the differe nce.

Revenue recognition and promotional allowances. Casino revenue is the aggregate net difference between gaming wins and losses, with liabilities recognized for funds deposited by customers before gaming play occurs ("casino front money") and for chips in the customers' possession ("outstanding chip liability"). Hotel, food and beverage, entertainment, retail and other operating revenues are recognized as services are performed and goods are provided. Advance deposits on rooms and advance ticket sales are recorded as accrued liabilities until services are provided to the customer.

Gaming revenues are recognized net of certain sales incentives, including discounts and points earned in point-loyalty programs. The retail value of hotel rooms, food and beverage, and other services furnished to guests without charge is included in gross revenue and then deducted as promotional allowances. The estimated cost of providing promotional allowances is primarily included in casino expenses as follows:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
Rooms	$ 112,313	$ 115,463	$ 111,842
Food and beverage	279,041	295,667	294,555
Entertainment, retail and other	39,388	39,673	39,606
	$ 430,742	$ 450,803	$ 446,003

Gaming promoters. A significant portion of the high-end ("VIP") gaming volume at MGM Macau is generated through the use of gaming promoters, also known as junket operators. These operators introduce high-end gaming players to MGM Macau, assist these customers with travel arrangements, and extend gaming credit to these players. VIP gaming at MGM Macau is conducted by the use of special purpose nonnegotiable gaming chips. Gaming promoters purchase these nonnegotiable chips from MGM Macau and in turn sell these chips to their players. The nonnegotiable chips allow MGM Macau to track the amount of wagering conducted by each gaming promoters' clients in order to determine VIP gaming play volume, or rolling chip turnover, which is the amount of nonnegotiable chips wagered and lost. In exchange for the gaming promoters' services, MGM Macau compensates the gaming promoters through revenue-sharing arrangements or rolling chip turnover-based commissions. The estimated portion of the gaming promoter commissions that represent amounts passed through to VIP customers is recorded as a reduction of casino revenue, and the estimated portion retained by the gaming promoter for its compensation is recorded as casino expense.

Reimbursed expenses. The Company recognizes costs reimbursed pursuant to management services as revenue in the period it incurs the costs. Reimbursed costs related primarily to the Company's management of CityCenter.

Loyalty programs. The Company's primary loyalty program is "M life" and is available to patrons at substantially all of the Company's wholly owned and operated resorts and CityCenter. Members may earn points and/or Express Comps for their gaming play which can be redeemed at restaurants, box offices or the M life front desk at participating properties. Points may also be redeemed for free slot play on participating machines. The Company records a liability based on the points earned multiplied by the redemption value, less an estimate for points not expected to be redeemed, and records a corresponding reduction in casino revenue. Customers also earn Express Comps based on their gaming play which can be redeemed for complimentary goods and services, including hotel rooms, food and beverage, and entertainment. The Company records a liability for the estimated costs of providing goods and services for Express Comps based on the Express Comps earned multiplied by a cost margin, less an estimate for Express Comps not expected to be redeemed and records a corresponding expense in the casino department. MGM Macau also has a loyalty program, whereby patrons earn rewards that can be redeemed for complimentary services, including hotel rooms, food and beverage, and entertainment.

Advertising. The Company expenses advert ising costs the first time the advertising takes place. Advertising expense, which is generally included in general and administrative expenses, was $156 million for 2015 and 2014 and $153 million for 2013.

Corporate expense. Corporate expense represents unallocated payroll, aircraft costs, professional fees and various other expenses not directly related to the Company's casino resort operations. In addition, corporate expense includes the costs associated with the Company's evaluation and pursuit of new business opportunities, which are expensed as incurred.

Preopening and start-up expenses. Preopening and start-up costs, including organizational costs, are expensed as incurred. Costs classified as preopening and start-up expenses include payroll, outside services, advertising, and other expenses related to new or start-up operations.

Property transactions, net. The Company classifies transactions such as write-downs and impairments, demolition costs, and normal gains and losses on the sale of assets as "Property transactions, net." See Note 15 for a detailed discussion of these amounts.

Redeemable noncontrolling interest. In April 2015, MGM National Harbor issued non-voting economic interests in MGM National Harbor ("Interests") to Radio One, Inc. ("Radio One"), a noncontrolling interest party, for a purchase price of $5 million. In addition, Radio One was given the right to make one additional capital contribution of up to $35 million prior to July 1, 2016 for the purchase of additional Interests. In December 2015, MGM National Harbor issued Interests to 42 Gaming N.H., LLC ("42 Gaming"), a noncontrolling interest party, for a purchase price of $1.25 million. In addition, 42 Gaming was given the right to make one additional capital contribution of up to $8.75 million prior to July 1, 2016 for the purchase of additional Interests.

The Interests provide for annual preferred distributions by MGM National Harbor to Radio One and 42 Gaming based on a percentage of its annual net gaming revenue (as defined in the MGM National Harbor operating agreement). Such distributions will begin within ninety days after the end of the fiscal year in which the opening date of MGM National Harbor occurs, and after the end of each subsequent fiscal year. Also, beginning on the third anniversary of the last day of the calendar quarter in which the opening date of MGM National Harbor occurs (and on each subsequent anniversary thereof) Radio One and 42 Gaming will each have the ability to require MGM National Harbor to purchase all or a portion of their Interests for a purchase price based on a contractually agreed upon formula. Radio One and 42 Gaming also each have the right to sell back all or a portion of their Interests prior to such date if MGM National Harbor were to guarantee or grant liens to secure any indebtedness of the Company or its affiliates other than the indebtedness of MGM National Harbor.

The Company has recorded the Interests as "Redeemable noncontrolling interests" in the mezzanine section of the accompanying consolidated balance sheets and not stockholders' equity because their redemption is not exclusively in the Company's control. Interests are initially accounted for at fair value. Subsequently, the Company will recognize changes in the redemption value as they occur and adjust the carrying amount of the redeemable noncontrolling interests to equal the maximum redemption value, provided such amount does not fall below the initial carrying value, at the end of each reporting period. The Company will reflect any changes caused by such an adjustment in retained earnings or accumulated deficit.

Income (loss) per share of common stock. The table below reconciles basic and diluted income (loss) per share of common stock. Diluted net loss attributable to MGM Resorts International includes adjustments for the potentially dilutive effect on the Company's equity interest in MGM China due to shares outstanding under the MGM China Share Option Plan. Diluted weighted-average common and common equivalent shares includes adjustments for potential dilution of share-based awards outstanding under the Company's stock compensation plans and the assumed conversion of convertible debt, unless the effect of inclusion of such shares would be antidilutive.

	Year Ended December 31,		
	2015	2014	2013
Numerator:	*(In thousands)*		
Net loss attributable to MGM Resorts International - basic	$ (447,720)	$ (149,873)	$ (171,734)
Potentially dilutive effect due to MGM China Share Option Plan	—	(340)	(104)
Net loss attributable to MGM Resorts International - diluted	$ (447,720)	$ (150,213)	$ (171,838)
Denominator:			
Weighted-average common shares outstanding - basic and diluted	542,873	490,875	489,661
Antidilutive share-based awards excluded from the calculation of diluted earnings per share	18,276	19,254	18,468

The weighted-average common shares outstanding for the year ended December 31, 2015 included the weighted average impact of the $300 million 4.25% convertible senior notes issued in June 2011 and the $1.15 billion 4.25% convertible senior notes issued in

April 2010 from the date of their conversion on April 15, 2015. The weighted-average impact of the assumed conversion of the convertible senior notes was excluded from the calculation of diluted earnings per share for the years ended December 31, 2015, 2014 and 2013 as their effect would be antidilutive.

Currency translation. The Company translates the financial statements of foreign subsidiaries that are not denominated in U.S. dollars. Balance sheet accounts are translated at the exchange rate in effect at each balance sheet date. Income statement accounts are translated at the average rate of exchange prevailing during the period. Translation adjustments resulting from this process are recorded to other comprehensive income (loss).

Comprehensive income (loss). Comprehensive income (loss) includes net income (loss) and all other non-stockholder changes in equity, or other comprehensive income (loss). Elements of the Company's accumulated other comprehensive income are reported in the accompanying consolidated statements of stockholders' equity, and the cumulative balance of these elements consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Currency translation adjustments	$ 27,167	$ 23,440
Other comprehensive income from unconsolidated affiliates	—	672
Accumulated other comprehensive income	27,167	24,112
Less: Currency translation adjustment attributable to noncontrolling interests	(13,145)	(11,121)
Accumulated other comprehensive income attributable to MGM Resorts International	$ 14,022	$ 12,991

Recently issued accounting standards. On February 25, 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2016-02, "Leases (Topic 842)," ("ASU 2016-02"), which replaces the existing guidance in Accounting Standard Codification 840, Leases. ASU 2016-02 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2018. ASU 2016-02 requires a dual approach for lessee accounting under which a lessee would account for leases as finance leases or operating leases. Both finance leases and operating leases will result in the lessee recognizing a right-of-use ("ROU") asset and a corresponding lease liability. For finance leases the lessee would recognize interest expense and amortization of the ROU asset and for operating leases the lessee would recognize a straight-line total lease expense. The Company is currently assessing the impact that adoption of this guidance will have on its consolidated financial statements and footnote disclosures.

In August 2015, the FASB issued Accounting Standards Update No. 2015-14, "Revenue From Contracts With Customers (Topic 606): Deferral of the Effective Date," which defers the effective date of Accounting Standards Update No. 2014-09, "Revenue From Contracts With Customers," ("ASU 2014-09") to the fiscal year, and interim periods within the year, beginning on or after December 15, 2017. FASB ASU 2014-09 outlines a new, single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. This new revenue recognition model provides a five-step analysis in determining when and how revenue is recognized. Additionally, the new model will require revenue recognition to depict the transfer of promised goods or services to customers in an amount that reflects the consideration a company expects to receive in exchange for those goods or services. The Company is currently assessing the impact that adoption of this guidance will have on its consolidated financial statements and footnote disclosures.

In July 2015, the FASB issued Accounting Standards Update No. 2015-11, "Simplifying the Measurement of Inventory," ("ASU 2015-11"), effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. ASU 2015-11 requires inventory that is measured using first-in, first-out (FIFO) or average cost method to be measured "at the lower of cost and net realizable value," thereby simplifying the current guidance under which an entity must measure inventory at the lower of cost or market (market in this context is defined as one of three different measures). ASU No. 2015-11 will not apply to inventories that are measured by using either the LIFO method or the retail inventory method. The Company is currently assessing the impact that adoption of ASU 2015-11 will have on its consolidated financial statements and footnote disclosures.

In February 2015, the FASB issued Accounting Standards Update No. 2015-02, "Amendments to the Consolidation Analysis," ("ASU 2015-02"), which is effective for fiscal years, and interim periods within those years, beginning after December 15, 2015. ASU 2015-02 amends: the assessment of whether a limited partnership is a variable interest entity; the effect that fees paid to a decision maker have on the consolidation analysis; how variable interests held by a reporting entity's related parties or de facto agents affect its consolidation conclusion; and for entities other than limited partnerships, clarifies how to determine whether the equity holders as a

gr oup have power over an entity. The adoption of ASU 2015-02 will not have a material impact on the Company's consolidated financial statements and footnote disclosures.

During 2015, the Company early adopted Accounting Standard Update No. 2015-03, "Simplifying the Presentation of Debt Issuance Costs," ("ASU 2015-03"), which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the carrying value of the associated debt liability, consistent with the presentation of a debt discount. The amortization of such costs will continue to be reported as interest expense. In addition, in accordance with ASU No. 2015-15, "Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements: Amendments to SEC Paragraph Pursuant to Staff Announcement at June 18, 2015 EITF Meeting," ("ASU 2015-15"), which was adopted concurrent with ASU 2015-03, the Company will continue to present the debt issuance costs associated with the Company's revolving credit facilities as other assets included within the Company's consolidated balance sheets and continue amortizing those deferred costs over the term of the related facilities. ASU 2015-03 requires the new guidance to be applied on a retrospective basis. Accordingly, as of December 31, 2015 and 2014, the Company reclassified $118 million and $109 million, respectively, of debt issuance costs in the accompanying consolidated balance sheets.

During the fourth quarter of 2015, the Company early adopted on a prospective basis FASB Accounting Standards Update No. 2015-17, "Balance Sheet Classification of Deferred Taxes," ("ASU 2015-17"). ASU 2015-17 requires that deferred tax liabilities and assets, along with any related valuation allowance, be classified as noncurrent in a classified statement of financial position. The amendments in ASU 2015-17 may be applied on either a prospective or retrospective basis. The Company had a current deferred tax liability of $62 million for the year ended December 31, 2014. The Company adopted ASU 2015-17 on a prospective basis, and accordingly the prior periods have not been retrospectively adjusted in the accompanying financial statements.

NOTE 3 — ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Casino	$ 285,182	$ 307,152
Hotel	157,489	149,268
Other	127,677	106,527
	570,348	562,947
Less: Allowance for doubtful accounts	(89,789)	(89,602)
	$ 480,559	$ 473,345

NOTE 4 — DISPOSITIONS AND ASSETS HELD FOR SALE

On April 1, 2015, the Company closed the sale of Railroad Pass. At closing, the Company received $8 million in cash proceeds. The assets and liabilities of Railroad Pass were classified as held for sale as of December 31, 2014. At December 31, 2014, assets held for sale of $9 million, comprised predominantly of property, plant and equipment, were classified within "Prepaid expenses and other" and liabilities related to assets held for sale of $2 million, comprised of accounts payable and other accrued liabilities, were classified within "Other accrued liabilities."

On April 30, 2015, the Company closed the sale of Gold Strike and related assets in Jean, Nevada. At closing, the Company received $12 million in cash proceeds . The assets and liabilities of Gold Strike were classified as held for sale as of December 31, 2014. At December 31, 2014, assets held for sale of $14 million comprised predominantly of property, plant and equipment, were classified within "Prepaid expenses and other" and liabilities related to assets held for sale of $2 million, comprised of accounts payable and other accrued liabilities, were classified within "Other accrued liabilities."

On July 7, 2015, the Company entered into an agreement with Eldorado Resorts, Inc. to sell Circus Circus Reno, as well as the Company's 50% interest in Silver Legacy and associated real property. On November 23, 2015, the Company closed the sale and received $80 million in cash proceeds and recorded a gain of $23 million related to the sale, classified within "Property transactions, net." See Note 6 for further discussion of the sale of the Company's 50% investment in Silver Legacy.

Railroad Pass, Gold Strike and Circus Circus Reno were not classified as discontinued operations because the Company concluded that the sales did not have a major effect on the Company's operations or its financial results and they do not represent a disposal of a major geographic segment or product line.

NOTE 5 — PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Land	$ 6,495,391	$ 6,475,134
Buildings, building improvements and land improvements	9,429,945	9,313,308
Furniture, fixtures and equipment	4,274,537	4,178,723
Construction in progress	2,111,860	999,616
	22,311,733	20,966,781
Less: Accumulated depreciation and amortization	(6,939,938)	(6,525,239)
	$ 15,371,795	$ 14,441,542

NOTE 6 — INVESTMENTS IN AND ADVANCES TO UNCONSOLIDATED AFFILIATES

Investments in and advances to unconsolidated affiliates consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
CityCenter Holdings, LLC – CityCenter (50%)	$ 1,136,452	$ 1,221,306
Elgin Riverboat Resort–Riverboat Casino – Grand Victoria (50%)	122,500	141,162
Marina District Development Company – Borgata (50%)	134,454	109,252
Other	98,091	87,314
	$ 1,491,497	$ 1,559,034

The Company recorded its share of the net income (loss) from unconsolidated affiliates, including adjustments for basis differences, as follows:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
Income from unconsolidated affiliates	$ 257,883	$ 63,836	$ 68,829
Preopening and start-up expenses	(3,475)	(917)	(507)
Non-operating items from unconsolidated affiliates	(76,462)	(87,794)	(208,682)
	$ 177,946	$ (24,875)	$ (140,360)

CityCenter

CityCenter litigation settlement. In December 2014, the Company and CityCenter entered into a settlement agreement with Perini Building Company, Inc. ("Perini"), general contractor for CityCenter, the remaining Perini subcontractors and relevant insurers to resolve all outstanding project lien claims and CityCenter's counterclaims relating to the Harmon Hotel and Spa. The settlement was subject to execution of a global settlement agreement among the parties described above, which was subsequently executed, and CityCenter's procurement of replacement general liability insurance covering construction of the CityCenter development, which was obtained in January 2015. The proceeds pursuant to such global settlement agreement, combined with certain prior Harmon-related insurance settlement proceeds, resulted in a gain of $160 million recorded by CityCenter during the first quarter of 2015, of which the Company recorded its 50% share of $80 million.

CityCenter distribution. In April 2015, CityCenter adopted an annual distribution policy and declared a special distribution of $400 million, of which the Company received its 50% share of $200 million. Under the annual distribution policy, CityCenter will distribute up to 35% of excess cash flow, subject to the approval of the CityCenter board of directors.

October 2013 debt restructuring transactions. In October 2013, CityCenter entered into a $1.775 billion senior secured credit facility. The senior secured credit facility consists of a $75 million revolving facility maturing in October 2018, and a $1.7 billion term

loan B facility maturing in October 2020. The term loan B facility was issued at 99% of the principal amount and bears interest at LIBOR plus 3.25% with a LIBOR f loor of 1.00%. Concurrent with the closing of the new senior secured credit facility, CityCenter issued a notice of full redemption with respect to its existing 7.625% senior secured first lien notes and 10.75%/11.50% senior secured second lien PIK toggle notes and discharged each of the indentures for its first and second lien notes at a premium in accordance with the terms of such indentures. As a result of the transaction, the Company recorded a charge of $70 million for its share of CityCenter's non-ope rating loss on retirement of long-term debt, primarily consisting of premiums associated with the redemption of the existing first and second lien notes as well as the write-off of previously unamortized debt issuance costs. CityCenter permanently repaid $ 38 million and $154 million of its term loan B facility in 2015 and 2014, respectively.

In addition, in connection with the October 2013 debt restructuring, sponsor notes with a carrying value of approximately $738 million were converted to members' equity. Subsequent to these transactions, CityCenter's senior credit facility is its only remaining long-term debt. The senior secured credit facility is secured by substantially all the assets of CityCenter, and contains certain financial covenants including minimum interest coverage ratios and maximum leverage ratio requirements (as defined in the CityCenter agreements).

Grand Victoria

At December 31, 2015, the Company reviewed the carrying value of its Grand Victoria investment for impairment due to a greater than anticipated decline in operating results due in part to a continued loss of market share to video gaming terminals, as well as a decrease in forecasted cash flows compared to the prior forecast. The Company used a blended discounted cash flow analysis and guideline public company method to determine the estimated fair value from a market participant's viewpoint. Key assumptions included in the discounted cash flow analysis were estimates of future cash flows including outflows for capital expenditures, a long-term growth rate of 2% and a discount rate of 10.5%. Key assumptions in the guideline public company method included business enterprise value multiples selected based on the range of multiples in Grand Victoria's peer group. As a result of the analysis, the Company determined that it was necessary to record an other-than-temporary impairment charge of $17 million at December 31, 2015, based on an estimated fair value of $123 million for the Company's 50% interest. The Company intends to, and believes it will be able to, retain the investment in Grand Victoria; however, due to the extent of the shortfall and the Company's assessment of the uncertainty of fully recovering its investment, the Company has determined that the impairment was other-than-temporary.

At June 30, 2014, the Company reviewed the carrying value of its Grand Victoria investment for impairment due to a greater than anticipated decline in operating results and loss of market share due to the proliferation of video gaming terminals in the Illinois market, as well as a decrease in forecasted cash flows compared to the prior forecast. The Company used a blended discounted cash flow analysis and guideline public company method to determine the estimated fair value from a market participant's viewpoint. Key assumptions included in the discounted cash flow analysis were estimates of future cash flows including outflows for capital expenditures, a long-term growth rate of 2% and a discount rate of 10.5%. Key assumptions in the guideline public company method included business enterprise value multiples selected based on the range of multiples in Grand Victoria's peer group. As a result of the analysis, the Company determined that it was necessary to record an other-than-temporary impairment charge of $29 million at June 30, 2014, based on an estimated fair value of $140 million for the Company's 50% interest.

At June 30, 2013, the Company reviewed the carrying value of its Grand Victoria investment for impairment due to a greater than anticipated decline in operating results and loss of market share as a result of the opening of a new river boat casino in the Illinois market, as well as a decrease in forecasted cash flows compared to the prior forecast. The Company used a blended discounted cash flow analysis and guideline public company method to determine the estimated fair value from a market participant's viewpoint. Key assumptions included in the discounted cash flow analysis were estimates of future cash flows including outflows for capital expenditures, a long-term growth rate of 2% and a discount rate of 11%. Key assumptions in the guideline public company method included business enterprise value multiples selected based on the range of multiples in Grand Victoria's peer group. As a result of the analysis, the Company determined that it was necessary to record an other-than-temporary impairment charge of $37 million based on an estimated fair value of $170 million for the Company's 50% interest.

Las Vegas Arena Company

In September 2014, a wholly owned subsidiary of Las Vegas Arena Company entered into a senior secured credit facility to finance construction of the T-Mobile Arena. In connection with this senior credit facility, MGM Resorts International and AEG each entered into a repayment guarantee for the term loan B (which is subject to increases and decreases in the event of rebalancing of the principal amount of indebtedness between the term loan A and term loan B facilities). As of December 31, 2015, the senior secured credit facility consisted of a $120 million term loan A and an $80 million term loan B. The senior secured credit facility matures in October 2016, with an option to extend the maturity for three years. The senior secured credit facility is secured by substantially all the assets of the Las Vegas Arena Company, and contains certain financial covenants applicable upon opening of the T-Mobile Arena. I n accordance with the Las Vegas Arena Company's senior secured credit facility, the Company and AEG contributed equal amounts

totaling $175 million for construction, all of which has been contributed as of December 31, 2015. See Note 11 f or discussion of the Company's joint and several completion and repayment guarantees and equity contribution commitments related to the Las Vegas Arena Company.

Silver Legacy

As discussed in Note 4, the Company closed the sale of its 50% interest in Silver Legacy on November 23, 2015, received proceeds of $58 million, and recorded a gain of $20 million. The Company's investment in Silver Legacy was not classified as discontinued operations because the Company has concluded that the sale will not have a major effect on the Company's operations or its financial results and it does not represent a disposal of a major geographic segment or product line.

Unconsolidated Affiliate Financial Information

Summarized balance sheet information of the unconsolidated affiliates is as follows:

	December 31,	
	2015	2014
	(In thousands)	
Current assets	$ 592,883	$ 772,412
Property and other assets, net	9,128,866	9,381,601
Current liabilities	482,633	683,452
Long-term debt and other long-term obligations	2,268,157	2,396,376
Equity	6,970,959	7,074,185

Summarized results of operations of the unconsolidated affiliates are as follows:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
Net revenues	$ 2,362,258	$ 2,299,698	$ 2,280,309
Operating expenses	(1,941,812)	(2,278,039)	(2,247,743)
Operating income	420,446	21,659	32,566
Interest expense	(142,396)	(164,055)	(328,740)
Non-operating expenses	(15,101)	(13,337)	(146,898)
Net income (loss)	$ 262,949	$ (155,733)	$ (443,072)

Results of operations of the unconsolidated affiliates includes the results of Silver Legacy through the date of disposition on November 23, 2015.

Basis Differences

The Company's investments in unconsolidated affiliates do not equal the Company's share of venture-level equity due to various basis differences. Basis differences related to depreciable assets are being amortized based on the useful lives of the related assets and liabilities and basis differences related to non–depreciable assets, such as land and indefinite-lived intangible assets, are not being amortized. Differences between the Company's share of venture-level equity and investment balances are as follows:

	December 31,	
	2015	2014
	(In thousands)	
Venture-level equity attributable to the Company	$ 3,486,117	$ 3,532,746
Adjustment to CityCenter equity upon contribution of net assets by MGM Resorts International (1)	(573,163)	(578,554)
CityCenter capitalized interest (2)	241,374	251,450
CityCenter completion guarantee (3)	372,785	466,660
CityCenter deferred gain (4)	(236,327)	(238,749)
CityCenter capitalized interest on sponsor notes (5)	(47,158)	(49,892)
Other-than-temporary impairments of CityCenter investment (6)	(1,800,191)	(1,857,673)
Other-than-temporary impairments of Borgata investment (7)	(126,446)	(130,333)
Acquisition fair value adjustments net of other-than-temporary impairments of Grand Victoria investment (8)	99,619	116,669
Other adjustments	74,887	46,710
	$ 1,491,497	$ 1,559,034

(1) Primarily relates to land and fixed assets.
(2) Relates to interest capitalized on the Company's investment balance during development and construction stages.
(3) Created by contributions to CityCenter under the completion guarantee recognized as equity contributions by CityCenter split between the members.
(4) Relates to a deferred gain on assets contributed to CityCenter upon formation of CityCenter.
(5) Relates to interest on the sponsor notes capitalized by CityCenter during development. Such sponsor notes were converted to equity in 2013.
(6) The impairment of the Company's CityCenter investment includes $426 million of impairments allocated to land.
(7) The impairment of the Company's Borgata investment includes $90 million of impairments allocated to land.
(8) Relates to indefinite-lived gaming license rights for Grand Victoria and other-than-temporary impairments of the Company's investment in Grand Victoria.

NOTE 7 — GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill and other intangible assets consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Goodwill:		
Wholly owned domestic resorts	$ 70,975	$ 70,975
MGM China	1,359,792	2,826,135
	$ 1,430,767	$ 2,897,110
Indefinite-lived intangible assets:		
Detroit development rights	$ 98,098	$ 98,098
Trademarks, license rights and other	229,022	232,123
Total indefinite-lived intangible assets	327,120	330,221
Finite-lived intangible assets:		
MGM Grand Paradise gaming subconcession	4,515,867	4,513,101
Less: Accumulated amortization	(858,531)	(692,047)
	3,657,336	3,821,054
MGM Macau land concession	84,769	84,717
Less: Accumulated amortization	(19,554)	(15,272)
	65,215	69,445
MGM China customer lists	129,025	128,946
Less: Accumulated amortization	(126,003)	(116,664)
	3,022	12,282
MGM China gaming promoter relationships	180,635	180,524
Less: Accumulated amortization	(180,635)	(161,467)
	—	19,057
Maryland license, Massachusetts license and other intangible assets	136,127	136,827
Less: Accumulated amortization	(24,039)	(24,030)
	112,088	112,797
Total finite-lived intangible assets, net	3,837,661	4,034,635
Total other intangible assets, net	$ 4,164,781	$ 4,364,856

The following table summarizes our gross carrying value of goodwill and related cumulative impairment losses as of December 31, 2015:

	Gross Carrying Value	Cumulative Impairment Losses	Goodwill, net
		(In thousands)	
Goodwill, net by Reportable Segment:			
Wholly Owned Domestic Resorts	$ 1,239,063	$ (1,168,088)	$ 70,975
MGM China	2,827,783	(1,467,991)	1,359,792
Balance, December 31, 2015	$ 4,066,846	$ (2,636,079)	$ 1,430,767

Goodwill related to wholly owned domestic resorts relates to the acquisition of Mirage Resorts in 2001 and the acquisition of Mandalay Resort Group in 2005. The Company recognized goodwill resulting from its acquisition of a controlling interest in MGM China in 2011.

Due to a significant decrease in MGM China's cash flows as well as a decline in the market capitalization of MGM China relative to its net book value, the Company performed an interim impairment test of goodwill related to the MGM China reporting unit in the second quarter of 2015. The results of the Company's interim impairment test indicated the fair value of the MGM China reporting unit exceeded its carrying value by 9%.

During the fourth quarter of 2015, the Company conducted its annual impairment tests of goodwill by reviewing each of its reporting units, including its MGM China reporting unit. The step one goodwill analysis of the MGM China reporting unit indicated the fair value was less than its carrying value by 4%. The decrease in fair value from the interim test valuation date resulted from a

further decrease in forecasted cash flows from the interim analysis based on current market conditions and a further and sus tained decline in the enterprise value multiples of the MGM China reporting unit as well as the multiples of the reporting unit's peer group.

As a result of the indication of impairment from its step one analysis, the Company performed a step two impairment analysis to measure the impairment loss. As such, the Company determined the current fair values of all assets of the MGM China reporting unit, including its separately identifiable intangible assets. The current fair values of each of the separately identifiable intangible assets exceeded their respective carrying values by a significant amount, leading to a lower implied fair value of goodwill. Therefore, the Company recorded a $1.5 billion non-cash impairment charge to reduce the historical carrying value of goodwill related to the MGM China reporting unit to its implied fair value. The impairment charge is reflected in "Property transactions, net" in the accompanying Consolidated Statements of Operations for the year ended December 31, 2015. The carrying value of goodwill related to the MGM China reporting unit as of December 31, 2015 following the impairment charge was $1.4 billion.

The Company's indefinite-lived intangible assets consist primarily of development rights in Detroit, trademarks and license rights, of which $210 million consists of trademarks and trade names related to the Mandalay Resort Group acquisition.

MGM Grand Paradise gaming subconcession. Pursuant to the agreement dated June 19, 2004 between MGM Grand Paradise and Sociedade de Jogos de Macau, S.A., a gaming subconcession was acquired by MGM Grand Paradise for the right to operate casino games of chance and other casino games for a period of 15 years commencing on April 20, 2005. The Company cannot provide any assurance that the gaming subconcession will be extended beyond the original terms of the agreement; however, management believes that the gaming subconcession will be extended, given that the land concession agreement with the government extends significantly beyond the gaming subconcession. In addition, management believes that the fair value of MGM China reflected in the IPO pricing suggests that market participants have assumed the gaming subconcession will be extended beyond its initial term. As such, the Company was amortizing the gaming subconcession intangible asset on a straight-line basis over the initial term of the land concession through April 6, 2031. In January 2013, the Company's Cotai land concession was gazetted by the Macau government at which time the Company determined that the estimated remaining useful life of its gaming subconcession would be extended through the initial 25-year term of the Cotai land concession, ending in January 2038.

MGM Macau land concession. MGM Grand Paradise entered into a contract with the Macau government to use the land under MGM Macau commencing from April 6, 2006. The land use right has an initial term through April 6, 2031, subject to renewal for additional periods. The land concession intangible asset is amortized on a straight-line basis over the remaining initial contractual term.

MGM China customer lists. The Company recognized an intangible asset related to customer lists, which is amortized on an accelerated basis over its estimated useful life of five years.

MGM China gaming promoter relationships. The Company recognized an intangible asset related to its relationships with gaming promoters, which was amortized on a straight-line basis over its estimated useful life of four years. The gaming promoter relationship intangible asset became fully amortized in 2015.

Maryland license. The Company was granted a license to operate a casino in Maryland. The consideration paid to the State of Maryland for the license fee of $22 million is considered a finite-lived intangible asset that will be amortized over a period of 15 years beginning upon the opening of the casino resort.

Massachusetts license. The Company was granted a license to operate a casino in Massachusetts. The consideration paid to the State of Massachusetts for the license fee of $85 million is considered a finite-lived intangible asset that will be amortized over a period of 15 years beginning upon the opening of the casino resort.

Other. The Company's other finite–lived intangible assets consist primarily of lease acquisition costs amortized over the life of the related leases, and certain license rights amortized over their contractual life.

Total amortization expense related to intangible assets was $1 99 million, $232 million and $243 million for 2015, 2014, and 2013, respectively. Estimated future amortization is as follows:

Years ending December 31,	*(In thousands)*
2016	$ 174,424
2017	172,482
2018	173,426
2019	178,149
2020	178,149
Thereafter	2,961,031
	$ 3,837,661

NOTE 8 — OTHER ACCRUED LIABILITIES

Other accrued liabilities consisted of the following:

	December 31,	
	2015	**2014**
	(In thousands)	
Payroll and related	$ 370,672	$ 369,497
Advance deposits and ticket sales	104,461	103,440
Casino outstanding chip liability	282,810	294,466
Casino front money deposits	127,947	122,184
MGM China gaming promoter commissions	33,064	74,754
Other gaming related accruals	91,318	114,165
Taxes, other than income taxes	153,531	201,562
Completion guarantee liability	—	148,929
Other	147,641	145,620
	$ 1,311,444	$ 1,574,617

NOTE 9 — LONG-TERM DEBT

Long-term debt consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Senior credit facility term loans	$ 2,716,000	$ 2,744,000
MGM China credit facility	1,559,909	553,177
$1,450 million 4.25% convertible senior notes, due 2015	—	1,450,000
$875 million 6.625% senior notes, due 2015	—	875,000
$242.9 million 6.875% senior notes, due 2016	242,900	242,900
$732.7 million 7.5% senior notes, due 2016	732,749	732,749
$500 million 10% senior notes, due 2016	500,000	500,000
$743 million 7.625% senior notes, due 2017	743,000	743,000
$475 million 11.375% senior notes, due 2018	475,000	475,000
$850 million 8.625% senior notes, due 2019	850,000	850,000
$500 million 5.25% senior notes, due 2020	500,000	500,000
$1,000 million 6.75% senior notes, due 2020	1,000,000	1,000,000
$1,250 million 6.625% senior notes, due 2021	1,250,000	1,250,000
$1,000 million 7.75% senior notes, due 2022	1,000,000	1,000,000
$1,250 million 6% senior notes, due 2023	1,250,000	1,250,000
$0.6 million 7% debentures, due 2036	552	552
$4.3 million 6.7% debentures, due 2096	4,265	4,265
	12,824,375	14,170,643
Less: premiums, discounts, and unamortized debt issuance costs, net	(127,622)	(120,038)
	12,696,753	14,050,605
Less: Current portion, net of discounts and unamortized debt issuance costs	(328,442)	(1,245,320)
	$ 12,368,311	$ 12,805,285

As of December 31, 2015, the amount available under the Company's revolving senior credit facility was less than current maturities related to the Company's term loan credit facilities and senior notes. At December 31, 2014, the amount available under the Company's revolving senior credit facility was less than current maturities related to the Company's term loan credit facilities, convertible senior notes and senior notes. The Company excluded from the December 31, 2015 and 2014 current portion of long-term debt the amount available for refinancing under its revolving credit facility.

Interest expense, net consisted of the following:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
Total interest incurred	$ 862,377	$ 846,321	$ 862,417
Interest capitalized	(64,798)	(29,260)	(5,070)
	$ 797,579	$ 817,061	$ 857,347

Senior credit facility. At December 31, 2015, the Company's senior credit facility consisted of a $1.2 billion revolving credit facility, a $1.02 billion term loan A facility and a $1.70 billion term loan B facility. The revolving and term loan A facilities bear interest at LIBOR plus an applicable rate determined by the Company's credit rating (2.75% as of December 31, 2015). The term loan B facility bears interest at LIBOR plus 2.50%, with a LIBOR floor of 1.00%. The revolving and term loan A facilities mature in December 2017 and the term loan B facility matures in December 2019. The term loan A and term loan B facilities are subject to scheduled amortization payments on the last day of each calendar quarter in an amount equal to 0.25% of the original principal balance. The Company permanently repaid $28 million in 2015, in accordance with the scheduled amortization. The Company had $1.2 billion of available borrowing capacity under its senior credit facility at December 31, 2015. At December 31, 2015, the interest rate on the term loan A was 3.17% and the interest rate on the term loan B was 3.50%.

The land and substantially all of the assets of MGM Grand Las Vegas, Bellagio and The Mirage secure up to $3.35 billion of obliga tions outstanding under the senior credit facility. In addition, the land and substantially all of the assets of New York-New York and Gold Strike Tunica secure the entire amount of the senior credit facility, and the land and substantially all of the asse ts of MGM Grand Detroit secure its $450 million of obligations as a co-borrower under the senior credit facility. In addition, the senior credit facility is secured by a pledge of the equity or limited liability company interests of the subsidiaries that o wn the pledged properties.

The senior credit facility contains customary representations and warranties and customary affirmative and negative covenants. In addition, the senior credit facility requires the Company and its restricted subsidiaries (the "Restricted Group") to maintain a minimum trailing four-quarter EBITDA (as defined in the senior credit facility) and limits the ability of the Restricted Group to make capital expenditures and investments. As of December 31, 2015, the Restricted Group is required to maintain a minimum EBITDA of $1.30 billion. The minimum EBITDA requirement increases to $1.35 billion for March 31, 2016 through December 31, 2016, and to $1.40 billion for March 31, 2017 and thereafter. EBITDA for the trailing four quarters ended December 31, 2015, calculated in accordance with the terms of the senior credit facility (which includes cash distributions from unconsolidated affiliates, such as the CityCenter distribution), was $1.71 billion. The senior credit facility limits the Restricted Group to capital expenditures of $500 million per fiscal year, with unused amounts in any fiscal year rolling over to the next fiscal year, but not any fiscal year thereafter. The Restricted Group's total capital expenditures allowable under the senior credit facility for fiscal year 2015, after giving effect to unused amounts from 2014, was $794 million. In addition, the senior credit facility limits the Restricted Group's ability to make investments subject to certain thresholds and other important exceptions. As of December 31, 2015, the Restricted Group was within the limit of capital expenditures and other investments for the 2015 calendar year.

The senior credit facility provides for customary events of default, including, without limitation, (i) payment defaults, (ii) covenant defaults, (iii) cross-defaults to certain other indebtedness in excess of specified amounts, (iv) certain events of bankruptcy and insolvency, (v) judgment defaults in excess of specified amounts, (vi) the failure of any loan document by a significant party to be in full force and effect and such circumstance, in the reasonable judgment of the required lenders, is materially adverse to the lenders, or (vii) the security documents cease to create a valid and perfected first priority lien on any material portion of the collateral. In addition, the senior credit facility provides that a cessation of business due to revocation, suspension or loss of any gaming license affecting a specified amount of its revenues or assets, will constitute an event of default.

MGM China credit facility. In June 2015, MGM China and MGM Grand Paradise, as co-borrowers, entered into a second amended and restated credit facility which consists of $1.55 billion of term loans and a $1.45 billion revolving credit facility. The term was extended for an eighteen month period to April 2019, with scheduled amortization payments of the term loans beginning in October 2017. The MGM China credit facility bears interest at a fluctuating rate per annum based on HIBOR plus a margin that will range between 1.375% and 2.50% based on MGM China's leverage ratio. The MGM China credit facility is secured by MGM Grand Paradise's interest in the Cotai land use right, and MGM China, MGM Grand Paradise and their guarantor subsidiaries have granted a security interest in substantially all of their assets to secure the facility. The outstanding balance at December 31, 2015 was comprised solely of term loans. At December 31, 2015, weighted average interest rate on the term loans was 1.97%.

The MGM China credit facility contains customary representations and warranties, events of default, affirmative covenants and negative covenants, which impose restrictions on, among other things, the ability of MGM China and its subsidiaries to make investments, pay dividends and sell assets, and to incur additional liens. As of December 31, 2015, MGM China was required to maintain compliance with a maximum leverage ratio of 4.50 to 1.00 in addition to a minimum interest coverage ratio of 2.50 to 1.00. MGM China was in compliance with the credit facility covenants at December 31, 2015.

In February 2016, the MGM China credit facility was amended. The amendment included changes to the required maximum leverage ratio which increases to 6.00 to 1.00 beginning September 30, 2016 through June 30, 2017, then decreases to 5.50 to 1.00 for September 30, 2017, 5.00 to 1.00 for December 31, 2017, and 4.50 to 1.00 for March 31, 2018 and thereafter.

MGM National Harbor credit agreement. In January 2016, MGM National Harbor, LLC, the Company's wholly owned subsidiary developing and constructing MGM National Harbor, entered into a credit agreement consisting of a $100 million revolving credit facility and a $425 million delayed draw term loan facility, of which $250 million was funded at closing . The revolving and term loan facilities initially bear interest at a LIBOR rate plus an additional rate ranging from 2.00% to 2.25% per annum (determined based on a total leverage ratio) . The term loan facilities are subject to scheduled amortization payments on the last day of each calendar quarter beginning the fourth full fiscal quarter following the opening date of MGM National Harbor, initially in an amount equal to 1.25% of the aggregate principal balance and increasing to 1.875% and 2.50% of the aggregate principal balance on the last day of the twelfth and sixteenth full fiscal quarter, respectively. The term loan and revolving facilities are scheduled to mature in January 2021.

The credit agreement is secured by a leasehold mortgage on MGM National Harbor and substantially all of the existing and future property of MGM National Harbor. Mandatory prepayments will be required upon the occurrence of certain events, including

sales of certain assets, casualt y events and the incurrence of certain additional indebtedness, subject to certain exceptions and reinvestment rights. In addition, to the extent MGM National Harbor generates excess cash flow (as defined), a percentage of such excess cash flow (ranging fr om 0% to 50% based on a total leverage ratio) will be required to be used to prepay the term loan facilities commencing with the fiscal year ended 2017.

The credit agreement contains customary representations and warranties, events of default, affirmative covenants and negative covenants, which impose restrictions on, among other things, the ability of MGM National Harbor, LLC and its restricted subsidiaries to make investments, pay dividends, sell assets, and to incur additional debt and additional liens. In addition, the credit agreement requires MGM National Harbor, LLC and its restricted subsidiaries to maintain a maximum total leverage ratio and a minimum interest coverage ratio. In addition, borrowings under the credit agreement are subject to a customary "in balance test" (as defined in the credit agreement), which requires that, as of the date of determination prior to the opening date, the available funds (including resources that may be available from the Company under the Company's senior credit facility) are equal to or exceed the remaining costs for MGM National Harbor.

Senior Notes. During 2015, the Company repaid its $875 million 6.625% senior notes at maturity. In 2014, the Company repaid its $509 million 5.875% senior notes at maturity and issued $1.25 billion of 6% senior notes due 2023 for net proceeds of $1.24 billion. The senior notes are unsecured and otherwise rank equally in right of payment with the Company's existing and future senior indebtedness. The senior notes are effectively subordinated to the Company's existing and future secured obligations, primarily consisting of its senior credit facility, to the extent of the value of the assets securing such obligations.

Convertible senior notes. In April 2015, holders of substantially all of the $1.45 billion in aggregate principal amount of 4.25% convertible senior notes elected to convert the notes into approximately 78 million shares of the Company's common stock. The notes were converted at 53.83 shares of common stock per $1,000 principal amount, which is equivalent to a conversion price of approximately $18.58 per share. In addition, the Company settled the capped call transactions entered into in connection with the initial issuance of $1.15 billion in aggregate principal amount of notes and received approximately 6 million shares from such financial institutions. Such shares received in connection with the capped call transactions were subsequently retired.

Maturities of long-term debt. Maturities of the principal amount of the Company's long-term debt as of December 31, 2015 are as follows:

Years ending December 31,	*(In thousands)*
2016	1,503,649
2017	1,846,495
2018	1,272,453
2019	3,196,961
2020	1,500,000
Thereafter	3,504,817
	12,824,375

Fair value of long-term debt. The estimated fair value of the Company's long-term debt at December 31, 2015 was $13.1 billion. At December 31, 2014, the estimated fair value of the Company's long-term debt was $15.1 billion. Fair value was estimated using quoted market prices for the Company's senior notes and senior credit facility.

NOTE 10 — INCOME TAXES

The Company recognizes deferred income tax assets, net of applicable reserves, related to net operating loss tax credit carryforwards and certain temporary differences. The Company recognizes future tax benefits to the extent that realization of such benefit is more likely than not. Otherwise, a valuation allowance is applied.

Income (loss) before income taxes for domestic and foreign operations consisted of the following:

	Year Ended December 31,		
	2015	**2014**	**2013**
	(In thousands)		
Domestic operations	$ 155,296	$ (168,135)	$ (444,891)
Foreign operations	(1,201,539)	579,021	507,081
	$ (1,046,243)	$ 410,886	$ 62,190

The benefit (provision) for income taxes attributable to income (loss) before income taxes is as follows:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
Federal:			
Current	$ (13,540)	$ (10,448)	$ 3,532
Deferred (excluding separate components)	280,220	785,225	963,919
Deferred – operating loss carryforward	—	(277,453)	(305,760)
Deferred – valuation allowance	(247,867)	(815,851)	(634,190)
Other noncurrent	(590)	33,130	14,522
Benefit (provision) for federal income taxes	18,223	(285,397)	42,023
State:			
Current	(1,840)	(2,214)	(1,812)
Deferred (excluding separate components)	(2,768)	4,338	4,056
Deferred – operating loss carryforward	(2,263)	531	393
Deferred – valuation allowance	(4,465)	412	(4,374)
Other noncurrent	7,153	(547)	879
Benefit (provision) for state income taxes	(4,183)	2,520	(858)
Foreign:			
Current	(2,127)	(1,656)	(2,214)
Deferred (excluding separate components)	(5,832)	1,726	(70,440)
Deferred – operating loss carryforward	10,472	3,495	1,312
Deferred – valuation allowance	(9,959)	(4,396)	9,361
Provision for foreign income taxes	(7,446)	(831)	(61,981)
	$ 6,594	$ (283,708)	$ (20,816)

A reconciliation of the federal income tax statutory rate and the Company's effective tax rate is as follows:

	Year Ended December 31,		
	2015	2014	2013
Federal income tax statutory rate	35.0%	35.0%	35.0%
Foreign tax credit	63.7	(222.0)	(1,557.1)
Repatriation of foreign earnings	(32.0)	113.2	738.4
Foreign goodwill impairment	(49.1)	—	—
Federal valuation allowance	(23.7)	198.6	1,019.8
State income tax, net of federal benefit and valuation allowance	(0.2)	(0.4)	0.8
Settlements with taxing authorities	0.1	(7.6)	(23.5)
Macau deferred tax liability re-measurement	—	—	96.1
Foreign jurisdiction income/losses taxed at other than 35%	6.9	(49.1)	(281.8)
Tax credits	0.4	(1.0)	(13.1)
Permanent and other items	(0.5)	2.3	18.9
	0.6%	69.0%	33.5%

The major tax-effected components of the Company's net deferred tax liability are as follows:

	December 31,	
	2015	2014
Deferred tax assets – federal and state:	*(In thousands)*	
Bad debt reserve	$ 42,133	$ 47,563
Deferred compensation	4,719	4,074
Net operating loss carryforward	20,084	21,555
Capital loss carryforward	2,827	—
Accruals, reserves and other	42,614	129,311
Investments in unconsolidated affiliates	198,594	236,528
Stock-based compensation	32,108	34,449
Tax credits	2,883,839	2,601,653
	3,226,918	3,075,133
Less: Valuation allowance	(2,736,972)	(2,498,299)
	489,946	576,834
Deferred tax assets – foreign:		
Bad debt reserve	976	1,456
Net operating loss carryforward	69,800	59,329
Accruals, reserves and other	1,270	64
Property and equipment	2,837	10,687
	74,883	71,536
Less: Valuation allowance	(70,159)	(60,468)
	4,724	11,068
Total deferred tax assets	$ 494,670	$ 587,902
Deferred tax liabilities – federal and state:		
Property and equipment	(2,536,724)	(2,549,866)
Long-term debt	(220,245)	(293,006)
Intangibles	(99,419)	(109,161)
	(2,856,388)	(2,952,033)
Deferred tax liabilities – foreign:		
Intangibles	(318,858)	(319,871)
	(318,858)	(319,871)
Total deferred tax liability	$ (3,175,246)	$ (3,271,904)
Net deferred tax liability	$ (2,680,576)	$ (2,684,002)

Income generated from gaming operations of MGM Grand Paradise, which is wholly owned by MGM China, is exempted from Macau's 12% complementary tax for the five-year period ending December 31, 2016, pursuant to approval from the Macau government in 2011. Absent this exemption, "Net loss attributable to MGM Resorts International" would have increased by $25 million and $47 million for 2015 and 2014, respectively, and net loss per share (diluted) would have increased by $0.04 and $0.10 for 2015 and 2014, respectively. The approval granted in 2011 represented the second five-year exemption period granted to MGM Grand Paradise. The Company measures the net deferred tax liability of MGM Grand Paradise under the assumption that it will receive an additional five-year exemption beyond 2016. Such assumption is based upon the granting of a third five-year exemption to competitors of MGM Grand Paradise. While no assurance can be given, the Company believes MGM Grand Paradise should also be entitled to a third five-year exemption in order to ensure non-discriminatory treatment among gaming concessionaires and subconcessionaires, a requirement under Macanese law. The net deferred tax liability of MGM Grand Paradise was re-measured during the first quarter of 2013 due to the extension of the amortization period of the Macau gaming subconcession in connection with the effectiveness of the Cotai land concession. This resulted in an increase in the net deferred tax liability and a corresponding increase in provision for income taxes of $65 million in 2013.

Non-gaming operations remain subject to the Macau complementary tax. MGM Grand Paradise had at December 31, 2015 a complementary tax net operating loss carryforward of $571 million resulting from non-gaming operations that will expire if not utilized against non-gaming income in years 2016 through 2018.

MGM Grand Paradise's exemption from the Macau 12% complementary tax on gaming profits does not apply to dividend distributions of such profits to MGM China. However, MGM Grand Paradise has entered into an agreement with the Macau

government to settle the 12% complementary tax that would otherwise be due by its shareholder, MGM China, on distributions of its gaming profits by paying a flat annual payment ("annual fee arrangement") regardless of the amount of distributable dividends. Such annual fee arrangement is effective until December 31, 2016. MGM China is not subject to the complementary tax on distributions it receives during the covered period as a result of the annual fee arrangement. Annual payments of $ 2 million are required under the annual fee arrangement. The $ 2 million annual payment for 2015 and 2014 was accrued and a corresponding provision for income taxes wa s recorded in each year.

The Company repatriated $304 million and $390 million of foreign earnings and profits in 2015 and 2014, respectively. At December 31, 2015, there are approximately $178 million of unrepatriated foreign earnings and profits, all of which the Company anticipates will be repatriated without the incurrence of additional U.S. income tax expense. Accordingly, no deferred tax liability has been recorded for those earnings. Creditable foreign taxes associated with the repatriated earnings and profits increased the Company's foreign tax credit carryover by $318 million and $782 million in 2015 and 2014, respectively. Such foreign taxes consist of the Macau Special Gaming Tax, which the Company believes qualifies as a tax paid in lieu of an income tax that is creditable against U.S. income taxes. The foreign tax credit carryovers expire as follows: $785 million in 2022; $976 million in 2023; $782 million in 2024; and $318 million in 2025. The foreign tax credit carryovers are subject to valuation allowance as described further below.

The Company has an alternative minimum tax credit carryforward of $23 million that will not expire.

For state income tax purposes, the Company has Illinois and New Jersey net operating loss carryforwards of $82 million and $207 million, respectively, which equates to deferred tax assets after federal tax effect and before valuation allowance, of $4 million and $12 million, respectively. The Illinois net operating loss carryforwards will expire if not utilized by 2021 through 2026. The New Jersey net operating loss carryforwards will expire if not utilized by 2029 through 2035.

As of December 31, 2015, the scheduled future reversal of existing U.S. federal taxable temporary differences exceeds the scheduled future reversal of existing U.S. federal deductible temporary differences. Consequently, the Company no longer applies a valuation allowance against its U.S. federal deferred tax assets other than the foreign tax credit deferred tax asset and a capital loss carryforward. The Company has recorded a valuation allowance of $2.7 billion against the $2.9 billion foreign tax credit deferred tax asset at December 31, 2015. In addition, there is an $18 million valuation allowance, after federal effect, provided on certain state deferred tax assets, a valuation allowance of $3 million on a federal income tax capital loss carryforward, a valuation allowance of $69 million on certain Macau deferred tax assets, and a valuation allowance of $1 million on Hong Kong net operating losses because we believe these assets do not meet the "more likely than not" criteria for recognition.

The foreign tax credits are attributable to the Macau Special Gaming Tax which is 35% of gross gaming revenue in Macau. Because MGM Grand Paradise is presently exempt from the Macau 12% complementary tax on gaming profits, the Company believes that payment of the Macau Special Gaming Tax qualifies as a tax paid in lieu of an income tax that is creditable against U.S. taxes. Although MGM Grand Paradise's current five-year exemption from the Macau 12% complementary tax on gaming profits ends on December 31, 2016, the Company assumes that it will receive an additional five-year exemption beyond 2016 consistent with the assumption utilized for measurement of the net deferred tax liability of MGM Grand Paradise. For all periods beyond December 31, 2021, the Company has assumed that MGM Grand Paradise will be paying the Macau 12% complementary tax on gaming profits and will thus not be able to credit the Macau Special Gaming Tax in such years, and has factored that assumption into its assessment of the realization of the foreign tax credit deferred tax asset.

Furthermore, the Company does not currently rely on future U.S. source operating income in assessing future foreign tax credit realization due to its recent history of cumulative losses in the U.S. and therefore only relies on U.S. federal taxable temporary differences that it expects will reverse during the 10-year foreign tax credit carryover period. However, due to improvements in its U.S. operations the Company has generated U.S. operating profits for the past four consecutive quarters. Should these profits continue in future periods, the Company may during the next 12 months begin to utilize projections of future U.S. source operating income in its assessment of the realizability of its foreign tax credit deferred tax asset, which could result in a reduction in the valuation allowance and a corresponding reduction in the provision for income taxes in such period. However, the exact timing and amount of reduction in the valuation allowance are subject to change on the basis of the level of profitability that the Company is able to actually achieve.

A reconciliation of the beginning and endi ng amounts of gross unrecognized tax benefits is as follows:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
Gross unrecognized tax benefits at January 1	$ 31,143	$ 106,246	$ 153,184
Gross increases - prior period tax positions	—	1,626	6,082
Gross decreases - prior period tax positions	(14,158)	(43,098)	(35,508)
Gross increases - current period tax positions	1,222	5,066	4,064
Settlements with taxing authorities	(2,408)	(38,697)	(21,576)
Lapse in Statutes of Limitations	(2,075)	—	—
Gross unrecognized tax benefits at December 31	$ 13,724	$ 31,143	$ 106,246

The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate was $8 million and $12 million at December 31, 2015 and 2014, respectively.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits in income tax expense. The Company accrued $4 million in interest related to unrecognized tax benefits at December 31, 2014. There were no amounts accrued for interest related to unrecognized tax benefits at December 31, 2015. No amounts were accrued for penalties as of either date. Income tax expense for the years ended December 31, 2015, 2014 and 2013 includes interest benefit related to unrecognized tax benefits as follows: $4 million benefit in 2015, $13 million benefit in 2014 and $12 million benefit in 2013.

The Company files income tax returns in the U.S. federal jurisdiction, various state and local jurisdictions, and foreign jurisdictions, although the income taxes paid in foreign jurisdictions are not material. As of December 31, 2015, the Company is no longer subject to examination of its U.S. consolidated federal income tax returns filed for years ended prior to 2010. During 2015, the Company received final approval from the Joint Committee on Taxation of the results of the IRS examination of the 2009 tax year and agreed to all IRS adjustments to the 2010 and 2011 tax years of CityCenter Holdings, LLC, an unconsolidated affiliate treated as a partnership for income tax purposes. The Company received a refund of $16 million of taxes and associated interest in connection with the settlement of these examinations, which are now considered settled for financial accounting purposes. During 2014, the Company received final approval from the Joint Committee on Taxation of the results of the IRS examination of its consolidated federal income tax returns for the 2005 through 2009 tax years; the 2007 through 2008 tax years of CityCenter Holdings, LLC; the 2008 through 2009 tax years of MGM Grand Detroit, LLC, a subsidiary treated as a partnership for income tax purposes; and the 2005 through 2009 tax years of Marina District Development Holding Company, LLC an unconsolidated affiliate treated as a partnership for income tax purposes. These examinations are now considered settled for financial reporting purposes. The Company previously deposited $30 million with the IRS to cover the expected cash taxes and interest resulting from the tentatively agreed adjustments for these examinations.

As of December 31, 2015, other than adjustments resulting from the federal income tax audits discussed above, the Company was no longer subject to examination of its various state and local tax returns filed for years ended prior to 2011. During 2015, the state of New Jersey completed its examination of Marina District Development Holding Company, LLC for the 2003 through 2009 tax years. All adjustments were agreed to by the members of Marina District Development Holding Company, LLC and the examination is now considered settled for financial accounting purposes. The Company made a $1 million payment of tax and associated interest as a result of this settlement. No other state or local income tax returns are currently under examination.

The Company does not anticipate that the total amounts of unrecognized tax benefits at December 31, 2015 will change materially within the next twelve months.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Leases. The Company leases real estate and various equipment under operating and, to a lesser extent, capital lease arrangements. Certain real estate leases provide for escalation of rent based upon a specified price index and/or based upon periodic appraisals.

At December 31, 2015, the Company was obligated under non-cancellable operating leases and capital leases to make future minimum lease payments as follows:

Years ending December 31,	Operating Leases	Capital Leases
	(In thousands)	
2016	$ 54,780	$ 8,229
2017	26,067	7,562
2018	22,666	1,725
2019	20,564	—
2020	21,564	—
Thereafter	1,097,757	—
Total minimum lease payments	$ 1,243,398	17,516
Less: Amounts representing interest		(853)
Total obligations under capital leases		16,663
Less: Amounts due within one year		(7,572)
Amounts due after one year		$ 9,091

The current and long-term obligations under capital leases are included in “Other accrued liabilities” and “Other long-term obligations,” respectively. Rental expense for operating leases was $74 million, $65 million and $41 million for 2015, 2014 and 2013, respectively. Amounts included short term rentals charged to rent expense. Rental expense includes $7 million related to the Cotai land concession for 2015, 2014 and 2013. The Company accounts for the Cotai land concession contract as an operating lease for which the required upfront payments are amortized over the initial 25-year contract term. Rent recognized for the Cotai land concession is included in “Preopening and start-up expenses” prior to opening.

In April 2013, the Company entered into a ground lease agreement for an approximate 23 acre parcel of land in connection with the MGM National Harbor project. The ground lease has an initial term of 25 years and the right to extend for up to 13 additional six year periods with the first 7 of those additional periods considered to be reasonably assured. The Company therefore amortizes the lease on a straight line basis over a 67 year term. The ground lease is accounted for as an operating lease with rental expense of $19 million and $13 million recorded for the years ended December 31, 2015 and 2014, respectively. Rent recognized for the ground lease is included in "Preopening and start-up expenses" prior to opening .

Cotai land concession contract. MGM Grand Paradise’s land concession contract for an approximate 18 acre site on the Cotai Strip in Macau became effective on January 9, 2013 and has an initial term of 25 years. The total land premium payable to the Macau government for the land concession contract is $161 million and is composed of a down payment and eight additional semi-annual payments. As of December 31, 2015, MGM China had paid $130 million of the contract premium, including interest due on the semi-annual installments, and the amount paid is recorded within “Other long-term assets, net.” In January 2016, MGM China paid the sixth semi-annual installment of $15 million under the land concession contract. Including interest on the two remaining semi-annual installments, MGM China has approximately $29 million remaining payable for the land concession contract. Under the terms of the land concession contract, MGM Grand Paradise is required to build and open MGM Cotai by January 2018.

CityCenter completion guarantee. In October 2013, the Company entered into a third amended and restated completion and cost overrun guarantee, which was collateralized by substantially all of the assets of Circus Circus Las Vegas, as well as certain land adjacent to that property. During the first quarter of 2015, the Company fulfilled its remaining significant obligations under the completion guarantee in conjunction with the resolution of the Perini litigation and related settlement agreements. In total, the Company funded $888 million under the completion guarantee. In June 2015, the completion guarantee was terminated and the collateral assets securing such completion guarantee were released.

T-Mobile Arena. In conjunction with the Las Vegas Arena Company entering a senior secured credit facility in 2014, the Company and AEG each entered joint and several completion guarantees for the project, as well as a repayment guarantee for term loan B (which is subject to increases and decreases in the event of a rebalancing of the principal amount of indebtedness between the term loan A and term loan B facilities). As of December 31, 2015, term loan A was $120 million and term loan B was $80 million.

Other guarantees. The Company is party to various guarantee contracts in the normal course of business, which are generally supported by letters of credit issued by financial institutions. The Company’s senior credit facility limits the amount of letters of credit that can be issued to $500 million, and the amount of available borrowings under the senior credit facility is reduced by any outstanding letters of credit. At December 31, 2015, the Company had $26 million in letters of credit outstanding. MGM China’s

senior credit facility limits the amount of letters of credit that can be issued to $100 million, and the amount of available borrowings under the senior credit facility i s reduced by any outstanding letters of credit. At December 31, 2015 MGM China had provided approximately $39 million of guarantees under its credit facility.

Other litigation. The Company is a party to various legal proceedings, most of which relate to routine matters incidental to its business. Management does not believe that the outcome of such proceedings will have a material adverse effect on the Company's financial position, results of operations or cash flows.

NOTE 12 — STOCKHOLDERS' EQUITY

MGM China dividend. MGM China paid a $400 million special dividend in March 2015, of which $204 million remained within the Company and $196 million was distributed to noncontrolling interests, a $120 million final dividend in June 2015, of which $61 million remained within the Company and $59 million was distributed to noncontrolling interests, and a $76 million interim dividend in August 2015, of which $39 million remained within the Company and $37 million was distributed to noncontrolling interests.

MGM China paid a $499 million special dividend in March 2014, of which $254 million remained within the Company and $245 million was distributed to noncontrolling interests, a $127 million final dividend in June 2014, of which $65 million remained within the Company and $62 million was distributed to noncontrolling interests, and a $137 million interim dividend in September 2014, of which $70 million remained within the Company and $67 million was distributed to noncontrolling interests.

MGM China paid a $500 million special dividend in March 2013, of which $255 million remained within the Company and $245 million was distributed to noncontrolling interests, and a $113 million interim dividend in September 2013, of which $58 million remained within the Company and $55 million was distributed to noncontrolling interests.

On February 18, 2016, as part of its regular dividend policy, MGM China's Board of Directors announced it will recommend a final dividend for 2015 of $46 million to MGM China shareholders subject to approval at the MGM China 2016 annual shareholders meeting to be held in May. If approved, the Company will receive $23 million, its 51% share of the 2015 final dividend.

NOTE 13 — STOCK-BASED COMPENSATION

2005 Omnibus Incentive Plan. The Company's omnibus incentive plan, as amended (the "Omnibus Plan"), allows it to grant stock options, stock appreciation rights ("SARs"), restricted stock units ("RSUs"), performance share units ("PSUs") and other stock-based awards to eligible directors, officers and employees of the Company and its subsidiaries. The Omnibus Plan is administered by the Compensation Committee (the "Committee") of the Board of Directors. The Committee has discretion under the Omnibus Plan regarding which type of awards to grant, the vesting and service requirements, exercise price and other conditions, in all cases subject to certain limits, including:

- As amended, the Omnibus Plan allows for the issuance of up to 45 million shares or share-based awards; and
- For stock options and SARs, the exercise price of the award must be at least equal to the fair market value of the stock on the date of grant and the maximum term of such an award is 10 years.

SARs granted under the Omnibus Plan generally have terms of seven years, and in most cases vest in four equal annual installments. RSUs granted vest ratably over four years, a portion of which are subject to achievement of a performance target based on operational results compared to budget in order for such RSUs to be eligible to vest. Expense is recognized primarily on a straight-line basis over the vesting period of the awards net of estimated forfeitures. Estimated forfeitures are updated periodically with actual forfeitures recognized currently to the extent they differ from the estimate.

PSUs granted vest subject to a market condition, in which a percentage of the target award granted vests based on the performance of the Company's stock price in relation to the target price at the end of a three year performance period. Specifically, the ending average stock price must equal the target price, which is defined as 125% of the beginning average stock price, in order for the target award to vest. No shares are issued unless the ending average stock price is at least 60% of the target price, and the maximum payout is capped at 160% of the target award. If the ending average stock price is at least 60% or more of the target price, then the amount of units granted in the target award is multiplied by the stock performance multiplier. The stock performance multiplier equals the ending average stock price divided by the target price. For this purpose, the target and ending prices are based on the average closing price of the Company's common stock over the 60 calendar day periods ending on the grant date and the third anniversary of the grant date. Expense is recognized on a graded basis over the performance period beginning on the date of grant. Estimated forfeitures are updated periodically with actual forfeitures recognized currently to the extent they differ from the estimate.

As of December 31, 2015, the Company had an aggregate of approximately 22 million shares of common stock available for grant as share-based awards under the Omnibus Plan. A summary of activi ty under the Company's share-based payment plans for the year ended December 31, 2015 is presented below:

Stock options and stock appreciation rights

	Units (000's)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value (000's)
Outstanding at January 1, 2015	16,176	$ 15.27		
Granted	2,247	20.26		
Exercised	(2,571)	10.83		
Forfeited or expired	(1,721)	32.47		
Outstanding at December 31, 2015	14,131	14.82	3.76	$ 111,900
Vested and expected to vest at December 31, 2015	13,733	14.66	3.69	$ 111,129
Exercisable at December 31, 2015	9,056	11.97	2.60	$ 97,655

As of December 31, 2015, there was a total of $33 million of unamortized compensation related to stock options and SARs expected to vest, which is expected to be recognized over a weighted-average period of 1.8 years.

Restricted stock units and performance share units

	RSUs		PSUs		
	Units (000's)	Weighted Average Grant-Date Fair Value	Units (000's)	Weighted Average Grant-Date Fair Value	Weighted Average Target Price
Nonvested at January 1, 2015	1,358	$ 18.27	1,455	$ 15.14	$ 20.48
Granted	848	20.28	1,045	17.73	25.76
Vested	(540)	16.18	(682)	10.03	13.37
Forfeited	(88)	18.45	—	—	—
Nonvested at December 31, 2015	1,578	20.05	1,818	18.54	26.18

As of December 31, 2015, there was a total of $24 million of unamortized compensation related to RSUs which is expected to be recognized over a weighted-average period of 1.8 years. As of December 31, 2015, there was a total of $21 million of unamortized compensation related to PSUs which is expected to be recognized over a weighted-average period of 2.1 years.

The Company grants PSUs for a portion of any calculated bonus for a Section 16 officer of the Company that is in excess of such officer's base salary (the "Bonus PSU Policy"). Awards granted under the Bonus PSU Policy have the same terms as the other PSUs granted under the Omnibus Plan with the exception that as of the grant date the awards will not be subject to forfeiture in the event of the officer's termination. In March 2015 and 2014, the Company granted 0.2 million and 0.3 million PSUs pursuant to the Bonus PSU Policy with a target price of $25.91 and $31.72, respectively. Additionally, the Company grants PSUs for certain employees of the Company in connection with the Profit Growth Plan ("Profit Growth Plan PSUs"). Profit Growth Plan PSUs have the same terms as the other PSUs granted under the Omnibus Plan with the exception of an additional service and performance condition tied to the results of the Profit Growth Plan which must be achieved for the awards to vest. In October 2015, the Company granted 0.3 million Profit Growth Plan PSUs with a target price of $25.76. Awards granted under the Bonus PSU Policy and in connection with the Profit Growth Plan are excluded from the table above.

The following table includes additional information related to stock options, SARs and RSUs:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
Intrinsic value of share-based awards exercised or RSUs and PSUs vested	$ 67,420	$ 31,613	$ 28,880
Income tax benefit from share-based awards exercised or RSUs and PSUs vested	23,288	10,805	9,975

The Company net settles SAR exercises, whereby shares of common stock are issued equivalent to the intrinsic value of the SAR less applicable taxes.

MGM China Share Option Plan. The Company's subsidiary, MGM China, adopted an equity award plan in 2011 for grants of stock options to purchase ordinary shares of MGM China to eligible directors, employees and non-employees of MGM China and its subsidiaries ("MGM China Plan"). The MGM China Plan is administered by MGM China's Board of Directors, which has the discretion to determine the exercise price and term of the award, as well as other conditions, in all cases subject to certain limits, including:

- The maximum number of shares which may be issued upon exercise of all options to be granted under the MGM China Plan shall not in aggregate exceed 10% of the total number of shares in issue as of the date of the shareholders' approval of the MGM China Plan; and
- The exercise price of the award must be the higher of the closing price of the stock on the offer date, or the average of the closing price for the five business days immediately preceding the offer date, and the maximum term of the award must not exceed ten years.

Stock options currently granted under the MGM China Plan have a term of ten years, and vest in four equal annual installments. Expense is recognized on a straight-line basis over the vesting period of the awards net of estimated forfeitures. Forfeitures are estimated at the time of grant, with such estimate updated periodically and with actual forfeitures recognized currently to the extent they differ from the estimate.

As of December 31, 2015, MGM China had an aggregate of approximately 327 million shares of options available for grant as share-based awards. A summary of activity under the MGM China Plan for the year ended December 31, 2015 is presented below:

Stock options

	Units (000's)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value (000's)
Outstanding at January 1, 2015	35,058	$ 2.85		
Granted	16,546	1.84		
Exercised	(20)	2.01		
Forfeited or expired	(2,373)	2.24		
Outstanding at December 31, 2015	49,211	2.54	7.95	$ —
Vested and expected to vest at December 31, 2015	46,659	2.54	7.89	$ —
Exercisable at December 31, 2015	18,013	2.42	6.24	$ —

As of December 31, 2015, there was a total of $19 million of unamortized compensation related to stock options expected to vest, which is expected to be recognized over a weighted-average period of 2.8 years.

Recognition of compensation cost. Compensation cost for both the Omnibus Plan and MGM China Plan was recognized as follows:

	Year Ended December 31,		
	2015	2014	2013
Compensation cost:	*(In thousands)*		
Omnibus Plan	$ 33,742	$ 29,662	$ 27,201
MGM China Plan	9,260	8,706	6,221
Total compensation cost	43,002	38,368	33,422
Less: Reimbursed costs and capitalized cost	(1,156)	(1,104)	(1,090)
Compensation cost after reimbursed costs and capitalized cost	41,846	37,264	32,332
Less: Related tax benefit	(11,230)	(9,822)	—
Compensation cost, net of tax benefit	$ 30,616	$ 27,442	$ 32,332

Compensation cost for SARs granted under the Omnibus Plan is based on the fair value of each award, measured by applying the Black-Scholes model on the date of grant, using the following weighted-average assumptions:

	Year Ended December 31,		
	2015	2014	2013
Expected volatility	38%	40%	54%
Expected term	4.9 yrs.	4.9 yrs.	4.9 yrs.
Expected dividend yield	0%	0%	0%
Risk-free interest rate	1.8%	1.6%	1.6%
Weighted-average fair value of SARs granted	$ 7.27	$ 8.18	$ 9.44

Expected volatility is based in part on historical volatility and in part on implied volatility based on traded options on the Company's stock. The expected term considers the contractual term of the option as well as historical exercise and forfeiture behavior. The risk-free interest rate is based on the rates in effect on the grant date for U.S. Treasury instruments with maturities matching the relevant expected term of the award.

Compensation cost for PSUs granted under the Omnibus Plan is based on the fair value of each award, measured by applying a Monte Carlo simulation method on the date of grant, using the following weighted-average assumptions:

	Year Ended December 31,		
	2015	2014	2013
Expected volatility	39%	31%	40%
Expected term	3.0 yrs.	3.0 yrs.	3.0 yrs.
Expected dividend yield	0%	0%	0%
Risk-free interest rate	0.9%	1.0%	0.6%
Weighted-average fair value of PSUs granted	$ 17.73	$ 18.39	$ 21.01

Expected volatility is based in part on historical volatility and in part on implied volatility based on traded options on the Company's stock. The expected term is equal to the three year performance period. The risk-free interest rate is based on the rates in effect on the grant date for U.S. Treasury instruments with maturities matching the relevant expected term of the award.

Compensation cost for stock options granted under the MGM China Plan is based on the fair value of each award, measured by applying the Black-Scholes model on the date of grant, using the following weighted-average assumptions:

	Year Ended December 31,		
	2015	2014	2013
Expected volatility	43%	39%	46%
Expected term	5.8 yrs.	7.9 yrs.	8.0 yrs.
Expected dividend yield	2.4%	1.6%	1.2%
Risk-free interest rate	1.3%	1.8%	1.7%
Weighted-average fair value of options granted	$ 0.55	$ 1.06	$ 1.39

Expected volatilities are based on a blend of historical volatility from a selection of companies in MGM China's peer group and historical volatility of MGM China's stock price. Expected term considers the contractual term of the option as well as historical exercise behavior of previously granted options. Dividend yield is based on the estimate of annual dividends expected to be paid at the time of the grant. The risk-free interest rate is based on rates in effect at the valuation date for the Hong Kong Exchange Fund Notes with maturities matching the relevant expected term of the award.

NOTE 14 — EMPLOYEE BENEFIT PLANS

Multiemployer benefit plans. Employees of the Company who are members of various unions are covered by union-sponsored, collectively bargained, multiemployer health and welfare and defined benefit pension plans. Of these plans, the Company considers the Southern Nevada Culinary and Bartenders Pension Plan (the "Pension Plan"), under the terms of collective bargaining agreements with the Local Joint Executive Board of Las Vegas for and on behalf of Culinary Workers Union Local No. 226 and Bartenders Union Local No. 165, to be individually significant. The risk of participating in the Pension Plan differs from single-employer plans in the following aspects:

a) Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers;
b) If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers;
c) If an entity chooses to stop participating in some of its multiemployer plans, the entity may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability;
d) If the Pension Plan is terminated by withdrawal of all employers and if the value of the nonforfeitable benefits exceeds plan assets and withdrawal liability payments, employers are required by law to make up the insufficient difference.

Pursuant to its collective bargaining agreements referenced above, the Company also contributes to UNITE HERE Health (the "Health Fund"), which provides healthcare benefits to its active and retired members. The Company's participation in the Pension Plan is outlined in the table below.

Pension Fund	EIN/Pension Plan Number	Pension Protection Act Zone Status (1) 2014	Pension Protection Act Zone Status (1) 2013	Expiration Date of Collective Bargaining Agreements (2)
Southern Nevada Culinary and Bartenders Pension Plan	88-6016617/001	Green	Green	5/31/18

(1) The trustees of the Pension Plan have elected to apply the extended amortization and the special ten year asset smoothing rules under the Pension Relief Act of 2010.
(2) The Company is party to ten collective bargaining agreements that require contributions to the Pension Plan. The agreements between CityCenter Hotel Casino, LLC, Bellagio, Mandalay Corp., MGM Grand Hotel, LLC and the Local Joint Executive Board of Las Vegas are the most significant because more than half of the Company's employee participants in the Pension Plan are covered by those four agreements.

Contributions to the Company's multiemployer pension plans and other multiemployer benefit plans were as follows:

	Year Ended December 31, 2015	2014	2013
Multiemployer Pension Plans		*(In thousands)*	
Southern Nevada Culinary and Bartenders Pension Plan	$ 41,904	$ 33,927	$ 37,691
Other pension plans not individually significant	9,680	7,323	8,280
Total multiemployer pension plans	$ 51,584	$ 41,250	$ 45,971
Multiemployer Benefit Plans Other Than Pensions			
UNITE HERE Health	$ 191,733	$ 202,641	$ 167,494
Other	12,840	12,746	15,367
Total multiemployer benefit plans other than pensions	$ 204,573	$ 215,387	$ 182,861

During 2014 an amendment to the collective bargaining agreements to temporarily divert contributions from the Pension Plan to the Health Fund was in effect. As a result contributions to the Pension Plan decreased in 2014 compared to 2013 and increased in 2015 compared to 2014 as the amendment ended in June of 2014. Hours worked in 2015 increased approximately 1% compared to 2014. Bellagio, Aria, Mandalay Bay and MGM Grand Las Vegas were listed in the Pension Plan' s Forms 5500 as providing more than 5% of the total contributions for the plan years ended December 31, 2014 and 2013. At the date the financial statements were issued, Form 5500 was not available for the plan year ending in 2015. No surcharges were impose d on the Company's contributions to any of the plans.

Self-insurance. The Company is self-insured for most health care benefits and workers compensation for its non-union employees. The liability for health care claims filed and estimates of claims incurred but not reported was $22 million and $20 million at December 31, 2015 and 2014, respectively. The workers compensation liability for claims filed and estimates of claims incurred but not reported was $43 million and $48 million as of December 31, 2015 and 2014, respectively. Both liabilities are included in "Other accrued liabilities."

Retirement savings plans. The Company has retirement savings plans under Section 401(k) of the IRC for eligible employees. The plans allow employees to defer, within prescribed limits, up to 75% of their income on a pre-tax and/or after-tax basis through contributions to the plans. The Company matches 50% of the first 6% of eligible employee deferrals up to a specified annual maximum dollar amount. The Company recorded charges for 401(k) contributions of $16 million, $17 million and $13 million in 2015, 2014 and 2013, respectively.

The Company maintains nonqualified deferred retirement plans for certain key employees. The plans allow participants to defer, on a pre-tax basis, a portion of their salary and bonus and accumulate tax deferred earnings, plus investment earnings on the deferred balances, as a deferred tax savings. All employee deferrals vest immediately. The Company does not contribute to the plan.

The Company also maintains nonqualified supplemental executive retirement plans ("SERP") for certain key employees. Until September 2008, the Company made quarterly contributions intended to provide a retirement benefit that is a fixed percentage of a participant's estimated final five-year average annual salary, up to a maximum of 65%. The Company has indefinitely suspended these contributions. Employees do not make contributions under these plans. A portion of the Company contributions and investment earnings thereon vest after three years of SERP participation and the remaining portion vests after both five years of SERP participation and 10 years of continuous service.

MGM China. MGM China contributes to a retirement plan as part of an employee benefits package for eligible employees. The Company recorded charges related to contributions in the retirement plan of $7 million, $5 million and $5 million for the years ended December 31, 2015, 2014, and 2013, respectively.

NOTE 15 — PROPERTY TRANSACTIONS, NET

Property transactions, net consisted of the following:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
MGM China goodwill impairment	$ 1,467,991	$ —	$ —
Grand Victoria investment impairment	17,050	28,789	36,607
Gain on sale of Circus Circus Reno and Silver Legacy investment	(23,002)	—	—
Corporate buildings impairment	—	—	44,510
Other Nevada land impairment	—	—	20,354
Other property transactions, net	41,903	12,213	23,290
	$ 1,503,942	$ 41,002	$ 124,761

MGM China goodwill. See Note 7 for additional information related to the MGM China goodwill impairment charge.

Grand Victoria investment. See Note 6 for additional information related to the Grand Victoria investment impairment charges.

Circus Circus Reno and Silver Legacy investment sale. See Note 4 for additional information related to the sale of Circus Circus Reno. See Note 6 for further discussion of the sale of the Company's 50% investment in Silver Legacy.

Corporate buildings. During the second quarter of 2013, the Company recorded an impairment charge of $45 million related to corporate buildings which were removed from s ervice in connection with the T-Mobile Arena project, of which the Company owns 50%, that is located on the land previously occupied by these buildings.

Other Nevada land. The Company owns approximately 170 acres of land in Jean, Nevada and owned approximately 89 acres in and around Sloan, Nevada. In 2013, the Company recorded an impairment charge of $20 million based on an estimated fair value of $24 million, due to an increased probability of sale in which the Company did not believe it was likely that the carrying value of the land would be recovered. Fair value was determined based on recent indications from market participants. In the fourth quarter of 2013, the Company sold the Sloan land.

Other. Other property transactions, net in 2015 includes a loss of $18 million in connection with the trade-in of Company aircraft in addition to other miscellaneous asset disposals and demolition costs. Other property transactions, net in 2014 and 2013 include miscellaneous asset disposals and demolition costs.

NOTE 16 — SEGMENT INFORMATION

The Company's management views each of its casino resorts as an operating segment. Operating segments are aggregated based on their similar economic characteristics, types of customers, types of services and products provided, the regulatory environments in which they operate, and their management and reporting structure. The Company's principal operating activities occur in two geographic regions: the United States and Macau S.A.R. The Company has aggregated its operations into two reportable segments based on the similar characteristics of the operating segments within the regions in which they operate: wholly owned domestic resorts and MGM China. The Company's operations related to investments in unconsolidated affiliates, MGM Hospitality, and certain other corporate and management operations have not been identified as separate reportable segments; therefore, these operations are included in corporate and other in the following segment disclosures to reconcile to consolidated results.

The Company's management utilizes Adjusted Property EBITDA as the primary profit measure for its reportable segments. Adjusted Property EBITDA is a measure defined as Adjusted EBITDA before corporate expense and stock compensation expense related to the Omnibus Plan, which are not allocated to the reportable segments or each operating segment, as applicable. MGM China recognizes stock compensation expense related to the MGM China Plan which is included in the calculation of Adjusted EBITDA for MGM China. Adjusted EBITDA is a measure defined as earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening and start-up expenses, property transactions, net.

The following tables present the Company's segment information:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
Net Revenues			
Wholly owned domestic resorts	$ 6,497,361	$ 6,342,084	$ 6,052,644
MGM China	2,214,767	3,282,329	3,316,928
Reportable segment net revenues	8,712,128	9,624,413	9,369,572
Corporate and other	477,940	457,571	440,091
	$ 9,190,068	$ 10,081,984	$ 9,809,663
Adjusted Property EBITDA			
Wholly owned domestic resorts	$ 1,689,966	$ 1,518,307	$ 1,442,686
MGM China	539,881	850,471	814,109
Reportable segment Adjusted Property EBITDA	2,229,847	2,368,778	2,256,795
Other operating income (expense)			
Corporate, unconsolidated affiliates and other, net	9,073	(149,216)	(132,214)
Preopening and start-up expenses	(71,327)	(39,257)	(13,314)
Property transactions, net	(1,503,942)	(41,002)	(124,761)
Depreciation and amortization	(819,883)	(815,765)	(849,225)
Operating income (loss)	(156,232)	1,323,538	1,137,281
Non-operating income (expense)			
Interest expense, net of amounts capitalized	(797,579)	(817,061)	(857,347)
Non-operating items from unconsolidated affiliates	(76,462)	(87,794)	(208,682)
Other, net	(15,970)	(7,797)	(9,062)
	(890,011)	(912,652)	(1,075,091)
Income (loss) before income taxes	(1,046,243)	410,886	62,190
Benefit (provision) for income taxes	6,594	(283,708)	(20,816)
Net income (loss)	(1,039,649)	127,178	41,374
Less: Net (income) loss attributable to noncontrolling interests	591,929	(277,051)	(213,108)
Net loss attributable to MGM Resorts International	$ (447,720)	$ (149,873)	$ (171,734)

	December 31,	
	2015	2014
Total assets:	*(In thousands)*	
Wholly owned domestic resorts	$ 13,261,882	$ 13,234,233
MGM China	7,895,376	8,836,856
Reportable segment total assets	21,157,258	22,071,089
Corporate and other	4,099,837	4,545,448
Eliminated in consolidation	(41,917)	(22,623)
	$ 25,215,178	$ 26,593,914

	December 31,	
	2015	2014
Property and equipment, net:	*(In thousands)*	
Wholly owned domestic resorts	$ 11,853,802	$ 11,933,559
MGM China	1,896,815	1,323,432
Reportable segment property and equipment, net	13,750,617	13,256,991
Corporate and other	1,663,095	1,207,174
Eliminated in consolidation	(41,917)	(22,623)
	$ 15,371,795	$ 14,441,542

	Year Ended December 31,		
	2015	2014	2013
Capital expenditures:		*(In thousands)*	
Wholly owned domestic resorts	$ 383,367	$ 292,463	$ 216,147
MGM China	590,968	347,338	254,516
Reportable segment capital expenditures	974,335	639,801	470,663
Corporate and other	504,398	233,173	107,442
Eliminated in consolidation	(11,914)	(933)	(15,981)
	$ 1,466,819	$ 872,041	$ 562,124

NOTE 17 — RELATED PARTY TRANSACTIONS

CityCenter

Management agreements. The Company and CityCenter have entered into agreements whereby the Company is responsible for management of the operations of CityCenter for a fee of 2% of revenue and 5% of EBITDA (as defined) for Aria and Vdara and $3 million per year for Crystals. The Company earned fees of $41 million, $38 million and $38 million for the years ended December 31, 2015, 2014 and 2013. The Company is being reimbursed for certain costs in performing its development and management services. During the years ended December 31, 2015, 2014 and 2013 the Company incurred $393 million, $380 million and $364 million, respectively, of costs reimbursable by CityCenter, primarily for employee compensation and certain allocated costs. As of December 31, 2015 and 2014, CityCenter owed the Company $55 million and $45 million, respectively, for management services and reimbursable costs recorded in "Accounts receivable, net" in the accompanying consolidated balance sheets.

Other agreements. The Company entered into an agreement with CityCenter whereby the Company provides CityCenter the use of its aircraft on a time sharing basis. CityCenter is charged a rate that is based on Federal Aviation Administration regulations, which provides for reimbursement for specific costs incurred by the Company. For the years ended December 31, 2015, 2014 and 2013, the Company was reimbursed $2 million, $3 million, $3 million, respectively, for aircraft related expenses. The Company has certain other arrangements with CityCenter for the provision of certain shared services, reimbursement of costs and other transactions undertaken in the ordinary course of business.

MGM China

Ms. Pansy Ho is member of the Board of Directors of, and holds a minority ownership interest in, MGM China. Ms. Pansy Ho is also the managing director of Shun Tak Holdings Limited (together with its subsidiaries "Shun Tak"), a leading conglomerate in Hong Kong with core businesses in transportation, property, hospitality and investments. Shun Tak provides various services and products, including ferry tickets, travel products, rental of hotel rooms, laundry services, advertising services and property cleaning services to MGM China and MGM China provides rental of hotel rooms at wholesale room rates to Shun Tak and receives rebates for ferry tickets from Shun Tak. MGM China incurred expenses of $16 million, $28 million and $18 million for the years ended December 31, 2015, 2014 and 2013, respectively. MGM China recorded revenue of less than $1 million related to hotel rooms provided to Shun Tak for the years ended December 31, 2015, 2014 and 2013, respectively. As of December 31, 2015 and 2014, MGM China did not have a material payable to or receivable from Shun Tak.

MGM Branding and Development Holdings, Ltd., (together with its subsidiary MGM Development Services, Ltd, "MGM Branding and Development"), an entity included in the Company's consolidated financial statements in which Ms. Pansy Ho indirectly holds a noncontrolling interest, entered into a brand license agreement with MGM China. MGM China pays a license fee to MGM Branding and Development equal to 1.75% of MGM Macau's consolidated net revenue, subject to a 2015 annual cap of $52 million with a 20% increase per annum for each subsequent calendar year during the term of the agreement. During the years ended December 31, 2015, 2014 and 2013, MGM China incurred total license fees of $39 million, $43 million and $36 million, respectively. Such amounts have been eliminated in consolidation.

MGM China entered into a development services agreement with MGM Branding and Development to provide certain development services to MGM China in connection with future expansion of existing projects and development of future resort gaming projects. Such services are subject to a development fee which is calculated separately for each resort casino property upon commencement of development. For each such property, the fee is 2.625% of project costs, to be paid in installments as certain benchmarks are achieved. Project costs are the total costs incurred for the design, development and construction of the casino, casino hotel, integrated resort and other related sites associated with each project, including costs of construction, fixtures and fittings,

signage, gaming and other supplies and equipment and all costs associated with the opening of the business to be conducted at each project but excluding the cost of land and gaming concessions and financing costs. The development f ee is subject to an annual cap of $27 million in 2015, which will increase by 10% per annum for each year during the term of the agreement. For the years ended December 31, 2015 and 2013, MGM China incurred $10 million and $15 million of fees, respectively , to MGM Branding and Development related to development services. Such amount is eliminated in consolidation. No fee was paid for the year ended December 31, 2014.

An entity owned by Ms. Pansy Ho received distributions of $15 million, $13 million and $18 million during the years ended December 31, 2015, 2014 and 2013, respectively, in connection with the ownership of a noncontrolling interest in MGM Branding and Development Holdings, Ltd.

T-Mobile Arena

The Las Vegas Arena Company leases the land underlying the T-Mobile Arena from the Company under a 50 year operating lease, which commences upon the opening of the Arena. In conjunction with Las Vegas Arena Company obtaining financing and beginning construction in 2014, the Company began accruing rental income. For the years ended December 31, 2015 and 2014, the Company recorded accrued income of $3 million and $1 million, respectively, for the T-Mobile Arena ground lease.

NOTE 18 — CONSOLIDATING CONDENSED FINANCIAL INFORMATION

All of the Company's principal debt arrangements are guaranteed by each of its material domestic subsidiaries, other than MGM Grand Detroit, LLC (which is a co-borrower under the Company's senior credit facility), MGM National Harbor, LLC and Blue Tarp reDevelopment, LLC (the company that will own and operate the Company's proposed casino in Springfield, Massachusetts), and each of their respective subsidiaries. The Company's international subsidiaries, including MGM China and its subsidiaries, are not guarantors of such indebtedness. Separate condensed financial statement information for the subsidiary guarantors and non-guarantors as of December 31, 2015 and 2014 and for the years ended December 31, 2015, 2014 and 2013, are presented below. Within the Condensed Consolidating Statements of Cash Flows for the periods ending December 31, 2015 and 2014, the Company has presented net changes in intercompany accounts as investing activities if the applicable entities have a net asset in intercompany accounts, and as a financing activity if the applicable entities have a net intercompany liability balance.

CONDENSED CONSOLIDATING BALANCE SHEET INFORMATION

	December 31, 2015				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
			(In thousands)		
Current assets	$ 561,310	$ 932,374	$ 915,979	$ (914)	$ 2,408,749
Property and equipment, net	—	12,364,382	3,019,384	(11,971)	15,371,795
Investments in subsidiaries	20,226,258	2,956,404	—	(23,182,662)	—
Investments in and advances to unconsolidated affiliates	—	1,460,084	6,413	25,000	1,491,497
Intercompany accounts	—	3,234,271	—	(3,234,271)	—
Other non-current assets	38,577	444,333	5,460,227	—	5,943,137
	$ 20,826,145	$ 21,391,848	$ 9,402,003	$ (26,404,818)	$ 25,215,178
Current liabilities	$ 536,165	$ 994,570	$ 708,130	$ (914)	$ 2,237,951
Intercompany accounts	2,390,461	—	843,810	(3,234,271)	—
Deferred income taxes, net	2,366,443	—	314,133	—	2,680,576
Long-term debt	10,393,197	4,837	1,970,277	—	12,368,311
Other long-term obligations	19,952	67,212	70,499	—	157,663
Total liabilities	15,706,218	1,066,619	3,906,849	(3,235,185)	17,444,501
Redeemable noncontrolling interests	—	—	6,250	—	6,250
MGM Resorts International stockholders' equity	5,119,927	20,325,229	2,844,404	(23,169,633)	5,119,927
Noncontrolling interests	—	—	2,644,500	—	2,644,500
Total stockholders' equity	5,119,927	20,325,229	5,488,904	(23,169,633)	7,764,427
	$ 20,826,145	$ 21,391,848	$ 9,402,003	$ (26,404,818)	$ 25,215,178

	December 31, 2014				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
			(In thousands)		
Current assets	$ 1,390,806	$ 868,688	$ 768,335	$ (669)	$ 3,027,160
Property and equipment, net	—	12,445,086	2,008,428	(11,972)	14,441,542
Investments in subsidiaries	20,430,160	3,896,365	—	(24,326,525)	—
Investments in and advances to unconsolidated affiliates	—	1,526,446	7,588	25,000	1,559,034
Intercompany accounts	—	2,175,091	—	(2,175,091)	—
Other non-current assets	38,531	414,801	7,112,846	—	7,566,178
	$ 21,859,497	$ 21,326,477	$ 9,897,197	$ (26,489,257)	$ 26,593,914
Current liabilities	$ 1,680,319	$ 953,179	$ 775,097	$ (670)	$ 3,407,925
Intercompany accounts	1,932,780	—	242,311	(2,175,091)	—
Deferred income taxes, net	2,312,828	—	309,032	—	2,621,860
Long-term debt	11,805,030	4,837	995,418	—	12,805,285
Other long-term obligations	37,623	58,016	34,931	—	130,570
Total liabilities	17,768,580	1,016,032	2,356,789	(2,175,761)	18,965,640
MGM Resorts International stockholders' equity	4,090,917	20,310,445	4,003,051	(24,313,496)	4,090,917
Noncontrolling interests	—	—	3,537,357	—	3,537,357
Total stockholders' equity	4,090,917	20,310,445	7,540,408	(24,313,496)	7,628,274
	$ 21,859,497	$ 21,326,477	$ 9,897,197	$ (26,489,257)	$ 26,593,914

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME INFORMATION

	Year Ended December 31, 2015				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
			(In thousands)		
Net revenues	$ —	$ 6,429,103	$ 2,763,862	$ (2,897)	$ 9,190,068
Equity in subsidiaries' earnings	376,074	(566,270)	—	190,196	—
Expenses					
Casino and hotel operations	6,717	3,807,569	1,813,987	(2,897)	5,625,376
General and administrative	4,959	1,079,445	224,700	—	1,309,104
Corporate expense	120,615	154,424	(488)	—	274,551
Preopening and start-up expenses	—	4,973	66,354	—	71,327
Property transactions, net	—	31,353	1,472,589	—	1,503,942
Depreciation and amortization	—	529,381	290,502	—	819,883
	132,291	5,607,145	3,867,644	(2,897)	9,604,183
Income (loss) from unconsolidated affiliates	—	259,002	(1,119)	—	257,883
Operating income (loss)	243,783	514,690	(1,104,901)	190,196	(156,232)
Interest expense, net of amounts capitalized	(762,529)	(1,057)	(33,993)	—	(797,579)
Other, net	49,497	(84,958)	(56,971)	—	(92,432)
Income (loss) before income taxes	(469,249)	428,675	(1,195,865)	190,196	(1,046,243)
Benefit (provision) for income taxes	21,529	(7,125)	(7,810)	—	6,594
Net income (loss)	(447,720)	421,550	(1,203,675)	190,196	(1,039,649)
Less: Net loss attributable to noncontrolling interests	—	—	591,929	—	591,929
Net income (loss) attributable to MGM Resorts International	$ (447,720)	$ 421,550	$ (611,746)	$ 190,196	$ (447,720)
Net income (loss)	$ (447,720)	$ 421,550	$ (1,203,675)	$ 190,196	$ (1,039,649)
Other comprehensive income (loss), net of tax:					
Foreign currency translation adjustment	1,703	1,703	3,727	(3,406)	3,727
Other	(672)	(672)	—	672	(672)
Other comprehensive income (loss)	1,031	1,031	3,727	(2,734)	3,055
Comprehensive income (loss)	(446,689)	422,581	(1,199,948)	187,462	(1,036,594)
Less: Comprehensive loss attributable to noncontrolling interests	—	—	589,905	—	589,905
Comprehensive income (loss) attributable to MGM Resorts International	$ (446,689)	$ 422,581	$ (610,043)	$ 187,462	$ (446,689)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS INFORMATION

	Year Ended December 31, 2015				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
			(In thousands)		
Cash flows from operating activities					
Net cash provided by (used in) operating activities	$ (776,996)	$ 1,334,311	$ 447,764	$ —	$ 1,005,079
Cash flows from investing activities					
Capital expenditures, net of construction payable	—	(483,244)	(983,575)	—	(1,466,819)
Dispositions of property and equipment	—	7,901	131	—	8,032
Proceeds from sale of business units and investment in unconsolidated affiliates	—	92,207	—	—	92,207
Investments in and advances to unconsolidated affiliates	(141,390)	(54,672)	—	—	(196,062)
Distributions from unconsolidated affiliates in excess of cumulative earnings	—	201,612	—	—	201,612
Investments in cash deposits - original maturities longer than 90 days	(200,205)	—	—	—	(200,205)
Proceeds from cash deposits - original maturities longer than 90 days	770,205	—	—	—	770,205
Intercompany accounts	—	(1,059,181)	—	1,059,181	—
Other	—	(7,516)	3,488	—	(4,028)
Net cash provided by (used in) investing activities	428,610	(1,302,893)	(979,956)	1,059,181	(795,058)
Cash flows from financing activities					
Net borrowings (repayments) under bank credit facilities - maturities of 90 days or less	(28,000)	—	1,005,275	—	977,275
Borrowings under bank credit facilities - maturities longer than 90 days	3,768,750	—	1,350,000	—	5,118,750
Repayments under bank credit facilities - maturities longer than 90 days	(3,768,750)	—	(1,350,000)	—	(5,118,750)
Retirement of senior notes	(875,504)	—	—	—	(875,504)
Debt issuance costs	—	—	(46,170)	—	(46,170)
Intercompany accounts	1,003,750	13,433	41,998	(1,059,181)	—
Distributions to noncontrolling interest owners	—	—	(307,227)	—	(307,227)
Proceeds from issuance of redeemable noncontrolling interests	—	—	6,250	—	6,250
Other	(12,512)	—	9	—	(12,503)
Net cash provided by (used in) financing activities	87,734	13,433	700,135	(1,059,181)	(257,879)
Effect of exchange rate on cash	—	—	793	—	793
Cash and cash equivalents					
Net increase (decrease) for the period	(260,652)	44,851	168,736	—	(47,065)
Change in cash related to assets held for sale	—	3,662	—	—	3,662
Balance, beginning of period	799,508	255,655	658,552	—	1,713,715
Balance, end of period	$ 538,856	$ 304,168	$ 827,288	$ —	$ 1,670,312

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME INFORMATION

	Year Ended December 31, 2014				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
			(In thousands)		
Net revenues	$ —	$ 6,270,708	$ 3,813,736	$ (2,460)	$ 10,081,984
Equity in subsidiaries' earnings	938,712	339,312	—	(1,278,024)	—
Expenses					
Casino and hotel operations	5,482	3,810,711	2,554,965	(2,460)	6,368,698
General and administrative	4,743	1,089,192	224,814	—	1,318,749
Corporate expense	72,116	150,938	15,757	—	238,811
Preopening and start-up expenses	—	5,384	33,873	—	39,257
Property transactions, net	—	36,612	4,390	—	41,002
Depreciation and amortization	—	500,401	315,364	—	815,765
	82,341	5,593,238	3,149,163	(2,460)	8,822,282
Income (loss) from unconsolidated affiliates	—	64,014	(178)	—	63,836
Operating income (loss)	856,371	1,080,796	664,395	(1,278,024)	1,323,538
Interest expense, net of amounts capitalized	(794,826)	(574)	(21,661)	—	(817,061)
Other, net	50,793	(90,679)	(55,705)	—	(95,591)
Income (loss) before income taxes	112,338	989,543	587,029	(1,278,024)	410,886
Provision for income taxes	(262,211)	(20,735)	(762)	—	(283,708)
Net income (loss)	(149,873)	968,808	586,267	(1,278,024)	127,178
Less: Net income attributable to noncontrolling interests	—	—	(277,051)	—	(277,051)
Net income (loss) attributable to MGM Resorts International	$ (149,873)	$ 968,808	$ 309,216	$ (1,278,024)	$ (149,873)
Net income (loss)	$ (149,873)	$ 968,808	$ 586,267	$ (1,278,024)	$ 127,178
Other comprehensive income (loss), net of tax:					
Foreign currency translation adjustment	(762)	(762)	(1,293)	1,524	(1,293)
Other	1,250	1,250	—	(1,250)	1,250
Other comprehensive income (loss)	488	488	(1,293)	274	(43)
Comprehensive income (loss)	(149,385)	969,296	584,974	(1,277,750)	127,135
Less: Comprehensive income attributable to noncontrolling interests	—	—	(276,520)	—	(276,520)
Comprehensive income (loss) attributable to MGM Resorts International	$ (149,385)	$ 969,296	$ 308,454	$ (1,277,750)	$ (149,385)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS INFORMATION

	Year Ended December 31, 2014				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
			(In thousands)		
Cash flows from operating activities					
Net cash provided by (used in) operating activities	$ (718,756)	$ 1,121,013	$ 703,413	$ 25,000	$ 1,130,670
Cash flows from investing activities					
Capital expenditures, net of construction payable	—	(375,719)	(496,322)	—	(872,041)
Dispositions of property and equipment	—	6,631	1,020	—	7,651
Investments in and advances to unconsolidated affiliates	(31,400)	(46,640)	—	(25,000)	(103,040)
Distributions from unconsolidated affiliates in excess of cumulative earnings	—	132	—	—	132
Investments in treasury securities - maturities longer than 90 days	—	(123,133)	—	—	(123,133)
Proceeds from treasury securities - maturities longer than 90 days	—	210,300	—	—	210,300
Investments in cash deposits - original maturities longer than 90 days	(570,000)	—	—	—	(570,000)
Intercompany accounts	—	(704,785)	—	704,785	—
Payments for gaming licenses	—	—	(85,000)	—	(85,000)
Other	—	10,981	—	—	10,981
Net cash provided by (used in) investing activities	(601,400)	(1,022,233)	(580,302)	679,785	(1,524,150)
Cash flows from financing activities					
Net repayments under bank credit facilities - maturities of 90 days or less	(28,000)	—	—	—	(28,000)
Borrowings under bank credit facilities - maturities longer than 90 days	3,821,250	—	1,350,000	—	5,171,250
Repayments under bank credit facilities - maturities longer than 90 days	(3,821,250)	—	(1,350,000)	—	(5,171,250)
Issuance of senior notes	1,250,750	—	—	—	1,250,750
Retirement of senior notes	(508,900)	—	—	—	(508,900)
Debt issuance costs	(13,681)	—	—	—	(13,681)
Intercompany accounts	1,045,048	(76,117)	(264,146)	(704,785)	—
Distributions to noncontrolling interest owners	—	—	(386,709)	—	(386,709)
Other	(4,213)	(803)	(367)	—	(5,383)
Net cash provided by (used in) financing activities	1,741,004	(76,920)	(651,222)	(704,785)	308,077
Effect of exchange rate on cash	—	—	(889)	—	(889)
Cash and cash equivalents					
Net increase (decrease) for the period	420,848	21,860	(529,000)	—	(86,292)
Change in cash related to assets held for sale	—	(3,662)	—	—	(3,662)
Balance, beginning of period	378,660	237,457	1,187,552	—	1,803,669
Balance, end of period	$ 799,508	$ 255,655	$ 658,552	$ —	$ 1,713,715

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME INFORMATION

	Year Ended December 31, 2013				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
			(In thousands)		
Net revenues	$ —	$ 5,955,001	$ 3,856,728	$ (2,066)	$ 9,809,663
Equity in subsidiaries' earnings	638,030	289,384	—	(927,414)	—
Expenses					
Casino and hotel operations	5,644	3,622,940	2,632,198	(2,066)	6,258,716
General and administrative	4,432	1,051,757	222,261	—	1,278,450
Corporate expense	66,307	125,500	41,938	(17,000)	216,745
Preopening and start-up expenses	—	4,205	9,109	—	13,314
Property transactions, net	—	126,773	(2,012)	—	124,761
Depreciation and amortization	—	522,900	326,325	—	849,225
	76,383	5,454,075	3,229,819	(19,066)	8,741,211
Income from unconsolidated affiliates	—	68,807	22	—	68,829
Operating income (loss)	561,647	859,117	626,931	(910,414)	1,137,281
Interest expense, net of amounts capitalized	(805,933)	(6,333)	(45,081)	—	(857,347)
Other, net	39,524	(212,065)	(45,203)	—	(217,744)
Income (loss) before income taxes	(204,762)	640,719	536,647	(910,414)	62,190
Benefit (provision) for income taxes	33,028	11,111	(64,955)	—	(20,816)
Net income (loss)	(171,734)	651,830	471,692	(910,414)	41,374
Less: Net income attributable to noncontrolling interests	—	—	(213,108)	—	(213,108)
Net income (loss) attributable to MGM Resorts International	$ (171,734)	$ 651,830	$ 258,584	$ (910,414)	$ (171,734)
Net income (loss)	$ (171,734)	$ 651,830	$ 471,692	$ (910,414)	$ 41,374
Other comprehensive income (loss), net of tax:					
Foreign currency translation adjustment	(1,915)	(1,915)	(3,993)	3,830	(3,993)
Other	115	115	—	(115)	115
Other comprehensive income (loss)	(1,800)	(1,800)	(3,993)	3,715	(3,878)
Comprehensive income (loss)	(173,534)	650,030	467,699	(906,699)	37,496
Less: Comprehensive income attributable to noncontrolling interests	—	—	(211,030)	—	(211,030)
Comprehensive income (loss) attributable to MGM Resorts International	$ (173,534)	$ 650,030	$ 256,669	$ (906,699)	$ (173,534)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS INFORMATION

	Year Ended December 31, 2013				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
			(In thousands)		
Cash flows from operating activities					
Net cash provided by (used in) operating activities	$ (819,282)	$ 1,089,341	$ 1,040,389	$ —	$ 1,310,448
Cash flows from investing activities					
Capital expenditures, net of construction payable	—	(311,635)	(250,489)	—	(562,124)
Dispositions of property and equipment	—	11,648	6,382	—	18,030
Investments in and advances to unconsolidated affiliates	(23,600)	(5,353)	—	—	(28,953)
Distributions from unconsolidated affiliates in excess of cumulative earnings	—	110	—	—	110
Investments in treasury securities - maturities longer than 90 days	—	(219,546)	—	—	(219,546)
Proceeds from treasury securities - maturities longer than 90 days	—	252,592	—	—	252,592
Payments for gaming licenses	—	—	(21,600)	—	(21,600)
Other	—	1,354	—	—	1,354
Net cash used in investing activities	(23,600)	(270,830)	(265,707)	—	(560,137)
Cash flows from financing activities					
Net repayments under bank credit facilities - maturities of 90 days or less	(28,000)	—	—	—	(28,000)
Borrowings under bank credit facilities - maturities longer than 90 days	2,343,000	—	450,000	—	2,793,000
Repayments under bank credit facilities - maturities longer than 90 days	(2,343,000)	—	(450,000)	—	(2,793,000)
Issuance of senior notes	500,000	—	—	—	500,000
Retirement of senior notes	(462,226)	(150,036)	—	—	(612,262)
Debt issuance costs	(23,576)	—	—	—	(23,576)
Intercompany accounts	985,465	(657,260)	(328,205)	—	—
Distributions to noncontrolling interest owners	—	—	(318,348)	—	(318,348)
Other	(4,506)	—	(3,016)	—	(7,522)
Net cash provided by (used in) financing activities	967,157	(807,296)	(649,569)	—	(489,708)
Effect of exchange rate on cash	—	—	(443)	—	(443)
Cash and cash equivalents					
Net increase for the period	124,275	11,215	124,670	—	260,160
Balance, beginning of period	254,385	226,242	1,062,882	—	1,543,509
Balance, end of period	$ 378,660	$ 237,457	$ 1,187,552	$ —	$ 1,803,669

NOTE 19 — SELECTED QUARTERLY FINANCIAL RESULTS (UNAUDITED)

	Quarter				
	First	Second	Third	Fourth	Total
2015	*(In thousands, except per share data)*				
Net revenues	$ 2,332,244	$ 2,385,135	$ 2,280,816	$ 2,191,873	$ 9,190,068
Operating income (loss)	395,104	348,521	297,377	(1,197,234)	(156,232)
Net income (loss)	212,646	126,467	94,735	(1,473,497)	(1,039,649)
Net income (loss) attributable to MGM Resorts International	169,850	97,459	66,425	(781,454)	(447,720)
Basic income (loss) per share	$ 0.35	$ 0.18	$ 0.12	$ (1.38)	$ (0.82)
Diluted income (loss) per share	$ 0.33	$ 0.17	$ 0.12	$ (1.38)	$ (0.82)
2014					
Net revenues	$ 2,630,398	$ 2,581,033	$ 2,485,007	$ 2,385,546	$ 10,081,984
Operating income	416,472	354,464	286,489	266,113	1,323,538
Net income (loss)	186,100	178,168	50,382	(287,472)	127,178
Net income (loss) attributable to MGM Resorts International	102,652	110,008	(20,270)	(342,263)	(149,873)
Basic income (loss) per share	$ 0.21	$ 0.22	$ (0.04)	$ (0.70)	$ (0.31)
Diluted income (loss) per share	$ 0.20	$ 0.22	$ (0.04)	$ (0.70)	$ (0.31)

Because income (loss) per share amounts are calculated using the weighted average number of common and dilutive common equivalent shares outstanding during each quarter, the sum of the per share amounts for the four quarters does not equal the total loss per share amounts for the year. T he following sections list certain items affecting comparability of quarterly and year-to-date results and related per share amounts. Additional information related to these items is included elsewhere in the notes to the accompanying financial statements.

2015 certain items affecting comparability are as follows:

- **First Quarter.** The Company recorded an $80 million ($0.09 and $0.10 per share in the quarter and full year of 2015, respectively) gain for its share of CityCenter's gain resulting from the final resolution of its construction litigation and related settlements;
- **Second Quarter.** None;
- **Third Quarter.** None; and
- **Fourth Quarter.** The Company recorded a $1.5 billion ($1.33 and $1.38 loss per share in the quarter and full year of 2015, respectively) impairment charge related to goodwill of its MGM China reporting unit and a $17 million ($0.02 loss per share in the quarter and full year of 2015) impairment charge related to its investment in Grand Victoria. The Company recorded a $23 million ($0.03 per share in the quarter and full year of 2015) gain on sale of Circus Circus Reno , and the Company's 50% interest in Silver Legacy and associated real property.

2014 certain items affecting comparability are as follows:

- **First Quarter.** None;
- **Second Quarter.** The Company recorded an impairment charge related to its investment in Grand Victoria of $29 million ($0.04 loss per share in the quarter and full year of 2014);
- **Third Quarter.** None; and
- **Fourth Quarter.** The Company recorded its 50% share of CityCenter's Harmon – related property transactions of $18 million ($0.02 loss per share in the quarter and full year of 2014) primarily related to a settlement charge with an insurer participating in the owner controlled insurance program for CityCenter.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MGM Resorts International

By: /s/ JAMES J. MURREN

James J. Murren
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Dated: February 29, 2016

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/ s / JAMES J. MURREN James J. Murren	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	February 29, 2016
/ s / ROBERT H. BALDWIN Robert H. Baldwin	Chief Customer Development Officer and Director	February 29, 2016
/ s / DANIEL J. D'ARRIGO Daniel J. D'Arrigo	Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	February 29, 2016
/ s / ROBERT C. SELWOOD Robert C. Selwood	Executive Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 29, 2016
/ s / WILLIAM A. BIBLE William A. Bible	Director	February 29, 2016
/ s / MARY CHRIS GAY Mary Chris Gay	Director	February 29, 2016
/ s / WILLIAM W. GROUNDS William W. Grounds	Director	February 29, 2016
/ s / ALEXIS M. HERMAN Alexis M. Herman	Director	February 29, 2016
/ s / ROLAND HERNANDEZ Roland Hernandez	Director	February 29, 2016

Signature	Title	Date
/ s / Anthony Mandekic Anthony Mandekic	Director	February 29, 2016
/ s / Rose McKinney-James Rose McKinney-James	Director	February 29, 2016
/ s / Gregory M. Spierkel Gregory M. Spierkel	Director	February 29, 2016
/ s / Daniel J. Taylor Daniel J. Taylor	Director	February 29, 2016

MGM RESORTS INTERNATIONAL

SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS

(In thousands)

	Balance at Beginning of Period	Provision for Doubtful Accounts	Write-offs, Net of Recoveries	Balance at End of Period
Allowance for doubtful accounts:				
Year Ended December 31, 2015	$ 89,602	$ 54,691	$ (54,504)	$ 89,789
Year Ended December 31, 2014	81,713	46,698	(38,809)	89,602
Year Ended December 31, 2013	97,911	14,969	(31,167)	81,713

	Balance at Beginning of Period	Increase	Decrease	Balance at End of Period
Deferred income tax valuation allowance:				
Year Ended December 31, 2015	$ 2,558,767	$ 248,504	$ (140)	$ 2,807,131
Year Ended December 31, 2014	1,721,917	836,850	—	2,558,767
Year Ended December 31, 2013	1,093,398	633,423	(4,904)	1,721,917

Exhibit 10.3(1)

EXECUTION VERSION

THIRD AMENDED AND RESTATED

LIMITED LIABILITY COMPANY AGREEMENT

OF

CITYCENTER HOLDINGS, LLC

Dated as of December 22, 2015

THIRD AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

OF

CITYCENTER HOLDINGS, LLC

This Third Amended and Restated Limited Liability Company Agreement (this "Agreement") is made as of December 22, 2015 (the "Effective Date"), by and between PROJECT CC, LLC, a Nevada limited liability company ("MGM") and INFINITY WORLD DEVELOPMENT CORP, a Nevada corporation ("IW"). MGM and IW are hereinafter referred to individually as a "Member" and collectively as the "Members".

RECITALS

A. WHEREAS, Mirage Resorts, Incorporated, a Nevada corporation ("Mirage Resorts") and Dubai World, a Dubai, United Arab Emirates government decree entity ("Dubai World") entered into that certain Limited Liability Company Agreement of CityCenter Holdings, LLC dated as of August 21, 2007 (the "Original LLC Agreement");

B. WHEREAS, Mirage Resorts assigned all of its rights, title, interest and obligations in and to the Original LLC Agreement to MGM pursuant to that certain Assignment and Assumption Agreement dated as of November 14, 2007;

C. WHEREAS, Dubai World assigned all of its rights, title, interest and obligations in and to the Original LLC Agreement to IW pursuant to that certain Assignment and Assumption Agreement dated as of November 15, 2007;

D. WHEREAS, MGM and IW entered into that certain Amendment No. 1 to the Limited Liability Company Agreement of CityCenter Holdings, LLC dated as of November 15, 2007;

E. WHEREAS, MGM and IW entered into that certain Amendment No. 2 to the Limited Liability Company Agreement of CityCenter Holdings, LLC dated as of December 31, 2007;

F. WHEREAS, MGM and IW entered into that certain Amended and Restated Limited Liability Company Agreement dated as of April 29, 2009 (the "Amended and Restated Agreement");

G. WHEREAS, MGM, MGM Parent, the Company and IW entered into that certain letter agreement dated April 29, 2009 (the "Cash Proceeds Letter");

H. WHEREAS, MGM and IW entered into that certain letter agreement dated as of June 29, 2010 which amended the Amended and Restated Agreement (the "Letter Agreement");

I. WHEREAS, MGM and IW entered into that Amendment No. 1 to Amended and Restated Limited Liability Company Agreement dated as of July 16, 2013 ("First Amendment");

J. WHEREAS, the Parties entered into that Second Amended and Restated Agreement dated as of October 16, 2013, which amended and restated the Amended and Restated Agreement, as amended by the Letter Agreement and the First Amendment (the "Second Amended and Restated Agreement");

J. WHEREAS, MGM, through one or more Affiliates, owned the Project Assets;

K. WHEREAS, MGM previously (i) contributed the Project Assets to CityCenter Land, LLC, a Nevada limited liability company ("Project Owner") and, thereafter, (ii) contributed 100% of the membership interests in Project Owner to the Company;

L. WHEREAS, the Members have formed the Company to own, directly or indirectly through its Subsidiary, Project Owner, and to manage, design, plan, develop, construct, operate, lease and sell the Project pursuant to the provisions of the Delaware Limited Liability Company Act, 6 Del. C. § 18-101 et seq., as the same may be amended from time to time (the "Act"); and

M. WHEREAS, the Parties desire to amend and restate the Second Amended and Restated Agreement, in its entirety, in order to set out their agreement as to the conduct of business and the affairs of the Company.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the mutual promises set forth, the Parties agree as follows:

ARTIC LE 1

THE COMPANY

Section 1.1 Organization . Mirage Resorts and Dubai World formed and established a limited liability company, called CityCenter Holdings, LLC (the "Company"), under and pursuant to the provisions of the Act, and upon the terms and conditions set forth in the Original LLC Agreement. On November 2, 2007, a certificate of formation for the Company was filed.

Section 1.2 Name . The name of the Company is CityCenter Holdings, LLC, and all business of the Company shall be conducted solely in such name or in such other name or names as may be Approved by the Board of Directors.

Section 1.3 Place of Business . The principal office of the Company shall be located at such place within the County as may be approved by the Managing Member.

Section 1.4 Business of the Company . Subject to Section 1.10 hereof, the business of the Company is to acquire and own the Project Assets and to design, develop, construct, finance, own and operate the Project. In furtherance of its business, the Company shall have and may exercise all the powers now or hereafter conferred by the laws of the State of Delaware on limited liability companies formed under the laws of that State, and may do any and all things related or incidental to its business as fully as natural persons might or could do under the laws of that State. Such power shall include, but shall not be limited to, the creation, ownership and operation of one or more wholly owned Subsidiaries for the purposes set forth in Section 1.10 hereof. The Company has registered to do business in the State of Nevada.

Section 1.5 Purposes Limited . Except as otherwise provided in this Agreement, the Company shall not engage in any other activity or business and none of the Members shall have any authority to hold itself out as an agent of the other Member in any other business or activity.

Section 1.6 No Payments of Individual Obligations . The Members shall use the Company's credit and assets solely for the benefit of the Company. Other than as set forth in an Additional Agreement, no asset of the Company shall be transferred or encumbered for or in payment of any individual obligation of a Member.

Section 1.7 Statutory Compliance . The Company shall exist under and be governed by, and this Agreement shall be construed and enforced in accordance with, the laws of the State of Delaware, but excluding its conflict of law principles. The Members shall make all filings and disclosures required by, and shall otherwise comply with, all such laws. The Members shall execute, file and record in the appropriate records any assumed or fictitious name certificate required by law to be filed or recorded in connection with the formation of the Company and shall execute, file and record such other documents and instruments as may be necessary or appropriate with respect to the formation of, and conduct of business by, the Company.

Section 1.8 Title to Property . All property, whether real or personal, tangible or intangible, owned by the Company or its Subsidiaries shall be owned in the name of the Company or its Subsidiaries, and no Member shall have any ownership interest in such property in its individual name or right and each Member's interest in the Company shall be personal property for all purposes.

Section 1.9 Duration . The Company commenced on the date of its formation pursuant to Section 1.1 hereof and shall continue until dissolved and liquidated pursuant to law or any provision of this Agreement.

Section 1.10 Conduct of Business Through Single Purpose Entities . It is the intention of the Members that the Company serve as a holding company and operate its business, and own each of the Project Assets, through single purpose wholly owned limited liability companies or other wholly owned entities (each, a "Subsidiary" or, together, the "Subsidiaries").

Section 1.11 Definitions . As used in this Agreement:

"Acceptance Notice" has the meaning set forth in Section 11.6(b) hereof.

"Act" has the meaning set forth in Recital L.

"actual knowledge" has the meaning set forth in Section 10.1 or Section 10.2 hereof, as applicable.

"Actual Pre-Closing Residential Proceeds" means the amount set forth on Schedule 1.11 which is the actual amount of (A) cash proceeds received by MGM or its Affiliates, excluding any cash proceeds returned or refunded, from the sale or a contract to sell any residential units in the Project Components since the inception of the Project to the Closing Date less (B) the Sales Expenses related to such residential units.

"Additional Agreements" means the Development Management Agreement, the Operations Management Agreements, and the Ancillary Agreements.

"Additional Capital Contribution" has the meaning set forth in Section 3.3(a) hereof and includes Capital Contributions made pursuant to Section 3.3, Section 3.4 and Section 3.5(b) hereof.

"Adjusted Capital Account Balance" has the meaning set forth in Section 5.6(a) hereof.

"Affiliate" means a Person which directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the Person specified; provided , however , that a Member, as such, shall not be deemed to be an Affiliate of the other Member and the Company and its Subsidiaries shall not be considered Affiliates of either Member. For the purpose of this definition, "control" (including, with correlative meanings, the terms "controls," "controlling," "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" has the meaning set forth in the Preamble.

"Alternate" has the meaning set forth in Section 9.1(c) hereof.

"Amended and Restated Agreement" has the meaning set forth in Recital F.

"Ancillary Agreement" means an agreement between MGM or its Affiliate and the Company providing for a grant of a lease, easement, or permission to use or occupy any real, personal or intellectual property, including, but not limited to, such matters described in Exhibit B attached hereto.

"Annual Budget" means, at any time, the annual budget for the day-to-day operations of a Project Component most recently Approved by the Board of Directors in accordance with the terms of this Agreement.

"Appraisal Notice" has the meaning set forth in Section **13.4** hereof.

"Appraised Value" has the meaning set forth in Section **13.4** hereof.

"Approval" or "Approved" means, with the respect to the Board of Directors, the approval by (i) a majority of all of the Representatives on the Board of Directors entitled to vote on the matter, (ii) as long as MGM or its Affiliate is a Member, at least one Representative designated by MGM, and (iii) as long as IW or its Affiliate is a Member, at least one Representative designated by IW.

"Approved Counsel" means (i) Lionel Sawyer & Collins, (ii) Snell & Wilmer, L.L.P., (iii) Brownstein Hyatt Farber Schreck, and (iv) any other attorney duly licensed in the State of Nevada that has been Approved by the Board of Directors or by all Members in writing.

"Bankruptcy Code" means Title 11 of the United States Code (and any successor thereto), as amended from time to time.

"Base Profit Interest" has the meaning set forth in Section 3.5(b) hereof.

"Benchmarking Data" has the meaning set forth in Section 7.8(i) hereof.

"Bi-Weekly Performance Report" has the meaning set forth in Section 7.8(i) hereof.

"Board of Directors" has the meaning set forth in Section 9.1(a) hereof.

"Business Day" means each day other than a Saturday, Sunday or any day observed by the Federal, State of Nevada or local government in Las Vegas, Nevada as a legal holiday.

"Business Plan" means, collectively, each of the Component Business Plans and the Project Business Plan, as each may be, from time to time, amended, modified or supplemented in accordance with the terms and provisions of this Agreement.

"Capital Account" has the meaning set forth in Section 3.7(a) hereof.

"Capital Contribution" means an Initial Capital Contribution or Additional Capital Contribution.

"Cash Proceeds Letter" has the meaning set forth in Recital G.

"Cash Purchase Procedure" has the meaning set forth in Section 4.2(a) hereof.

"Casino Opening Date" has the meaning set forth in Section 4.2(c)(i) hereof.

"Closing Date" means November 15, 2007.

"Code" means the Internal Revenue Code of 1986 (and any successor thereto), as amended from time to time.

"Company" has the meaning set forth in Section 1.1 hereof.

"Company Accountants" means Deloitte & Touche, LLP.

"Company Minimum Gain" has the meaning as set forth in Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

"Completion Date" has the meaning as set forth in the Amendment to Disbursement Agreement, dated as of April 29, 2009, between the Company and Bank of America, N.A.

"Component Business Plan" has the meaning ascribed to such term in Section 7.8(b) hereof, as such may be, from time to time, amended, modified or supplemented in accordance with the terms and provisions of this Agreement.

"Conditional Transfer Price" means, with respect to the Units to be Transferred pursuant to Section 4.2, Section 9.3(d) or Section 13.4 hereof, 100% of the Appraised Value of such Units.

"Construction Budget" means, at any time, the budget for the acquisition, development and construction of the entire Project prepared by, or on behalf of, the Managing Member and Approved by the Board of Directors, setting forth in detail, by category and line item, all Development Costs and all pre-opening costs, as such budget shall be amended from time to time in accordance with this Agreement. The Construction Budget shall allocate and separate all Development Costs among the various Project Components so that the Construction Budget sets forth a maximum amount of Development Costs for each Project Component and the sum of the aggregate budgeted Development Costs for each Project Component will equal the aggregate amount of the Construction Budget. The Construction Budget was Approved by the Board of Directors on or about March 5, 2009 and is attached hereto as Exhibit I. All future Construction Budgets, including any amendments, modifications and/or supplements thereof and thereto, will be in the same form as the Construction Budget.

"Construction Completion Guaranty" means that certain Amended and Restated Sponsor Completion Guarantee (MGM Parent) dated as of April 29, 2009, executed by MGM Parent in favor of the Company and the other Persons named therein, as amended by the Second Amended and Restated Sponsor Completion Guarantee dated as of January 11, 2011 and by the Third Amended and Restated Sponsor Completion Guarantee dated as of October 16, 2013 and further amended and terminated by the Amendment and Termination and Release of MGM Resorts Completion Guarantee dated as of June 10, 2015.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Contribution Agreements" means each of the Contribution Agreements dated as of October 16, 2013 by and between the Company and IW and MGM, respectively.

"County" means Clark County, Nevada.

"CPI" means the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, Los Angeles-Anaheim-Riverside, All Items (1982-84 = 100), or any successor index thereto, as such successor index may be appropriately adjusted to establish substantial equivalence with the CPI, or if the CPI ceases to be published and there is no successor thereto, such other index as shall be Approved by the Board of Directors.

"Credit Facility" means that certain Third Amended and Restated Credit Agreement dated as of October 16, 2013 by and among the Company, Bank of America, N.A., as Administrative Agent, Bank of America, N.A. as an L/C Issuer, and certain other lenders, as the same may be further amended or modified following October 16, 2013.

"Damages" means any loss, cost, liability, claim, damage, expense (including reasonable attorneys' fees), demand and cause of action of any nature whatsoever, whether or not involving a third party claim and without taking into account any related insurance payments.

"Deemed Satisfaction of DW Obligations" has the meaning set forth in Section 15.24 hereof.

"Deemed Satisfaction of MR Obligations" has the meaning set forth in Section 15.25 hereof.

"Default Interest Rate" means the Prime Rate plus five percent (5%).

"Defaulting Member" has the meaning set forth in Section 13.1 hereof.

"Delinquent Member" has the meaning set forth in Section 3.5 hereof.

"Depreciation" shall mean, for each Fiscal Year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Fiscal Year or other period for U.S. federal income tax purposes, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year or other period bears to such beginning adjusted tax basis.

"Development Costs" means, without duplication, all of the following fees, costs and expenses incurred or to be paid in connection with the Project: (i) all hard construction costs to construct and complete the entire Project in accordance with the Plans, (ii) whether incurred before or after completion of any particular Project Component, any costs of fit out of such Project Component (which shall include, without limitation, any free rent, tenant improvements or other tenant concessions), (iii) soft costs directly related to the construction of the Project (such as architect's fees), incurred since inception of the Project, (iv) other soft costs not directly related to hard construction costs of the Project (such as real estate taxes and insurance premiums), in each case, whether paid or unpaid, and (v) all fees, costs and expenses incurred to acquire the Project Assets (excluding the initial Capital Contribution of Dubai World pursuant to the Original LLC Agreement).

"Development Management Agreement" means that certain Development Management Agreement for CityCenter by and among MGM, MGM Parent and the Company dated November 15, 2007, as amended.

"Development Manager" has the meaning ascribed to it in the Development Management Agreement.

"Disposing Member" has the meaning set forth in Section 11.6(a) hereof.

"Disposition Notice" has the meaning set forth in Section 11.6(a) hereof.

"Distributable Cash" has the meaning set forth in Section 6.3 hereof.

"Dubai World" has the meaning set forth in Recital A.

"DW L/C" means, collectively, (a) that certain letter of credit dated as of April 29, 2009 posted by Dubai World and issued by Emirates Bank, NBD in favor of the Company in the amount of $408.455 million and (b) the sum of 85.545 million deposited by Dubai World with the lender under the Prior Construction Facility on April 29, 2009.

"Dubai World Restricted Affiliates" has the meaning set forth in Section 15.21(b) hereof.

"Effective Date" has the meaning set forth in the Preamble.

"Escalation" has the meaning set forth in Section 9.3(c) hereof.

"Event of Bankruptcy" has the meaning set forth in Section 13.1 hereof.

"Event of Default" has the meaning set forth in Section 13.1 hereof.

"Financing" means debt financing, which may be unsecured or collateralized by one or more Liens on the Project Assets or any portion thereof (including purchase money financing collateralized by furniture, furnishings, fixtures, machinery or equipment), to be obtained by the Company from one or more commercial banks or other lenders (including vendors or the Members) for the purpose of funding the Project.

"Financing Documents" means all agreements between the Company and any applicable lender evidencing any Financing.

"First Amendment" has the meaning set forth in Recital I.

"Fiscal Year" has the meaning set forth in Section 7.5 hereof.

"Gaming" means to deal, operate, carry on, conduct, maintain or expose for play any game as defined in applicable Gaming Laws, or to operate an inter-casino linked system.

"Gaming Approvals" means with respect to any action by a particular Person, any consent, finding of suitability, license, approval or other authorization required for such action by such Person from a Gaming Authority or under Gaming Laws.

"Gaming Authority" means those national, state, local and other governmental, regulatory and administrative authorities, agencies, boards and officials responsible for or regulating gaming or gaming activities in any jurisdiction and, within the State of Nevada, specifically, the Nevada Gaming Commission, the Nevada State Gaming Control Board, and the Clark County Liquor and Gaming Licensing Board.

"Gaming Components" means all Project Components in which Gaming will take place.

"Gaming Laws" means those laws pursuant to which any Gaming Authority possesses regulatory, licensing or permit authority over gaming within any jurisdiction and, within the State of Nevada, specifically, the Nevada Gaming Control Act, as codified in NRS Chapters 462 – 466, and the regulations of the Nevada Gaming Commission promulgated thereunder, and the Clark County Code.

"Gross Asset Value" has the meaning set forth in Section 3.9(a) hereof.

"Hotel Assets" means, collectively, the following Project Components: (i) the CityCenter Resort and Casino; (ii) the Mandarin Oriental Hotel/Residences; (iii) the Vdara Condo/Hotel Tower; and (iv) assets related to (i), (ii) and (iii).

"Impasse" has the meaning set forth in Section 9.3(c) hereof.

"Impasse Election Date" has the meaning set forth in Section 9.3(d) hereof.

"Impasse Trigger Date" has the meaning set forth in Section 9.3(d) hereof.

"Indemnified Party" and "Indemnified Parties" have the meaning set forth in Section 2.5(a) hereof.

"Indemnifying Party" has the meaning set forth in Section 2.5(c) hereof.

"Individual Adjusted Profit Interest Addition" has the meaning set forth in Section 3.5(b) hereof.

"Individual Adjusted Profit Interest Subtraction" has the meaning set forth in Section 3.5(b) hereof.

"Individual Base Profit Interest Addition" has the meaning set forth in Section 3.5(b) hereof.

"Individual Base Profit Interest Subtraction" has the meaning set forth in Section 3.5(b) hereof.

“Initial Capital Contribution” has the meaning set forth in Section 3.2 hereof.

“Interest” means, with respect to a Member, the percentage ownership interest in the Company represented by the Units owned by such Member.

“IW” has the meaning set forth in the Preamble.

“IW Default Contributions” means any Additional Capital Contributions made by IW pursuant to Section 3.5(b).

“ IW Gaming Approval **”** has the meaning set forth in Section 4.2(b) hereof.

“IW Indemnitees” has the meaning set forth in Section 13.3(a) hereof.

“IW Special Representative” has the meaning set forth in Section 9.5.

“IW Tax Liability” has the meaning set forth in Section 4.7(a) hereof.

“Lease Agreements” has the meaning set forth in Section 4.2(b) hereof.

“Lending Member” has the meaning set forth in Section 3.5(a) hereof.

“Letter Agreement” has the meaning set forth in Recital H.

“Letters of Credit” means, collectively, the DW L/C and the MGM L/C.

“License Breach” has the meaning set forth in Section 13.1(d) hereof.

“Lien” or “Liens” means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof).

“Major Contract” means any contract under which the Company or any Subsidiary would be required to make payments or incur liabilities in excess of $20 million.

“Major Decision” has the meaning set forth in Section 9.3(a) hereof.

“Major Lease” means any lease agreement under which the Company or any Subsidiary would be required to make payments, receive payments, or incur liabilities, in each case, in excess of $20 million.

“Managing Member” means MGM or its permitted successor as Managing Member in accordance with Section 9.4.

“Material Competitors” means, collectively, the entities identified in Exhibit H attached hereto.

“Member” and “Members” has the meaning set forth in the Preamble.

“Member Loan” has the meaning set forth in Section 3.5(a)(i) hereof.

“Member Nonrecourse Debt” has the meaning set forth in Regulations Section 1.704-2(b)(4).

“Member Nonrecourse Debt Minimum Gain” means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a nonrecourse liability, determined in accordance with Regulations Section 1.704-2(i)(3).

“Member Nonrecourse Deductions” has the meaning set forth in Regulations Sections 1.704-2(i)(1) and 1.704-2(i)(2).

“MGM” has the meaning set forth in the Preamble.

“MGM Additional Contribution” has the meaning set forth in Section 4.7(a) hereof.

"MGM Default Contributions" means any Additional Capital Contributions made by MGM pursuant to Section 3.5(b).

"MGM Indemnitees" has the meaning set forth in Section 13.3(b) hereof.

"MGM L/C" means that certain letter of credit dated as of April 29, 2009 posted by MGM Parent and issued by Bank of America, N.A., in favor of the Company in the amount of $224 million.

"MGM Parent" means MGM Resorts International, a Delaware corporation f/k/a MGM MIRAGE.

"MGM Parent Restricted Affiliates" has the meaning set forth in Section 15.21(a) hereof.

"Mirage Resorts" has the meaning set forth in Recital A.

"Net Residential Proceeds" means the actual amount of (A) cash proceeds received by the Company or its Affiliates from the sale of any residential units in the Project Components less (B) the Sales Expenses related to such residential units.

"Non-Defaulting Member" means a Member who is not a Defaulting Member.

"Non-Delinquent Member" has the meaning set forth in Section 3.5 hereof.

"Non-Disposing Member" has the meaning set forth in Section 11.6(b) hereof.

"Non-Recourse Liability" has the meaning set forth in Regulations Section 1.752-1(a)(2).

"Offer Notice" has the meaning set forth in Section 11.6(b) hereof.

"Offer Period" has the meaning set forth in Section 11.6(b) hereof.

"Offered Units" has the meaning set forth in Section 11.6(a) hereof.

"Operations Management Agreements" means, collectively, those certain agreements, as amended, listed on Exhibit D attached hereto.

"Operations Manager" has the meaning ascribed to it in the Operations Management Agreements.

"Original LLC Agreement" has the meaning set forth in Recital A.

"Party" or "Parties" means MGM, IW, individually or collectively, as appropriate, and their respective successors and assigns.

"Passive Member" has the meaning set forth in Section 11.4(b)(i) hereof.

"People Mover" has the meaning set forth in Section 4.6 hereof.

"Permitted Transfer" has the meaning set forth in Section 11.2 hereof.

"Permitted Transferee" means, (i) in the case of MGM: any Person, one hundred percent (100%) of the voting stock or beneficial ownership of which is owned directly or indirectly, including through subsidiaries, by MGM Parent, and (ii) in the case of IW: any Person, one hundred percent (100%) of the voting stock or beneficial ownership of which is owned directly or indirectly, including through subsidiaries, by Dubai World.

"Person" means any natural person, corporation, limited liability company, firm, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, governmental or quasi-governmental entity or other entity of similar nature.

"Plans" means, at any time, the plans and specifications for the construction of the Project, together with all additions, modifications, supplements, addenda, and change orders thereto and thereof, in each event Approved by the Board of Directors in accordance with Section 7.8 and Section 9.3 hereof.

"Prime Rate" means the "U.S. prime rate" published in the "Money Rates" or equivalent section of the Western Edition of *The Wall Street Journal* , provided that if a "prime rate" range is published by *The Wall Street Journal* , then the highest rate of that range will be used, or if *The Wall Street Journal* ceases publishing a prime rate or a prime rate range, then the Managing Member will select a prime rate, a prime rate range or another substitute interest rate index that is based upon comparable information.

"Prior Construction Facility" means the Credit Agreement dated October 3, 2008 by and among the Company, Bank of America, N.A. as Administrative Agent, Disbursement Agent, and Swing Line Lender, and certain other lenders, as amended pursuant to Amendment No. 1 to the Credit Agreement dated December 31, 2008, and Amendment No. 2 and Waiver to Credit Agreement dated as of April 29, 2009.

"Profit" and "Loss" shall mean for each Fiscal Year or other period, the taxable income or tax loss of the Company for federal income tax purposes for such Fiscal Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be separately stated pursuant to Code Section 703(a)(1) shall be included in taxable income or tax loss), with the following adjustments:

(i) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses hereunder shall be added to such taxable income or tax loss;

(ii) Any expenditures of the Company described in Code Section 705(a)(2)(B), or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(*i*) and not otherwise taken into account in computing Profits and Losses hereunder shall be subtracted from such taxable income or tax loss;

(iii) In the event the Gross Asset Value of any Company asset is adjusted pursuant to the provisions of this Agreement, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits and Losses;

(iv) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed with reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or tax loss, there shall be taken into account Depreciation for such Fiscal Year;

(vi) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) is required pursuant to Regulations Section 1.704-1(b)(2)(iv)(*m*)(*4*) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's Interest, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Profits and Losses; and

(vii) Notwithstanding any other provisions of the foregoing provisions of this definition, any items which are specially allocated to a Member hereunder shall not be taken into account in computing Profits and Losses.

"Profit Interest" has the meaning set forth in Section 3.5(b) hereof.

"Project" means the development known as CityCenter located in the County which consists of the Project Components and the Project Assets, together with such acquisitions, dispositions, construction and development of the CityCenter development as the Company may engage in from time to time as approved in accordance with this Agreement.

"Project Assets" means all real, personal and intangible property related to or used in connection with any business, operation, enterprise or development that is the Project, but excluding all real, personal and intangible property related to or used in connection with any business, operation, enterprise or development that is not the Project. A description of a portion of the property comprising the Project Assets is set forth in Exhibit C attached hereto.

"Project Business Plan" has the meaning ascribed to such term in Section 7.8(a) hereof, as such Project Business Plan may be, from time to time, amended, modified or supplemented in accordance with the terms and provisions of this Agreement.

"Project Components" means the elements of the Project generally described on Exhibit A attached hereto.

"Project Owner" has the meaning set forth in Recital K.

"Regulations" means the Treasury Regulations promulgated under the Code.

"Regulatory Allocations" has the meaning set forth in Section 5.5 hereof.

"Representatives" has the meaning set forth in Section 9.1(b) hereof.

"Sales Expenses" with respect to any residential units within the Project Components, means the sales commissions and marketing expenses related to the sale of such residential units.

"Securities Laws" has the meaning set forth in Section 10.1(j).

"Selling Member" has the meaning set forth in Section 11.8(a) hereof.

"Subsidiary" has the meaning set forth in Section 1.10 hereof.

"Tag-Along Notice" has the meaning set forth in Section 11.8(b) hereof.

"Tagging Member" has the meaning set forth in Section 11.8(b) hereof.

"Tax Matters Partner" has the meaning set forth in Section 7.4 hereof.

"Transfer" means, with respect to a Unit, to directly or indirectly sell, assign, transfer, give, donate, pledge, hypothecate, deposit, alienate, bequeath, devise or otherwise dispose of or encumber such Unit. Notwithstanding the foregoing definition of Transfer, the following are not considered Transfers:

(a) the transfer of interests (in one or more transactions) of an entity that owns, directly or indirectly, any Units if: (A) the value of the Units held, directly or indirectly, by such entity does not exceed 50% of the fair market value of the total assets of such entity; and (B) the transferor continues to consolidate with the entity for financial reporting purposes; and

(b) an offering of securities by, or a change of control of, MGM Parent.

"Transfer Breach" has the meaning set forth in Section 13.1(a) hereof.

"Transferee" means a Person to whom a Transfer is made.

"True Proceeds" has the meaning set forth in Section 4.7(a) hereof.

"Unreturned Default Contributions" means (i) as to IW, the IW Default Contributions less the aggregate amount of distributions made to IW pursuant to Section 6.4(a) hereof and (ii) as to MGM, the MGM Default Contributions less the aggregate amount of distributions made to MGM pursuant to Section 6.4(a) hereof.

"Unauthorized Action" has the meaning set forth in Section 9.1(a) hereof.

"Unit" has the meaning set forth in Section 3.1 hereof.

"Unreturned Investment" for a Member at any given time means the aggregate amount of such Member's Capital Contribution made up to that time less the aggregate amount of distributions made to such Member by the Company up to that time.

ARTICLE 2

THE MEMBERS

Section 2.1 Identification . MGM and IW shall be the Members of the Company. No other Person may become a Member except pursuant to a Transfer specifically permitted under and effected in compliance with this Agreement.

Section 2.2 Services of Members . During the existence of the Company and, unless otherwise provided in an Additional Agreement, the Members shall be required to devote only such time and effort to Company business as may be necessary to promote adequately the interests of the Company and the mutual interests of the Members, it being specifically understood and agreed that the Members shall not be required to devote full time to Company business, and each Member agrees and acknowledges that each Member and its Affiliates currently do, and at any time and from time to time may, engage in and possess i nterests in other business or operations of every type and description, independently or with others, including, but not limited to, such business or operations that relate to or compete with the Project; and (i) neither the Company nor the other Member shall by virtue of this Agreement have any right, title or interest in or to such independent ventures or to the income or profits derived therefrom and (ii) nothing in this Agreement or any Additional Agreements shall be deemed to limit, restrict, prohibit, or otherwise abridge each Member's rights or ability to engage in or possess such interests.

Section 2.3 Reimbursement and Fees . Unless expressly provided for in this Agreement, approved by each of the Members, or provided for in an Additional Agreement, neither of the Members nor any Affiliate thereof shall be paid any compensation for its management services to the Company provided pursuant to the terms hereof or be reimbursed for out of pocket, overhead or general administrative expenses.

Section 2.4 Transactions with Affiliates . The Company shall be entitled to employ or retain, or enter into a transaction or contract with a Member or an officer, employee or Affiliate of any Member only after the Board of Directors has Approved such transaction or contract. Other than with respect to fees or other payment provided for, contemplated, or permitted in an Additional Agreement, the compensation and other terms and conditions of any such arrangement with any Member or any officer, employee or Affiliate of any Member shall be no less favorable to the Company than those that could reasonably be obtained at the time from an unrelated party providing comparable goods or services. Except for and subject to the terms of an Additional Agreement, it is expressly understood and agreed that the Company shall not enter into any contracts with an Affiliate of any Member other than at such Affiliate's cost.

Section 2.5 Liability of the Members; Indemnification .

(a) Except as otherwise may be required by applicable law, neither Member nor any officer, director, employee, agent or Affiliate of a Member nor any other Person that serves at the request of the Members on behalf of the Company including any Representative and the IW Special Representative (each, an "Indemnified Party" and collectively, the "Indemnified Parties") shall be liable for Damages or otherwise to the Company or the other Member for any act or omission performed or omitted by it within the scope of the authority granted to it by this Agreement so long as such act or omission shall not constitute bad faith or willful misconduct with respect to such acts or omissions.

(b) To the fullest extent permitted by law, the Indemnified Parties shall be defended, indemnified and held harmless by the Company from and against any and all Damages, arising out of or incidental to any act performed or omitted to be performed by any one or more of the Indemnified Parties (including, without limitation, to the extent permitted by law, actions or omissions constituting gross negligence) in connection with the business of the Company; provided, however, that such act did not constitute fraud or willful misconduct on behalf of such Indemnified Party; and provided further, however, that any obligation to an Indemnified Party under this Section 2.5 shall be paid first from insurance proceeds under policies maintained by the Company or from third party indemnities or guarantees, and to the extent such obligation remains unpaid, it shall be paid solely out of and to the extent of the assets of the Company and shall not be a personal obligation of any Member. To the extent that any Indemnified Party has, at law or in equity, duties (including, without limitation, fiduciary duties) to the Company, any Member or other Person bound by the terms of this Agreement, such Indemnified Party acting in accordance with this Agreement shall not be liable to the Company, any Member, or any such other Person for its reliance on (i) the advice of accountants or legal counsel for the Company, or (ii) the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict the duties of an Indemnified Party otherwise existing at law or in equity, are agreed by the Parties to replace or modify such other duties to the greatest extent permitted under applicable Law.

(c) The Company and each Member (if not the Indemnifying Party) shall be indemnified, defended and held harmless by the other Member (the "Indemnifying Party") from and against any and all Damages arising out of or incidental to (i) any act performed by the Indemnifying Party (including acts performed as the Member) or its authorized representatives, officers, employees, directors, shareholders, partners and members that is not performed within the scope of authority conferred upon the Indemnifying Party or the applicable Person under this Agreement, (ii) the fraud or willful misconduct of the Indemnifying Party or its authorized representatives, officers, employees, directors, shareholders, partners and members or (iii) the breach by the Company of any of its representations or warranties made under any joint venture, purchase, loan or other agreement entered into in connection with the acquisition of Project Assets, which breach was solely the result of written information or matters pertaining to the Indemnifying Party provided or confirmed by such Indemnifying Party; provided. however, that the cumulative indemnification obligation of a Member under this Section 2.5 shall in no event exceed the amount of the Unreturned Investment of the other Member at the time of such indemnification.

(d) To the fullest extent permitted by law, expenses incurred by an Indemnified Party in defending a civil or criminal action, suit or proceeding arising out of or in connection with this Agreement or the Company's business or affairs shall be paid by the Company in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Indemnified Party to repay such amount plus interest at the Prime Rate if it is ultimately determined that the Indemnified Party was not entitled to be indemnified by the Company in connection with such action.

(e) The Company may purchase, at its expense, insurance to insure any Indemnified Party against liability for any breach or alleged breach of its fiduciary responsibilities or any act for which an Indemnified Party may receive indemnification hereunder.

(f) Any and all indemnity obligations of each Party shall survive any termination of this Agreement or of the Company.

ARTICLE 3

CAPITAL CONTRIBUTIONS; LOANS; CAPITAL ACCOUNTS

Section 3.1 Issuance of Units . The Company has issued one hundred (100) membership units (each a "Unit" and collectively, the "Units"). Each of the Members owns fifty (50) Units. Additional Capital Contributions may be made and, if necessary, additional Units may be issued, in accordance with terms and conditions approved by the Members. Issuance of additional Units pursuant to this Agreement does not constitute an amendment of this Agreement. Exhibit E attached hereto will be revised from time to time to reflect the Units issued from time to time to the Members. Units shall represent the Interest (including ownership and voting interest), but not necessarily the Profit Interest, of each Member.

Section 3.2 Initial Capital Contributions . Each Member or its predecessor-in- interest made Capital Contributions to the Company ("Initial Capital Contribution") as set forth on Schedule 3.2 .

Section 3.3 Additional Capital Contributions . In the event that one or both of the Members is required to contribute additional capital or lend any funds to the Company as expressly provided in this Agreement or the Board of Directors Approves any such additional capital contribution (each, an "Additional Capital Contribution"), except as otherwise expressly provided in this Agreement, the amounts to be contributed shall be payable by the Members in proportion to their respective Profit Interests or as otherwise expressly provided in this Agreement; provided, however , that prior to the Effective Date but after March 26, 2009, MGM contributed $270 million to the Company as an Additional Capital Contribution (with a corresponding increase to MGM's Capital Account) and not as a Member Loan. The Members shall not be required to contribute additional capital or lend any funds to the Company except as expressly provided in this Agreement.

Section 3.4 Letters of Credit .

(a) Pursuant to the Prior Construction Facility, concurrently with $1.8 billion being funded pursuant to the Prior Construction Facility, (1) MGM delivered or caused to be delivered the MGM L/C and (2) IW delivered or caused to be delivered the DW L/C. The Company was entitled to draw on the Letters of Credit without any further action from the Board of Directors as provided in the Prior Construction Facility. Each drawdown on a Letter of Credit by the Company has been treated as an Additional Capital Contribution with a corresponding increase to the Capital Account of the Member whose Letter of Credit was drawn. Draws on the Letters of Credit were made in the following order:

(i) the first $135 million from the DW L/C;

(ii) the next $224 million from the MGM L/C; and

(iii) the next $359 million from the DW L/C.

(b) Concurrently with the execution and delivery of the Credit Facility, each of IW and MGM executed and delivered their respective Contribution Agreements. The contribution by each Member pursuant to each Contribution Agreement has been treated as an Additional Capital Contribution with a corresponding increase to the Capital Account of the Member who executed and delivered the Contribution Agreement.

Section 3.5 Failure to Make a Capital Contribution . If a Member fails to make any required Capital Contribution as set forth herein from and after the Effective Date (the "Delinquent Member"), then such Delinquent Member shall be subject to th e provisions of Article 13. In addition, the Member that did not fail to make any required Capital Contribution as set forth herein (the "Non-Delinquent Member") may exercise, on notice to the Delinquent Member, one of the following remedies:

(a) the Non-Delinquent Member (the "Lending Member") may advance the portion of the Delinquent Member's Capital Contribution that is in default, with the following results:

(i) The sum advanced shall constitute a loan from the Lending Member to the Delinquent Member (each, a "Member Loan") and a Capital Contribution of that sum to the Company by the Delinquent Member and shall be treated as such by the Parties for U.S. federal, state and local income tax purposes;

(ii) The unpaid principal balance of the Member Loan and all accrued unpaid interest shall be due and payable on the tenth day after written demand by the Lending Member to the Delinquent Member;

(iii) The unpaid balance of the Member Loan shall bear interest at the Default Interest Rate, compounded monthly, from the day that the advance is deemed made until the date that the Member Loan, together with all accrued interest, is repaid to the Lending Member;

(iv) All amounts distributable by the Company to the Delinquent Member shall (A) be paid to the Lending Member until the Member Loan and all accrued interest have been paid in full; (B) constitute a distribution to the Delinquent Member followed by a repayment of the Member Loan and accrued interest from the Delinquent Member to the Lending Member; and (C) be treated as such by the Parties for U.S. federal, state and local income tax purposes;

(v) In addition to the other rights and remedies granted to it under this Agreement, the Lending Member has the right to take any action available at law or in equity, at the cost and expense of the Delinquent Member, to obtain payment from the Delinquent Member of the unpaid balance of the Member Loan and all accrued and unpaid interest; and

(vi) The Delinquent Member grants to the Company, and to each Lending Member with respect to any Member Loans made to that Delinquent Member, as security, equally and ratably for the payment of all Capital Contributions that the Delinquent Member has agreed to make and the payment of all Member Loans and interest accrued made by Lending Members to that Delinquent Member, a security interest in its assets under the Uniform Commercial Code of the State of Nevada. On any default in the payment of a required Capital Contribution or in the payment of a Member Loan to a Lending Member or interest accrued, the Company or the Lending Member, as applicable, is entitled to all the rights and remedies of a secured party under the Uniform Commercial Code of the State of Nevada with respect to the security interest granted. Each Delinquent Member hereby authorizes the Company and each Lending Member, as applicable, to prepare and file financing statements and other instruments that the Managing Member or the Lending Member, as applicable, may deem necessary to effectuate and carry out the preceding provisions of this Section 3.5(a).

(b) the Non-Delinquent Member may contribute the portion of the Delinquent Member's Capital Contribution that is in default, with the following results: Immediately following the contribution by the Non-Delinquent Member of a portion or all of the Delinquent Member's Capital Contribution, the Profit Interest of the Non-Delinquent Member in the Company shall be increased and the Profit Interest of the Delinquent Member in the Company shall be decreased, with the result that such change in Profit Interest shall be permanent, and the Delinquent Member shall not have the option, other than pursuant to this Section 3.5(b), to restore its initial Profit Interest by making a curative Capital Contribution at a later time. The resulting Profit Interest of the Non-Delinquent Member shall be the number of percentage points (rounded to the nearest one hundredth of a percentage point) determined in accordance with the following formula: (A) determine the Profit Interest of the Non-Delinquent Member immediately prior to the corresponding Additional Capital Contribution and (B) add the Individual Base Profit Interest Addition corresponding to such Member with respect to such Additional Capital Contribution and (C) add the Individual Adjusted Profit Interest Addition corresponding to such Member with respect to such Additional Capital Contribution. The resulting Profit Interest of the Delinquent Member shall be the number of percentage points (rounded to the nearest one hundredth of a percentage point) determined in accordance with the following formula: (A) determine the Profit Interest of such Delinquent Member immediately prior to the corresponding Additional Capital Contribution, (B) subtract the Individual Base Profit Interest Subtraction corresponding to such Member with respect to such Additional Capital Contribution and (C) subtract the Individual Adjusted Profit Interest Subtraction corresponding to such Member with respect to such Additional Capital Contribution. The "Profit Interest" of each of MGM and IW as of the Effective Date is 50%. The Company shall not issue Units to any Member solely to reflect any increase in any Member's Profit Interest, and a Member's Interest shall not be deemed to increase or decrease solely as a result of an increase or decrease in the Member's Profit Interest.

For the purposes of this Section 3.5(b), (1) "Base Profit Interest" shall mean, with respect to a Member, the percentage equivalent of a fraction, the numerator of which shall be the aggregate Capital Contributions made to the Company by such Member pursuant to this Agreement, and the denominator of which shall be the aggregate Capital Contributions made to the Company by all the Members pursuant to this Agreement, (2) "Individual Adjusted Profit Interest Addition" shall mean the product of (i) 0.5 and (ii) the difference between (A) the Base Profit Interest of such Member immediately after the corresponding Additional Capital Contribution and (B) the Base Profit Interest of such Member immediately prior to such Additional Capital Contribution, (3) "Individual Base Profit Interest Addition" shall mean the difference between (A) the Base Profit Interest of such Member immediately after such Additional Capital Contribution and (B) the Base Profit Interest of such Member immediately prior to such Additional Capital Contribution, (4) "Individual Adjusted Profit Interest Subtraction" shall mean the product of (i) 0.5 and (ii) the difference between (A) the Base Profit Interest of such Member immediately prior to such Additional Capital Contribution and (B) the Base Profit Interest of such Member immediately after such Additional Capital Contribution, and (5) "Individual Base Profit Interest Subtraction" shall mean the difference between (A) the Base Profit Interest of such Member immediately prior to such Additional Capital Contribution and (B) the Base Profit Interest of such Member immediately after such Additional Capital Contribution.

By way of illustration, assume that (A) the Base Profit Interest and the Profit Interest of each Member is fifty percent (50%), in each case, immediately prior to a Additional Capital Contribution; (B) each of the Parties have made a prior Capital Contribution of $3,000,000,000; (C) the Members approve an Additional Capital Contribution pursuant to Section 3.3 hereof in the amount of $500,000,000, and (D) IW contributes only $150,000,000 (versus $250,000,000). If MGM contributes the $100,000,000 shortfall by IW in addition to its own $250,000,000 *pro rata* share of the Capital Contribution, the resulting Profit Interest of MGM following such contribution would be 52.31%, determined as follows:

Base Profit Interest of MGM after the Additional Capital Contribution:

[$3,000,000,000 plus $350,000,000] divided by [$6,500,000,000] = 51.54%

Base Profit Interest of MGM prior to the Additional Capital Contribution: 50%

Individual Adjusted Profit Interest Addition of MGM as a result of the Additional Capital Contribution:

(51.54%-50%) x 0.5 = 0.77%

Individual Base Profit Interest Addition of MGM as a result of the Additional Capital Contribution:

(51.54%-50%) = 1.54%

Profit Interest of MGM after the Additional Capital Contribution:

50% + 1.54% + 0.77% = 52.31%.

Accordingly, the resulting Profit Interest of MGM would be 52.31%.

Assume that, following such Additional Capital Contribution, each of the Members approve a second Additional Capital Contribution pursuant to Section 3.3 in the amount of $100,000,000, and IW fails to contribute any of such second Additional Capital Contribution. If MGM contributes the $50,000,000 shortfall by IW in addition to its own $50,000,000 *pro rata* share of the second Additional Capital Contribution, the resulting Profit Interest of MGM following such contribution would be 53.41%, determined as follows:

Base Profit Interest of MGM after the second Additional Capital Contribution: [$3,000,000,000 plus $350,000,000 plus $100,000,000] divided by [$6,600,000,000] = 52.27%

Base Profit Interest of MGM immediately prior to the second Additional Capital Contribution: [$3,000,000,000 plus $350,000,000] divided by [$6,500,000,000] = 51.54%

Individual Adjusted Profit Interest Addition of MGM as a result of the second Additional Capital Contribution:

(52.27%-51.54%) x 0.5 = 0.37%

Individual Base Profit Interest Addition of MGM as a result of the second Additional Capital Contribution:

(52.27%-51.54%) = 0.73%

Profit Interest of MGM immediately prior to the second Additional Capital Contribution:

52.31%.

Profit Interest of MGM after the second Additional Capital Contribution: 52.31% + 0.73% + 0.37% = 53.41%.

Section 3.6 Additional Remedies for Failure to Make an Additional Capital Contribution . In addition to the remedies provided under Section 3.5, the Company may, on notice to a Delinquent Member, take such action, at the cost and expense of the Delinquent Member, to obtain payment by the Delinquent Member of the portion of the Delinquent Member's Additional Capital Contribution that is in default, together with interest on that amount at the Default Interest Rate from the date that the Additional Capital Contribution was due until the date that it is made, provided , however , that in the event that a Member fails to make its Additional Capital Contribution within ten (10) Business Days following the receipt of written notice from the other Member that the Additional Capital Contribution is due, then such Delinquent Member shall also be required to pay the other Member an "inconvenience fee" equal to ten percent (10%) of any Additional Capital Contribution shortfall. The Delinquent Member's obligation to make Additional Capital Contributions or repay any Member Loan to a Lending Member shall be recourse to such Delinquent Member (except to the extent and after such time that the Non-Delinquent Member elects to make a contribution of any portion of the Delinquent Member's Additional Capital Contribution). The Delinquent Member shall have direct liability for the Delinquent Member's obligation to make Capital Contributions or repay any loan to a Lending Member. Payment of interest and the inconvenience fee shall not be treated as Capital Contributions and shall not increase the Capital Account of the paying Member.

Section 3.7 Capital Accounts .

(a) There shall be maintained for each Member a separate capital account ("Capital Account") which shall be governed and maintained throughout the existence of the Company in accordance with the provisions of Regulations Section 1.704-1(b)(2)(iv). Without limiting the generality of the foregoing, a Member's Capital Account shall be increased by (A) the amount of money contributed by such Member to the Company, (B) the Gross Asset Value of any property contributed by such Member to the Company (net of liabilities securing such contributed property that the Company is considered to assume or take subject to pursuant to Code Section 752), (C) the amount of any Profits allocated to such Member and any items in the nature of income or gain which are specially allocated to such Member hereunder, and (D) the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member. A Member's Capital Account shall be decreased by (X) the amount of money and the Gross Asset Value of any property distributed to such Member by the Company (net of liabilities securing such distributed property that such Member is considered to assume or take subject to under Code Section 752), (Y) the amount of any Losses allocated to such Member and any items in the nature of expenses or losses which are specially allocated to such Member hereunder, and (Z) the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.

(b) Notwithstanding Section 3.7(a) above, the principal amount of a promissory note which is not readily traded on an established securities market and which is contributed to the Company by the maker of the note (or a Person related to the maker of the note within the meaning of Regulations Section 1.704-1(b)(2)(ii)(*c*)) shall not be included in the Capital Account of any Person until the Company makes a taxable disposition of the note or until (and to the extent) principal payments are made on the note, all in accordance with Regulations Section 1.704-1(b)(2)(iv)(*d*)(*2*).

(c) Upon the Transfer of a Member's Unit in accordance with the terms of this Agreement, the Transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Unit.

(d) The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event that at any time during the existence of the Company the Tax Matters Partner, with the advice of legal counsel or accountants, shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto, are computed in order to comply with such Regulations, the Tax Matters Partner may make such modification.

Section 3.8 Return of Capital . Except as specifically provided herein, no Member may withdraw capital from the Company. To the extent any cash that any Member is entitled to receive pursuant to any provision of this Agreement would constitute a return of capital, each of the Members consents to the withdrawal of such capital. If any capital is, or is to be, returned to a Member, the Member shall not have the right to receive property other than cash, except as otherwise expressly provided in this Agreement. No interest shall be payable on the Capital Contributions made by the Members to the Company. The Members hereby agree that any payment received by MGM or its Affiliate pursuant to an Additional Agreement shall not be deemed a withdrawal of capital by, or a return of capital to, MGM or its Affiliates.

Section 3.9 Gross Asset Value .

(a) " Gross Asset Value " means, with respect to any asset, the asset's adjusted basis for U.S. federal income tax purposes, except as follows:

(i) The initial Gross Asset Value for any asset (other than money) contributed by a Member to the Company shall be as determined by the Members by unanimous approval;

(ii) The Gross Asset Value of all Company assets shall be adjusted to equal their respective gross fair market values, as Approved by the Board of Directors, as of the following times: (i) the acquisition of additional Profit Interests or Units in the Company by any new or existing Member in exchange for more than a *de minimis* Capital Contribution; (ii) the distribution by the Company to a Member of more than a *de minimis* amount of cash or property as consideration for Units in the Company, if (in any such event) such adjustment is necessary or appropriate, in the reasonable judgment of the Members, to reflect the relative economic interests of the Members in the Company; (iii) the liquidation of the Company for U.S. federal income tax purposes pursuant to Regulations Section 1.704-1(b)(2)(ii)(*g*); or (iv) the grant of an interest in the Company (other than a *de minimis* interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a Member capacity, or by a new Member acting in a Member capacity or in anticipation of being a Member;

(iii) The Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal its gross fair market value on the date of distribution as Approved by the Board of Directors;

(iv) The Gross Asset Value of the Company's assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulation Section 1.704-1(b)(2)(iv)(*m*) and Section 3.9(c) hereof; provided , however , that Gross Asset Values shall not be adjusted pursuant to this Section 3.9(a)(iv) to the extent that an adjustment pursuant to Section 3.9(a)(ii) of this definition is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this Section 3.9(a)(iv); and

(v) If the Gross Asset Value of an asset has been determined or adjusted pursuant to Sections 3.9(a)(i), 3.9(a)(ii) or 3.9(a)(iv) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account from time to time with respect to such asset for purposes of computing Profits and Losses.

(b) Upon the occurrence of any event specified in Regulations Section 1.704-1(b)(2)(iv)(*f*), the Members, by unanimous approval, may cause the Capital Accounts of the Members to be adjusted to reflect the Gross Asset Value of the Company's assets at such time in accordance with such Regulation if the Members, by unanimous approval, determines that the Gross Asset Value of the Company's assets has materially appreciated or depreciated in such an amount so as to render such adjustment necessary to preserve the economic arrangement of the Members.

(c) To the extent an adjustment to the adjusted tax basis of any Company asset under Code Section 734(b) or 743(b) is required to be taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(*m*), the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such section of the Regulations.

Section 3.10 Completion Guaranty . Any payments made by MGM or MGM Parent pursuant to the Construction Completion Guaranty shall not constitute Capital Contributions to the Company, but rather shall be treated as paid outside the Company by MGM or MGM Parent in its individual capacity and not as (or on behalf) of a Member. Similarly, all distributions received by MGM or MGM Parent pursuant to the Cash Proceeds Letter shall not constitute distributions of Distributable Cash, but rather shall be treated as paid outside the Company.

ARTIC LE 4

COVENANTS

Section 4.1 Intentionally Omitted .

Section 4.2 Licensing .

(a) Cooperation . Each Member shall use commercially reasonable efforts to prepare, file and process applications to obtain all necessary Gaming registrations, licenses, findings of suitability and approvals from Gaming Authorities that are required for the Company and its Subsidiaries to operate the Project. Further, each Member shall, and shall use commercially reasonable efforts to cause the members of such Members to, use commercially reasonable efforts to prepare, file and process applications to obtain all necessary Gaming registrations, licenses, findings of suitability and approvals from Gaming Authorities that are required in connection with the ownership of an interest in the Company and to obtain as soon as practicable all consents necessary to permit the Company to consummate its purposes as set forth in Section 1.4 hereof without breaching or violating any applicable Gaming Law. Each Member shall, and shall cause its Affiliates to, (i) reasonably cooperate with any investigation by any Gaming Authority having jurisdiction over any Member or any Affiliate of any Member, and use its best efforts to promptly comply with any directives of any such Gaming Authority, and (ii) use its commercially reasonable efforts to cause any Transferee of any portion of its Units likewise to so cooperate and comply. Each Member agrees that it shall not intentionally take any action or omit to take any action that would have the effect of adversely affecting any Gaming registration, license, approval, finding of suitability or permit held by any Member or Affiliate thereof. The Members and their Affiliates shall fully cooperate in connection with any review of this Agreement by any Gaming Authority. Each Member shall cooperate reasonably and shall (i) furnish upon request to each other such further information, (ii) execute and deliver to each other such other documents, and (iii) do such other acts and things, as may be reasonably requested by the other Member or the Managing Member in obtaining the licenses and consents referred to in this Section 4.2. Each Member acknowledges that monetary damages alone would not be adequate compensation for a breach of this Section 4.2 and the Members agree that a non-breaching Member shall be entitled to seek a decree or order from a court of competent jurisdiction for specific performance to restrain a breach or threatened breach of this Section 4.2 or to require compliance by a Member with this Section 4.2.

In the event that either Member shall intentionally obstruct the process for the Gaming Approvals in a manner that results in an unreasonable delay in receiving such Gaming Approvals, then:

(i) If IW shall be the party so obstructing and continuing to obstruct ten (10) Business Days after IW's receipt of written notice specifying such obstruction from MGM, then, at the election of MGM, either (A) MGM may elect to purchase all rights and title to all of the Units owned directly or indirectly by IW and its Affiliates at the lesser of (1) the Conditional Transfer Price and (2) the amount of the Unreturned Investment for IW, and IW will Transfer and sell such Units to MGM, or (B) MGM may obtain an injunction to exercise specific performance rights requiring IW's cooperation with the process for the Gaming Approvals.

(ii) If MGM shall be the party so obstructing and continuing to obstruct ten (10) Business Days after MGM's receipt of written notice specifying such obstruction from IW, then, at the election of IW, either (A) MGM shall purchase all rights and title to all of the Units owned directly or indirectly by IW and its Affiliates at the greater of (1) the Conditional Transfer Price and (2) the amount of the Unreturned Investment for IW, and IW will Transfer and sell such Units to MGM, or (B) IW may obtain an injunction to exercise specific performance rights requiring MGM's cooperation with the process for the Gaming Approvals.

In the event that either Member elects to have MGM purchase all rights and title to all of the Units of IW, then the payment of the applicable purchase price shall be in cash by wire transfer of federal funds and the Transfer of Units shall take place no later than one hundred eighty (180) days following the date such Member makes an election to have MGM purchase the Units (the "Cash Purchase Procedure").

(b) Delayed Gaming Approval . The Members agree that, in the event that the Managing Member, based on its reasonable judgment, including its consultation with Approved Counsel, believes that the IW Gaming Approvals will likely not be granted or issued until some time after the anticipated Casino Opening Date, the Company and the Managing Member or its Affiliate will enter into one or more lease agreements (the "Lease Agreements") prior to the anticipated Casino Opening Date, which Lease Agreements, while in effect, would replace the corresponding provisions in the Operations Management Agreements for all Gaming Components, and pursuant to which MGM or its Affiliate will lease all such Gaming Components from the Company and operate and manage such Gaming Components. The terms of such Lease Agreement shall be Approved by the Board of Directors and shall provide for such payment terms to the Company to reflect substantially the identical economic benefits that the Company would have realized from such Gaming Components had the Operations Management Agreements been in effect. The Lease Agreements shall terminate five (5) Business Days after the IW Gaming Approvals have been duly issued. For the purposes of this Section 4.2, "IW Gaming Approvals" shall mean all Gaming Approvals necessary for IW to obtain in order for the Company to own or operate, directly or through a Subsidiary, any Gaming Component, for IW to hold any ownership or other interest in the Company, or for MGM or its Affiliates to be associated with IW or its Affiliates in connection with the Project or the Company.

(c) Rejection of Gaming Approval .

(i) At any time prior to the date on which IW receives the IW Gaming Approvals, in the event that MGM or its Affiliates are prohibited by the Gaming Authorities in the State of Nevada from being associated with IW or its Affiliates in connection with the Project or the Company, the IW Gaming Approvals shall be deemed to have been rejected, and "Casino Opening Date" shall mean the date on which the Cesar Pelli-designed resort casino opens for business to the public.

(ii) In the event that the Company obtains an opinion of Approved Counsel or guidance from Approved Counsel or from the applicable Gaming Authorities that the IW Gaming Approvals will likely be rejected or revoked at any time, the Members hereby agree as follows:

(1) If, notwithstanding IW's continuing ownership of the Company, (A) the Company obtains an opinion or guidance from Approved Counsel or from the applicable Gaming Authorities that the Gaming Components may continue to be operated pursuant to the Lease Agreements (or any other arrangements to permit the operating of the Gaming Components) and (B) MGM or its Affiliates are not prohibited from being associated with IW or its Affiliates in connection with the Project or the Company, then IW and MGM shall remain Members of the Company pursuant to this Agreement so long as the previous clauses (A) and (B) continue to be true.

(2) If, due to IW's continuing ownership of the Company, (A) the Company obtains an opinion or guidance from Approved Counsel or from the applicable Gaming Authorities that the Gaming Components may not continue to be operated pursuant to the Lease Agreements (or any other arrangements to permit the operating of the Gaming Components) and (B) MGM or its Affiliates are prohibited from being associated with IW or its Affiliates in connection with the Project or the Company, then MGM may elect to purchase all rights and title to all of the Units owned directly or indirectly by IW and its Affiliates at the amount of the Unreturned Investment for IW, and IW will transfer and sell such Units to MGM. Such purchase shall be consummated in accordance with the Cash Purchase Procedure.

(d) Remedies Not Exclusive . Availability of any other remedy to the Members under this Agreement, including, but not limited to such remedies set forth in Article 13 hereof, shall not in any manner be deemed to limit, abridge, or restrict the rights of the Members set forth in this Section 4.2.

Section 4.3 Ancillary Agreements .

(a) The Company and MGM or an Affiliate of MGM have negotiated the terms and conditions of the current Ancillary Agreements and shall negotiate the terms and conditions of any Ancillary Agreements entered into at a future date in good faith. The cost to the Company under an Ancillary Agreement identified in Exhibit B attached hereto shall be provided for in the Construction Budget or an Annual Budget. In the event that the capital expenditures or operating costs related to one or more Ancillary Agreements described in Exhibit B attached hereto are in excess of the amount set forth in the Construction Budget or Annual Budget, in each case, as Approved by the Board of Directors, MGM or MGM Parent solely shall be responsible for payment of all such excess costs related to the Ancillary Agreements, which excess payments shall not constitute Capital Contributions to the Company, but rather are treated as paid outside the Company in its individual capacity and not as (or on behalf) of a Member.

(b) In the event any Ancillary Agreement is not described on Exhibit B attached hereto, the improvements and/or services and benefits required for the Company to have the benefits thereunder shall be provided by MGM or MGM Parent to the Company, and MGM's only fee shall be a reimbursement of MGM's out-of-pocket cost to provide such improvements and/or services and benefits.

(c) MGM shall enter into, or cause its Affiliates to enter into, any Ancillary Agreements necessary to develop, construct and operate the Project in accordance with the Project Business Plan.

Section 4.4 FAA Determination Letters . MGM and its Affiliates shall use commercially reasonable efforts to obtain and keep in effect the applicable determination letters from the Federal Aviation Agency necessary for the planned height of the proposed buildings in the Project.

Section 4.5 Intentionally Omitted .

Section 4.6 People Mover Construction Obligation . The Company's liability for capital expenditures related to the automated people mover system which traverses the Project ("People Mover") shall be limited to Fifty Million Dollars ($50,000,000), and MGM and/or MGM MIRAGE solely shall be responsible for payment of all capital expenditures related to the People Mover in excess of Fifty Million Dollars ($50,000,000).

Section 4.7 Income Tax on Residential Units .

(a) With respect to the first "True Proceeds", as defined below, received by the Company from closings of the sales or contracts of sale of any residential units in the Project Components, IW's maximum income tax liability, as determined by IW, for federal, state, and foreign income tax purposes (collectively the "IW Tax Liability") with respect to any gain allocated by the Company to IW with respect to sales of residential units, in each case, within the Project Components shall be limited to $10 million. MGM shall make a Capital Contribution to the Company in an amount equal to the excess, if any, of the IW Tax Liability over $10 million (the "MGM Additional Contribution"). The Company will distribute the MGM Additional Contribution to IW immediately upon IW's request. The amount of any MGM Additional Contribution shall be determined by MGM, subject to review by IW, on a quarterly basis with such amount to be funded in cash by MGM no later than thirty (30) days after the end of each quarter. "True Proceeds" shall mean the amount equal to $2.673 billion less Actual Pre-Closing Residential Proceeds.

(b) With respect to Net Residential Proceeds received by the Company in excess of the first True Proceeds from closings of the sales of any residential units in the Project Components, each of the Members shall be responsible for its respective tax liability.

(c) The Capital Accounts of the Members with respect to the MGM Additional Contribution shall be adjusted such that each of MGM and IW's percentage of total capital of the Company immediately before the MGM Additional Contribution equals each such Member's percentage of total capital of the Company immediately after the MGM Additional Contribution and the distribution of such amount by the Company to IW (assuming for this purpose that such amount is immediately distributed by the Company to IW). For example, if immediately before a MGM Additional Contribution the total capital of the Company was $5.4 billion and MGM and IW each shared in 50% of such total capital or $2.7 billion each, upon a $0.1 billion MGM Additional Contribution to the Company, IW's and MGM's Capital Account balance immediately after the MGM Additional Contribution would be $2.7 billion and $2.6 billion, respectively. Subsequently, the distribution of the MGM Additional Contribution in the amount of $0.1 billion to IW will reduce IW's Capital Account balance to $2.6 billion, and therefore allow IW's and MGM's Capital Account balance to be in the proper ratio of 50% each. In no event will this adjustment affect IW's or MGM's respective Profit Interest.

ARTICLE 5

ALLOCATION OF PROFITS AND LOSSES

Section 5.1 Allocation of Profits and Losses .

(a) In General . Except as otherwise expressly provided in this Agreement, the Company's Profits and Losses shall be credited or debited, as the case may be, as set forth below in this Section 5.1.

(b) Profits . After giving effect to any special allocations required under this Agreement and not contained in this Section 5.1(b), Profits for any Fiscal Year shall be allocated in the following order and priority:

(i) First, if a Member's Adjusted Capital Account Balance is less than its Unreturned Default Contribution, to the Members, *pro rata* , in proportion to the amounts required to be allocated pursuant to this Section 5.1(b)(i), until such time as the Adjusted Capital Account Balance of each Member is equal to its Unreturned Default Contributions;

(ii) Second, to the Members, *pro rata* in proportion to the amounts required to be allocated pursuant to this Section 5.1(b)(ii), until such time as the Adjusted Capital Account Balances of the Members in excess of their respective Unreturned Default Contributions are in the ratio of their respective Profit Interests; and

(iii) Thereafter, to the Members, *pro rata* , in proportion to their respective Profit Interests.

(c) Losses . After giving effect to any special allocations required under this Agreement and not contained in this Section 5.1, and subject to Section 5.6 hereof, Losses for any Fiscal Year shall be allocated in the following order and priority:

(i) First, to the Members, *pro rata* , in proportion to the amounts required to be allocated pursuant to this Section 5.1(c)(i), until such time as the Adjusted Capital Account Balance of each Member is reduced to its respective Unreturned Default Contributions;

(ii) Second, to the Members, *pro rata* , in proportion their respective Adjusted Capital Account Balances, until such time as each Member's Adjusted Capital Account Balance is reduced to zero; and

(iii) Thereafter, to the Members, *pro rata* , in proportion to their respective Profit Interests.

Section 5.2 Minimum Gain Chargeback Allocation Provisions .

(a) Minimum Gain Chargeback . Except as otherwise provided in Regulations Section 1.704-2(f), notwithstanding any other provision of this Agreement, if there is a net decrease in Company Minimum Gain during any Fiscal Year, each Member shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 5.2(a) is intended to comply with the minimum gain chargeback requirement in Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Member Minimum Gain Chargeback . Except as otherwise provided in Regulations Section 1.704-2(i)(4), notwithstanding any other provision of this Agreement, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Fiscal Year, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(i)(4) and 1.704- 2(j)(2). This Section 5.2(b) is intended to comply with the minimum gain chargeback requirement in Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

Section 5.3 Qualified Income Offset . Notwithstanding any other provision of this Agreement, should a Member unexpectedly receive an adjustment, allocation or distribution described in Regulations Section 1.704-1(b)(2)(ii)(*d*)(*4*), (*5*) or (*6*) that causes or increases a deficit balance in such Member's Capital Account, such Member shall be specially allocated items of income and gain (consisting of a *pro rata* portion of each item of Company income, including gross income, and gain for such year) in an amount and manner sufficient to eliminate, to the extent required by such Regulations, such deficit balance as quickly as possible. This Section 5.3 is intended to comply with the qualified income offset requirement in Regulations Section 1.704- 1(b)(2)(ii)(*d*) and shall be interpreted consistently therewith.

Section 5.4 Nonrecourse Deductions .

(a) In General . Nonrecourse Deductions for any Fiscal Year shall be specially allocated among the Members in proportion to their respective Profit Interests.

(b) Partner Nonrecourse Deductions . Any Member Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).

Section 5.5 Curative Allocations . The allocations set forth in Sections 5.2, 5.3, 5.4 and 5.6(b) hereof (the "Regulatory Allocations") are intended to comply with certain requirements of the Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset as quickly as possible with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss, or deduction pursuant to this Section 5.5 so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations had not occurred.

Section 5.6 Limitation on Losses .

(a) "Adjusted Capital Account Balance" means, with respect to any Member, the balance of such Member's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Member is obligated to restore pursuant to this Agreement or as determined pursuant to Regulations Section 1.704-1(b)(2)(ii)(*c*), or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in clauses (4), (5) and (6) of Section 1.704-1(b)(2)(ii)(*d*) of the Regulations.

The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Section 1.704-1(b)(2)(ii)(*d*) of the Regulations and shall be interpreted consistently therewith.

(b) Notwithstanding the provisions of this Article 5, allocations of Losses to a Member shall be made only to the extent that such loss allocations will not create an Adjusted Capital Account Balance deficit for that Member at the end of any Fiscal Year in excess of the sum of such Member's share of Company Minimum Gain, such Member's share of Member Nonrecourse Debt Minimum Gain and (without duplication) the amount, if any, that such Member is obligated to restore pursuant to Regulations Section 1.704-1(b)(2)(ii)(*d*)(*3*). If and to the extent an allocation of Losses is not made to a Member by reason of the preceding sentence, then such Losses shall be allocated to the other Members (to the extent the other Members are not limited in respect of the allocation of Losses under the preceding sentence). In the event there are any remaining Losses in excess of the limitations set forth in the preceding two sentences, such remaining Losses shall be allocated among the Members in accordance with their Profit Interests as determined under Regulations Section 1.704-1(b)(3). Any Losses reallocated under this Section shall be taken into account in computing subsequent allocations of income and losses pursuant to this Article 5, so that the net amount of any item so allocated and the income and losses allocated to each Member pursuant to this Article 5, to the extent possible, shall be equal to the net amount that would have been allocated to each such Member pursuant to this Article 5 as if no reallocation of Losses had occurred under this Section 5.6(b).

Section 5.7 Section 704(c) Tax Allocations . In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company will, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for U.S. federal income tax purposes and its initial Gross Asset Value (computed in accordance with the definition of Gross Asset Value) using the "traditional method" pursuant to the Regulations Section 1.704-3(b). If the Gross Asset Value of any Company asset is adjusted pursuant to Section 3.9(b) hereof, subsequent allocations of income, gain, loss, and deduction with respect to such asset will take account of any variation between the adjusted basis of such asset for U.S. federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder using the "traditional method" pursuant to the Regulations Section 1.704-3(b). The Tax Matters Partner will make any elections or other decisions relating to such allocations in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 5.7 are solely for purposes of U.S. federal, state, and local taxes and will not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items or distributions pursuant to any provision of this Agreement.

Section 5.8 Allocations Between Transferor and Transferee . Upon the Transfer of all or any portion of a Member's Units in accordance with the provisions of this Agreement, Profits and Losses with respect to such Units so Transferred shall be allocated between the transferor and Transferee of such Units on the basis of the computation method which is in the best interest of the Company, provided such method is in conformity with the methods prescribed by Code Section 706 and Regulations Section 1.706-1(c)(2)(ii).

Section 5.9 Regulations Interpretation . For purposes of this Agreement, the Regulations Sections referred to herein shall be read and interpreted by substituting the term "Company" for the term "Partnership," and by substituting the term "Member" for the term "Partner".

ARTICLE 6

NON-LIQUIDATING DISTRIBUTIONS

Section 6.1 Initial Distribution . Simultaneous with MGM's contribution of the Project Assets to the Company, the Company distributed to MGM the amount as set forth on Schedule 6.1 , a portion of such distribution was treated as qualifying for the exception to the disguised sales rules of the Code for reimbursements of pre-formation expenditures pursuant to Regulations Section 1.707-4(d).

Section 6.2 Tax Distribution . The Company shall distribute quarterly to the Members in accordance with their Profit Interests, to the extent cash is available to the Company, an amount sufficient to enable the Members (or, if applicable, the owners or members of such Member) to fund their U.S. federal income tax liabilities attributable to their respective distributive shares of net taxable income of the Company (calculated for each Member (or, if applicable, the owners or members of such Member) net of any tax loss of the Company previously allocated to such Member (or, if applicable, the owners or members of such Member) and not previously offset by allocations of taxable income), in each case assuming that each Member (or, if applicable, the owners or members of such Member) is taxable at the highest marginal U.S. federal income tax rate applicable to a corporation. The amounts to be

distributed to a Member as a tax distribution pursuant to this Section 6.2 in respect of any Fiscal Year shall be computed as if any distributions made pursuant to Section 6.4 hereof during such Fiscal Year were a tax distribution in respect of such Fiscal Year. Any distribution pursuant to this Section 6.2 shall be deemed to have been made in anticipation of, and shall reduce in a like amount, the respective distributions of the Members otherwise to be made pursuant to Section 6.4 hereof.

Section 6.3 Distributable Cash . The term "Distributable Cash" with respect to the Company for any period shall mean an amount equal to the total cash revenues and receipts of the Company from any source (including Capital Contributions, loans and refinancings) for such period, less the sum of (i) all operating expenses paid or incurred by the Company, including current principal and interest payments on the Financing of the construction of the Project and other Company indebtedness, but excluding any distributions pursuant to Section 6.2, (ii) all capital expenditures made by the Company, and (iii) the amount established during such period for reserves in accordance with the Project Business Plan for anticipated costs, expenses, liabilities and obligations of the Company, working capital needs of the Company, savings or other appropriate Company purposes. Distributions of Distributable Cash shall be made to the holder of record of such Units on the date of distribution.

Section 6.4 Distribution of Distributable Cash . Distributable Cash shall be distributed as follows:

(a) First, to the Members that have Unreturned Default Contributions, *pro rata* , in proportion to their Unreturned Default Contributions, until such time as each Member's Unreturned Default Contributions are reduced to zero; and

(b) Thereafter, to the Members, *pro rata* in proportion to their respective Profit Interests (it being agreed that the "Profit Interest" of each of MGM and IW as of the Effective Date is 50%).

For the avoidance of doubt, if no Member has an Unreturned Default Contribution at the time a distribution of Distributable Cash is made, then the distribution shall be made in accordance with Section 6.4(b) above, without regard to Section 6.4(a).

ARTICLE 7

ACCOUNTING AND RECORDS; CAPITAL BUDGETS

Section 7.1 Books and Records . The books and records of the Company, and the financial position and the results of its operations recorded, shall reflect all Company transactions, and shall otherwise be appropriate and adequate for the Company's business in accordance with the Act and with generally accepted accounting principles for both financial and tax reporting purposes and for purposes of determining net income and net loss. The books and records of the Company shall be kept on the accrual method of accounting applied in a consistent manner and shall reflect all Company transactions and be appropriate and adequate for the Company's business. The fees of independent accountants incurred by the Company for the preparation of all tax returns and audited financial statements for the Company shall be at the Company's expense. Each Member and its respective duly authorized representatives shall, at its sole expense, have the right, at any time without notice to the other, to examine, copy and audit the Company's books and records during normal business hours.

Section 7.2 Reports .

(a) Within twenty (20) days after the end of each Fiscal Year, within fifteen (15) days after the end of each of the first three fiscal quarters thereof, and within twelve (12) days after the end of each calendar month other than March, June, September and December, the Managing Member shall cause the Members to be furnished with a copy of the balance sheet of the Company as of the last day of the applicable period, and a statement of income or loss for the Company for such period. Quarterly and annual statements shall also include a statement of the Members' Capital Accounts and changes therein for such fiscal quarter or Fiscal Year, as applicable. Annual statements shall be audited by the Company Accountants, and shall be in such form as shall enable the Members to comply with all reporting requirements applicable to either of them or their Affiliates under the Securities Exchange Act of 1934, as amended. The audited financial statements of the Company shall be furnished to the Members within fifty (50) days after the end of each Fiscal Year.

(b) As promptly as practicable, but in any event no later than one hundred eighty (180) days after the end of the Company's taxable year, the Managing Member shall cause to be prepared and distributed to each Member all information necessary for the preparation of such Member's U.S. federal and state income tax returns, including a statement showing such Member's share of income, gains, losses, deductions and credits for such year for U.S. federal and state income tax purposes and the amount of any distributions made to or for the account of such Member pursuant to this Agreement.

(c) The Managing Member shall also provide to each Member monthly reports, or more frequent reports if appropriate, concerning the status of development activities and construction, recent leasing, sales and financing activities for the Project, which reports shall be in a form reasonably acceptable to the Members and shall include, among other things, a general description of all leases and contracts of sale which have been executed and all Major Leases and Major Contracts of sale which are currently under negotiation, as well as the status of all litigation (other than that which is covered by insurance if the insurance carrier has accepted a tender of defense by the Company or the Project Owner without any reservation of rights unless such litigation, if successful, would result in a loss to the Company in excess of $1,000,000, net of insurance coverage). During construction of the Project, the Managing Member shall provide to each Member copies of any reports that it sends to the lender providing an applicable construction loan. After completion of construction of the Project, the Managing Member shall also provide to each Member monthly reports concerning the marketing, sales, leasing, and, if applicable, hotel occupancy and operations, which reports shall be in a form reasonably acceptable to the Members, as well as copies of any reports it provides to any lender providing permanent financing for the Project or any Project Component. Without limiting the foregoing, the Managing Member shall notify the Members of any material threatened or actual litigation involving the Company, the Project Owner or the Members (as Members of the Company) promptly after the Managing Member becomes aware thereof. During any construction occurring on any real property owned or leased directly or indirectly by the Company and/or the Project Owner, the monthly report shall also be accompanied by the weekly job meeting minutes prepared by the general contractor, commencing one (1) week after the commencement of such construction and continuing until the completion of construction (or such later date if such meetings continue thereafter). Upon IW's reasonable request, MGM shall provide IW with such reasonable information, analyses and reports prepared by or on the behalf of the Managing Member that are related solely to the Project and in a form that may be presented in a manner to preserve the confidential, proprietary or sensitive information of MGM or its Affiliates.

(d) All financial information to be delivered hereunder shall be delivered both electronically and as hard copies.

Section 7.3 Tax Returns. The Managing Member, at the expense of the Company, shall prepare or cause the Company Accountants to prepare all income and other tax returns, on an accrual basis, of the Company, which returns shall be sent to the Members within one hundred eighty (180) days after the end of each Fiscal Year, and cause the same to be filed in a timely manner. The Managing Member shall furnish to each Member a copy of each such return as soon as it has been filed, together with any schedules or other information which each Member may require in connection with such Member's own tax affairs. Each of the Members shall, in its respective income tax return and other statements filed with the Internal Revenue Service or other taxing authority, report taxable income in accordance with the provisions of this Agreement.

Section 7.4 Tax Matters Partner. The Managing Member is hereby designated as the "Tax Matters Partner" of the Company as defined in Section 6231 of the Code and, to the extent authorized or permitted under applicable law, the Managing Member shall represent the Company in connection with all examinations of Company affairs by taxing authorities, including, without limitation, resulting administrative and judicial proceedings. The Tax Matters Partner agrees to promptly notify the Members upon the receipt of any correspondence from any U.S. federal, state or local tax authorities relating to any examination of the Company's affairs, to consult with and allow for the participation by the Members in connection with the making of any elections, the progress of any such examination, and further the Tax Matters Partner agrees not to settle any tax matters resulting from such examination without the Approval of the Board of Directors.

Section 7.5 Fiscal Year. The "Fiscal Year" of the Company shall be the calendar year. As used in this Agreement, a Fiscal Year shall include any partial Fiscal Year at the beginning or end of the term of the Company.

Section 7.6 Bank Accounts. The Managing Member shall be responsible for causing one or more accounts to be maintained in one or more banks, which accounts shall be used for the payment of expenses incurred in connection with the business of the Company, and in which shall be deposited any and all cash receipts. Such accounts shall be maintained in a bank or banks in Nevada to the extent required by applicable law. All such amounts shall be and remain the property of the Company and shall be received, held and disbursed by the Company for the purposes specified in this Agreement. There shall not be deposited in any of such accounts any funds other than funds belonging to the Company, and no other funds shall be commingled with such funds.

Section 7.7 Tax Elections.

(a) At the request of any Member, the Managing Member, on behalf of the Company, shall elect to adjust the basis of the assets of the Company for U.S. federal income tax purposes in accordance with Section 754 of the Code in the event of a distribution of Company property as described in Section 734 of the Code or a Transfer by any Member of its Units as described in Section 743 of the Code.

(b) The Tax Matters Partner shall make decisions with respect to any tax dispute (subject to the Approval of the Board of Directors) as well as elections (subject to the Approval of the Board of Directors for elections that materially impact the tax liabilities of the Members) with respect to tax treatment of various items; provided , however , that (i) the Members shall have the right to participate in any administrative or judicial proceeding at the Company level at its own expense; (ii) the Tax Matters Partner shall not enter into a settlement of any Company item that is binding on the other Members without the prior written consent of all of the Members and (iii) shall notify the Members of any proposed settlement of any Company item and shall consult in good faith with, and take into account reasonable comments made by any Member with respect to such proposed settlement.

Section 7.8 Business Plan and Budgets .

(a) Within thirty (30) days of the Closing Date, the Managing Member prepared and delivered, or caused to be prepared and delivered, to IW for its review and approval, (i) the Construction Budget, (ii) a pre-opening budget for the Project and (iii) a written, detailed business plan for the Project setting forth the proposed development, construction, management, financing, operation, leasing and sale plans for the Project. The Managing Member shall deliver, or cause to be delivered, to IW (I) prior to the beginning of each Fiscal Year and (II) at such other times as determined by the Board of Directors, an updated written, detailed business plan for the Project setting forth the proposed development, construction, management, financing, operation, leasing and sale plans for the Project (collectively, the "Project Business Plan"). Any modifications to the previously approved Project Business Plan shall be subject to the Approval of the Board of Directors in accordance with Section 9.3 hereof.

(b) At least ninety (90) days prior to the beginning of each Fiscal Year, the Managing Member shall cause the Operations Manager to prepare and submit to the Board of Directors for its review and approval, (i) a proposed annual budget for each Project Component for the upcoming Fiscal Year and (ii) a proposed business plan for each Project Component (x) setting forth the proposed, financing, operation, leasing and/or sale plans with respect to the applicable Project Component and (y) including, without limitation, (1) a detailed description of the anticipated rents and operating expenses, the maintenance and repair of the applicable Project Component and any planned or required improvements to such Project Component and (2) a detailed marketing report, which, at a minimum, sets forth a list of expected vacancies and a description of anticipated rents or other revenues over the applicable year and any related costs and expenses. Such business plan, once Approved by the Representatives on the Board of Directors in accordance with Section 9.3 hereof shall be referred to herein as a "Component Business Plan" and, collectively, the "Component Business Plans" for the applicable Project Component. Each proposed annual budget shall show all projected expenditures for operating expenses and capital improvements and all projected revenues from any source for the Project Component covered by such annual budget. In addition, each such annual budget shall be prepared on both a cash and accrual basis and shall be in a form that has been Approved by the Board of Directors. All projections in each proposed annual budget shall be done on a monthly basis. The Members acknowledge that the preliminary annual budget for a Project Component provided pursuant to this Section 7.8(b) will necessarily reflect only preliminary estimates of items of income and expense, and is subject to subsequent revision as contemplated by subclause (e) below.

(c) At least ninety (90) days prior to the beginning of each Fiscal Year, the Managing Member shall submit to the Board of Directors for its review and approval, a revised annual budget for each Project Component. Such revised annual budget shall take into account changes, if any, suggested by the Members and/or the Board of Directors and any other circumstances of which the Managing Member has become aware since the distribution of the prior Annual Budget for such Project Component. Such revised annual budget, once Approved by the Board of Directors in accordance with Section 9.3 hereof shall replace the prior Annual Budget for such Project Component.

(d) If the Board of Directors is unable to agree upon a business plan or annual budget prior to the first day of the Fiscal Year in question, then each Member, agreeing to use all good faith, commercially reasonable efforts to do so and subject to the terms of any Financing Documents then in effect, shall provide for the Business Plan and Annual Budget for such Project Component in effect for the Fiscal Year then expiring to be utilized until a new business plan and/or annual budget, as applicable, has been Approved, with the line items in such expiring Business Plan or Annual Budget that have not been Approved by the Board of Directors to be adjusted as follows: (x) insurance, taxes, common charges, utilities, debt service, labor expenses and required capital expenditures (necessary to comply with any applicable laws or existing Contractual Obligations) shall each be adjusted to actual amounts, (y) all capital and non-recurring items (other than the aforesaid required expenditures) for the current calendar year in such annual budget shall remain the same as in the expiring Annual Budget, and (z) all other expense line items shall be adjusted by an amount equal to the CPI Annual Percentage Increase (as hereinafter defined) as of the date of the expiring Annual Budget. The line items in the business plan and/or annual budget that have been Approved by the Board of Directors shall replace the applicable line items in the prior Business Plan and/or Annual Budget. The "CPI Annual Percentage Increase" computed as of a particular calendar month shall be equal to the percentage difference between the CPI for such calendar month and the CPI for the calendar month which is twelve (12) months prior to such calendar month. The Managing Member shall be entitled to make expenditures of Company funds in accordance with the foregoing.

(e) After the Closing Date, no less often than four (4) times per year, but in no event later than February 10, May 10, August 10 and November 10 of each year, the Managing Member shall prepare, or cause to be prepared, and submit to the Board of Directors for its review, updated sales projections for the residential units (including condominiums and condo - hotel units) at the Project with variance calculations indicating the differences in average sales price and sales volume for the residential units compared to the most recently approved Business Plan.

(f) If the proposed business plan and annual budget for a Project Component are each Approved by the Board of Directors, then the same shall be the Business Plan and Annual Budget for such Project Component for the next Fiscal Year. Notwithstanding anything to the contrary set forth herein, at any time prior to the day which is sixty (60) days before the beginning of the Fiscal Year to which the proposed business plan and annual budget for a Project Component relate, if either Member becomes aware of circumstances that require a change to such proposed business plan or annual budget, then the Managing Member shall submit a revised business plan and/or annual budget for such Project Component to the Board of Directors for its Approval.

(g) The Managing Member shall be obligated to keep IW and the Board of Directors advised of material changes to the Plans (and the anticipated effect of such changes on the applicable Construction Budget) and the Approval of the Board of Directors shall be required for any material scope changes or other material modifications to the Plans

(h) The Managing Member shall promptly provide copies of the respective budgets approved pursuant to Section 9.3(a)(iv) hereof to the respective Operations Managers and shall provide reasonable oversight in respect of implementation of the respective budgets.

(i) The Board of Directors shall at least on a quarterly basis discuss all aspects of the Project, and in connection with such quarterly meeting the Managing Member shall prepare (i) a meeting agenda, (ii) operating performance information for the Project in a form reasonably satisfactory to IW, which information shall not be required to contain greater detail than that which is to be included in the monthly reports required pursuant to Section 7.2(c); and (iii) so long as an Affiliate of MGM Parent is "Managing Member", data pertaining to the occupancy and financial performance of the hotel and casino assets located in Las Vegas, Nevada owned or managed by MGM Parent with respect to which MGM Parent (a) furnished data in connection with the May 2010 Company Board meeting (a copy of which is attached hereto as Exhibit J) and (b) has, as of the date of the meeting of the Board of Directors, the legal right to furnish such data to third parties such as IW (the "Benchmarking Data"); provided, however, (x) all Benchmarking Data shall be at all times subject to the terms and conditions of that certain Confidentiality Agreement dated as of February 16, 2010 by and between MGM Parent and IW and its affiliates and successors and, as set forth therein, shall be used for no purpose other than evaluating the performance of the Project; (y) IW acknowledges that the Benchmarking Data may constitute material non-public information pertaining to MGM Parent or its Affiliates; and (z) IW agrees that it will not use the Benchmarking Data in connection with effecting any transactions (whether buying, selling, pledging, or hypothecating) in securities of MGM Parent or any derivatives or other instrument based upon the securities of MGM Parent. In addition, on the first (1st) and fifteenth (15th) day of each calendar month or the next Business Day, if such dates are not Business Days, or on such other nearby date as the Managing Member shall reasonably schedule, the Managing Member shall (1) deliver to IW a reasonably detailed report on the financial performance of the Hotel Assets (the "Bi- Weekly Performance Report") and (2) make available appropriate executives of the Managing Member to participate in a meeting with IW to discuss the Bi-Weekly Performance Report, if such a meeting is requested by IW. All rights established by this Section 7.8(i), including without limitation the right to receive quarterly operating performance information for the Project, the Benchmarking Data, and the Bi-Weekly Performance Report and to meet with executives of the Managing Member, are personal to IW and non-transferrable to any successor or assign of IW other than a Permitted Transferee of IW. In the event that IW Transfers all or any portion of its Units to any Person other than a Permitted Transferee, the Managing Member's obligations under this Section 7.8(i) shall automatically terminate without any further action of the Board of Directors and this Section 7.8(i) shall be of no further force and effect.

Section 7.9 Ownership Ledger . The Company shall maintain a ledger in its principal place of business in Nevada which shall at all times reflect the current ownership of the Units and shall be available for inspection by any applicable Gaming Authorities and their authorized agents at all reasonable times, without notice.

ARTIC LE 8

CONFIDENTIALITY; INTELLECTUAL PROPERTY

Section 8.1 Confidential Treatment of Information . Each of the Members agrees, and shall cause each of its Affiliates (i) not to disclose any material information concerning the Company or its business to the press or the general public without the approval of the other Member, such approval not to be unreasonably withheld or delayed and (ii) to retain in strict confidence any proprietary confidential information and trade secrets of the other Member, whether disclosed prior to or after the date hereof, and not to use or disclose to Persons other than the Member or its Affiliates ("third parties"), and to use its best efforts to cause its employees, agents and consultants not to use or disclose to third parties, such proprietary confidential information or trade secrets without the approval of the other Member, unless in either case it can be established by the disclosing party that such information:

(a) at the time of disclosure is part of the public domain and readily accessible to the public or such third party;

(b) at the time of disclosure is already known by the receiving party otherwise than pursuant to a breach of an obligation of confidentiality;

(c) is required by applicable law, regulation or court order to be disclosed; or

(d) is required by any vendor, supplier or consultant in order to carry out the business of the Company, provided that the disclosing Member shall obtain the written agreement and obligation of such third party, in a form reasonably satisfactory to the other Member, prior to disclosing such information, that all of the provisions of this Article 8 shall apply with equal effect to such third party. The Company shall be a third party beneficiary of any such written agreement.

Section 8.2 Intellectual Property . The Company shall own all trademarks, service marks, trade names, logos, copyrights or other intellectual property created expressly for the Project by MGM or its Affiliates. Other than as expressly provided in the Development Management Agreement, the Operations Management Agreements, or an Ancillary Agreement, the Company, IW, and their respective Affiliates shall not have any right to use any trademark, service mark, trade name, logo, copyright or other intellectual property owned by MGM or any of its Affiliates that is not otherwise a Project Asset, in connection with the Project or the business of the Company. Except as expressly provided herein, the Company, MGM, and their respective Affiliates, shall not have the right to use any trademark, service mark, trade name, logo, copyright or other intellectual property owned by IW or any of its Affiliates, in connection with the Project or the business of the Company.

ARTICLE 9

MANAGEMENT

Section 9.1 General .

(a) Subject to the other provisions of this Article 9 and except as otherwise herein expressly provided, the exclusive power and authority to manage the Company's business shall be vested in a board of directors (the "Board of Directors") acting together by majority vote or by the affirmative vote of six (6) Representatives of the Board of Directors (with the vote of at least one Representative designated by MGM and by IW as long as MGM and IW, respectively, are Members), as the case may be, and subject to the direction of the Board of Directors, the officers of the Company. Except as provided in this Agreement, Approved by the Board of Directors, or contemplated in an Additional Agreement, no Member, officer, employee, or agent of any Member, shall directly or indirectly (i) act as agent of the Company for any purpose, (ii) engage in any transaction in the name of the Company, (iii) make any commitment in the name of the Company, (iv) enter into any contract or incur any obligation in the name of the Company or (v) in any other way hold itself out as acting for or on behalf of the Company (each action listed in (i) through (v) and not otherwise excepted above, an "Unauthorized Action"), and a Member shall be obligated to indemnify the Company for any costs or damages incurred by the Company as a result of the Unauthorized Action of such Member, any Representative or officer of the Company appointed by such Member, or any officer, employee, representative or agent of such Member. Any attempted action in contravention of the preceding sentence shall be null and void ab initio, and not binding upon the Company unless ratified with the Approval of the Board of Directors.

(b) Except as provided below, the Board of Directors shall be comprised of the following six (6) authorized members ("Representatives"):

(i) three (3) Representatives designated by IW, who initially shall be the individuals set forth on Exhibit G attached hereto; and

(ii) three (3) Representatives designated by MGM, who initially shall be the individuals set forth on Exhibit G attached hereto.

(c) Each of MGM and IW may change any of its Representatives on the Board of Directors from time to time by written notice to the Company and the other Member. Any Representative appointed to the Board of Directors may vote at any meeting for any other Representative appointed by the same Member who is absent at such meeting. The Board of Directors, upon a request by a Representative, may invite other Persons to attend meetings of the Board of Directors. By notice to the other from time to time, each of IW and MGM may appoint (and remove) one (1) alternate for each of the Representatives that it is entitled to appoint. An individual so appointed (and not removed) shall be an "Alternate" and, in the Representative's absence or at the Representative's direction from time to time, shall have the right in all respects to act in the place of, and vote for, the Representative for whom he/she is the Alternate.

(d) Any actions that are required to be "Approved" by the Board of Directors shall be taken (i) at a meeting of the Board of Directors upon (A) the vote of the majority of the Representatives on the Board of Directors, (B) if MGM or its Affiliate is a Member, the vote of at least one Representative designated by MGM, and (C) if IW or its Affiliate is a Member, the vote of at least one Representative designated by IW, or (ii) in writing upon resolutions duly executed by the requisite number of the Representatives as set forth in (i)(A), (B), and (C) above. Any action so authorized shall be deemed Approved by the Board of Directors and notice thereof shall be delivered to all Members. Either Member may call a meeting of the Board of Directors by written notice to the other Member at least ten (10) Business Days prior to a meeting of the Board of Directors and the written notice shall specify the time and place of the meeting and the anticipated subjects to be discussed and/or on which a vote will be taken (including identification of such matters as Major Decisions, if applicable).

(e) Unless the Members determine otherwise, the Board of Directors shall meet, at the Company's expense, at least once each quarter at the offices of the Company at a time and place which is mutually acceptable to the Representatives. Any Representative or Alternate may attend any meeting of the Board of Directors by telephone conference and the Company shall ensure that each Representative or Alternate attending the meeting can hear all others present at the meeting and be heard by them.

(f) Except as expressly stated herein, each Member and its Representatives shall have the right to grant or withhold approval of any decision in its sole and absolute discretion, taking into account only such Member's own views, self interest, objectives and concerns; provided that each Member and its Representatives shall act in good faith. It is further acknowledged that the Members and their Representatives may require certain internal approvals in connection with some or all of such decisions. Neither Member nor any Representative of a Member shall have any fiduciary duty to any other Member or the Company; provided , however , that the provisions of this sentence shall not alter or affect any of the specific rights, duties or obligations of the Members set forth in this Agreement. Additionally, neither the Company nor any other Member shall have any claims (whether relating to the fact of such approval being granted or withheld or relating to the consequences thereof, including, without limitation, any claim related to any alleged breach of fiduciary duty) by reason of any Member or a Representative of a Member having failed to approve a request or proposal from another Member or its Representatives or the Company.

Section 9.2 Management by Managing Member . Subject to Section 9.3 and Section 9.5 hereof, MGM shall be and hereby is appointed the Managing Member of the Company and shall serve in such capacity without fee or other compensation for its actions in its capacity as Managing Member, in each case, other than the fees and other compensation set forth in the Additional Agreements. Except as otherwise provided in this Agreement, the Managing Member shall delegate all authority for the day to day management and operation of the Company to the Development Manager pursuant to the Development Management Agreement and the Operations Manager pursuant to the Operations Management Agreements as provided in such agreements, provided, that such delegation shall not relieve the Managing Member of its liability under this Agreement.

Section 9.3 Exclusive Powers of the Board of Directors.

(a) In addition to those matters which, pursuant to other provisions of this Agreement, require Approval of the Board of Directors, the following matters shall require the Approval of the Board of Directors (each, a "Major Decision"):

(i) approval of any annual budget for the day-to-day operations of a Project Component;

(ii) approval of each of the initial Component Business Plans;

(iii) approval of any material amendment of or modification to any Business Plan;

(iv) approval of any material amendment of or modification to (A) the Business Plan, (B) the Construction Budget or (C) the Annual Budget that (i) involves any decision relating to a Contractual Obligation valued in excess of $20 million or (ii) results in any change involving an amount of 5% in the aggregate Construction Budget, 7.5% of the aggregate annual capital expenditure budget for the Project, or 7.5% of the then current Annual Budget, provided , however , that matters that are not in the reasonable control of MGM or an Affiliate of MGM shall not be deemed to cause a change to any of the matters that requires the Approval of the Board of Directors (by way of illustration, if employee wages increase as a result of change in applicable minimum wage laws, the increase to the Construction Budget and/or Annual Budget as a result of such wage increase shall not be considered in determining the amount of a change to the Construction Budget and/or an Annual Budget);

(v) the granting of a Lien or security interest in any asset of the Company or any of its subsidiaries, except in the ordinary course of business;

(vi) any capital calls or Additional Capital Contributions funding other than Additional Capital Contributions expressly Approved in the Business Plan or expressly required pursuant to the terms of this Agreement;

(vii) any Major Contracts or Major Leases to be entered into by, or on behalf of, the Company or any Subsidiary, except for any Major Contract expressly Approved in the Business Plan;

(viii) except for transactions with any Affiliate of the Company expressly Approved in the Business Plan, any transactions between the Company and any Affiliate of the Company, or any amendment, modification or waiver of any of the Contractual Obligations between the Company and any Affiliate of the Company;

(ix) the making of any distributions, other than distributions set forth in Sections 6.1 and 6.2 hereof, to the Members;

(x) except as otherwise provided in this Agreement, the admission of additional Members other than as a result a Transfer made pursuant to Section 11.2 hereof;

(xi) the acquisition of any real property in addition to the Project Assets (excluding, however, any interest in any real property pursuant to an Ancillary Agreement or other immaterial acquisition of property rights ancillary to the development of the Project Assets);

(xii) any transaction which is unrelated to the purposes of the Company;

(xiii) the incurrence of any Financing;

(xiv) the modification, refinancing or early retirement of any Financing;

(xv) the sale of any Company assets or the assets of any Subsidiary, except (1) as provided in the Development Management Agreement, the Operations Management Agreements, or any Ancillary Agreement or (2) a sale of any Company assets or the assets of any Subsidiary expressly Approved in the Business Plan;

(xvi) (1) prior to the completion of construction of the Project, the commencement, settlement or compromise of any Damages or litigation by the Company involving any amount in excess of $15,000,000, (2) at any time after the completion of construction of the Project, the commencement, settlement or compromise of any Damages or litigation by the Company involving any amount in excess of $5,000,000, and (3) at any time and regardless of the amount at issue, the submission to arbitration of any dispute or controversy between the Company, on the one hand, and any Member or the Affiliate of any Member;

(xvii) the cancellation without replacement or lapse without replacement of any material insurance policy or any changes to the insurance program, except, in each case, as contemplated in the Business Plan or as may be required by the lenders in connection with any Financing;

(xviii) any transaction that materially changes the scope of the Project;

(xix) any material change or modification to the Plans, including any change order and changes of scope of the Project in excess of $1 million;

(xx) requiring any loans from a Member to the Company;

(xxi) changing the Company Accountants as the external auditors of the Company;

(xxii) any change in the name of the Company;

(xxiii) making any U.S. federal, state, local or foreign income tax elections that materially impact the tax liabilities of any Member;

(xxiv) amending this Agreement;

(xxv) any filing for bankruptcy, dissolution or liquidation of the Company or any Subsidiary, or a merger, consolidation or recapitalization involving the Company or any Subsidiary;

(xxvi) intentionally omitted;

(xxvii) approving any modification to, including any waiver of the Company's rights under, either of the Letters of Credit;

(xxviii)intentionally omitted; and

(xxix) establishing the initial policies and procedure respecting, including the protocol for signing authority for, the Company's bank accounts.

Notwithstanding anything to the contrary contained in this Section 9.3 but subject to Section 9.5 hereof, a Major Decision shall not include any change to the Plans that results in cost savings to the Project, provided that such change could not reasonably be expected to materially (i) affect the Project's fitness for purpose, (ii) reduce projected revenues as set forth in the Project Business Plan, or (iii) adversely affect the quality of the construction, design, materials, finishes or furnishings of the Project, and the Managing Member has the authority to make such change to the Plans without obtaining Approval of the Board of Directors.

(b) With respect to any action that must be Approved by the Board of Directors, each Representative on the Board of Directors shall be entitled to withhold its approval in its sole discretion unless expressly provided otherwise in this Agreement.

(c) In the event the requisite number of the Representatives on the Board of Directors as set forth in Section 9.1(d) hereof is unable to agree regarding any Major Decision ("Impasse"), neither the Company nor any Member may take any further action to implement or execute any action that relates to such Major Decision that is at an Impasse. The Members shall submit the applicable Major Decision to the respective chairmen of IW and MGM for good faith discussions regarding the resolution of the Impasse ("Escalation").

(d) In the event an Impasse with respect to any of the Major Decisions described in Sections 9.3(a)(i), 9.3(a)(ii), 9.3(a)(iii), 9.3(a)(iv), 9.3(a)(vi), and 9.3(a)(ix) remains twelve (12) months after the initial date of Escalation with respect thereto ("Impasse Trigger Date"), IW may elect, but no later than sixty (60) days after the corresponding Impasse Trigger Date, to initiate the resolution procedure set forth in this Section 9.3(d) by providing a written notice of such election to MGM (the date of such notice, the "Impasse Election Date"), at which time:

(i) If the aggregate Unreturned Investment applicable to all of the Units held by IW and its Affiliates is greater than the aggregate Conditional Transfer Price for all of such Units:

(1) Within sixty (60) days of the Impasse Election Date, MGM may elect, by written notice to IW, to purchase all rights and title to all of the Units owned directly or indirectly by IW and its Affiliates at the purchase price equal to one hundred percent (100%) of IW's Unreturned Investment, and IW will transfer and sell such Units to MGM (which such purchase shall be consummated in accordance with the Cash Purchase Procedure); provided , however , that for the purpose of this Section 9.3(d)(i), MGM's failure to duly elect to purchase IW's Units shall be deemed to be an election not to purchase such Units; or

(2) If MGM provides written notice that it does not elect, or is deemed not to elect, to purchase the Units from IW and its Affiliates pursuant to Section 9.3(d)(i)(1) above, IW may elect to purchase all rights and title to all of the Units owned directly or indirectly by MGM and its Affiliates at the purchase price equal to one hundred percent (100%) of MGM's Unreturned Investment, and MGM will transfer and sell such Units to IW (which such purchase shall be consummated in accordance with the Cash Purchase Procedure); or

(ii) If the aggregate Conditional Transfer Price for all of Units held by IW and its Affiliates is greater than the aggregate Unreturned Investment applicable to all of such Units:

(1) Within sixty (60) days of the Impasse Election Date, MGM may elect, by written notice to IW, to purchase all rights and title to all of the Units owned directly or indirectly by IW and its Affiliates at the purchase price equal to one hundred percent (100%) of the Conditional Transfer Price applicable to such Units, and IW will transfer and sell such Units to MGM (which such purchase shall be consummated in accordance with the Cash Purchase Procedure); provided , however , that for the purpose of this Section 9.3(d)(ii), MGM's failure to duly elect to purchase IW's Units shall be deemed to be an election not to purchase such Units; or

(2) If MGM provides written notice that it does not elect, or is deemed not to elect, to purchase the Units from IW and its Affiliates pursuant to Section 9.3(d)(ii)(1) above, IW may elect to purchase all rights and title to all of the Units owned directly or indirectly by MGM and its Affiliates at the purchase price equal to one hundred percent (100%) of the Conditional Transfer Price applicable to such Units, and MGM will transfer and sell such Units to IW (which such purchase shall be consummated in accordance with the Cash Purchase Procedure).

Section 9.4 Replacement of Managing Member . Except as otherwise provided in this Agreement, the Managing Member may only be changed with the approval of each Member, upon resignation of the Managing Member, upon an Event of Default on the part of the Managing Member or, at the election of IW in the event of the termination of the Managing Member or its Affiliate as the Operations Manager due to a default (beyond all applicable cure periods) under any of the Operations Management Agreements.

Section 9.5 IW Special Representative .

(a) IW may appoint a representative with respect to the Project (the "IW Special Representative"). IW has appointed Mr. William Grounds as the IW Special Representative. IW may replace or dismiss the IW Special Representative at any time by giving written notice of such replacement or dismissal to MGM and IW may specify a replacement IW Special Representative.

(b) MGM shall consult with the IW Special Representative with respect to making any modification to the Business Plan, Construction Budget or the Annual Budget which would impact any Contractual Obligation by $1 million or more and any modification to the Business Plan, Construction Budget or the Annual Budget which would impact any Contractual Obligation to increase by $1 million or more shall require the approval of the IW Special Representative, such approval not to be unreasonably conditioned, delayed or withheld; provided that the IW Special Representative shall act in good faith.

(c) MGM will deliver or cause to be delivered to the IW Special Representative copies of all written notices and reports at the same time provided to MGM or its Affiliates relating to the Project.

(d) The IW Special Representative may attend meetings, conferences and conference calls of MGM, the Operations Manager, governmental entities, architects, engineers, contractors, tenants and other Persons, that are material to the development and operation of the Project Components and MGM will use reasonable efforts to cause the IW Special Representative to have reasonable prior notice of such meetings, conferences and conference calls. MGM will, and will cause its Affiliates performing any duties related to the Project Components to, consider any input of the IW Special Representative in making any determinations that are material to the development and operation of the Project Components.

(e) MGM will provide office space to the IW Special Representative located at the Project offices and suitable to ease of administration and function in the exercise of the IW Special Representative's duties.

(f) In the event that the IW Special Representative does not respond to a request for approval under this Section 9.5 within five (5) Business Days after such request is made, the IW Special Representative shall be deemed to have approved such request.

(g) Upon the Completion Date, the IW Special Representative position shall terminate without any further action of the Board of Directors.

ARTIC LE 10

REPRESENTATIONS AND WARRANTIES

Section 10.1 MGM . For the purposes of this Section 10.1, in addition all other document or information otherwise expressly disclosed to IW in writing, any document or information set forth in any public report (including all exhibits thereto) filed by MGM Parent with the U.S. Securities and Exchange Commission shall be deemed to have been expressly disclosed to IW in writing. For the purposes of this Section 10.1, the "actual knowledge" of MGM shall mean the actual (and not constructive) knowledge of James Murren, Robert Baldwin, Bruce Aguilera and John McManus.

MGM hereby represents and warrants, as of the Effective Date, that:

(a) MGM is a Nevada limited liability company duly formed, validly existing and in good standing under the laws of the State of Nevada and has the requisite entity power and authority to enter into and carry out the terms of this Agreement;

(b) all of the outstanding equity interests of MGM are owned directly or indirectly by MGM Parent;

(c) all entity action required to be taken by MGM to enter into this Agreement has been taken;

(d) this Agreement has been duly executed and delivered by MGM and constitutes the legal, valid and binding obligation of MGM, enforceable in accordance with its terms (subject to applicable bankruptcy, insolvency, moratorium or similar laws affecting creditors' rights generally, equitable principles and judicial discretion);

(e) to the best of its knowledge, neither the execution and delivery of this Agreement, nor the performance of its obligations hereunder, has resulted or will result in any violation of, or default under, the charter documents of MGM or any indenture, trust agreement, mortgage or other agreement or any permit, judgment, decree or order to which MGM is a party or by which it is bound, and there is no default and no event or omission has occurred which, with the passage of time or the giving of notice or both, would constitute a default on the part of MGM under this Agreement;

(f) to the best of its knowledge, there is no action, proceeding or investigation, pending or threatened, which questions the validity or enforceability of this Agreement as to MGM;

(g) MGM is in material compliance with all applicable U.S. federal, state or local laws, statutes, ordinances, rules, regulations, orders, judgments or decrees;

(h) MGM has no reason to believe that it or its Affiliates will not receive any license, approval or permit necessary for the consummation of the transactions contemplated by this Agreement;

(i) MGM is not, nor will the Company as a result of MGM holding Units be, an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940, as amended; and

(j) MGM acknowledges that the Units it owns have not been registered under the Securities Act of 1933, as amended, or any other state or federal law relating to the sale or offering for sale of securities (collectively, the "Securities Laws"). MGM is aware that the Units owned by it cannot be resold without registration under applicable Securities Laws or exemption therefrom.

Section 10.2 IW . For the purposes of this Section 10.2, the "actual knowledge" of IW shall mean the actual (and not constructive) knowledge of William Grounds.

IW hereby represents and warrants, as of the Effective Date, that:

(a) IW is a corporation, duly organized, validly existing and in good standing under the laws of the State of Nevada, and has the requisite power and authority to enter into and carry out the terms of this Agreement;

(b) all of the outstanding equity interests of IW are owned directly or indirectly by Dubai World;

(c) all entity action required to be taken by IW to enter into this Agreement has been taken;

(d) this Agreement has been duly executed and delivered by IW and constitutes the legal, valid and binding obligation of IW, enforceable in accordance with its terms (subject to applicable bankruptcy, insolvency, moratorium or similar laws affecting creditors' rights generally, equitable principles and judicial discretion);

(e) to the best of its knowledge, neither the execution and delivery of this Agreement, nor the performance of its obligations hereunder, has resulted or will result in any violation of, or default under, the charter documents of IW or any indenture, trust agreement, mortgage or other agreement or any permit, judgment, decree or order to which IW is a party or by which it is bound, and there is no default and no event or omission has occurred which, with the passage of time or the giving of notice or both, would constitute a default on the part of IW under this Agreement;

(f) to the best of its knowledge, there is no action, proceeding or investigation, pending or threatened, which questions the validity or enforceability of this Agreement as to IW;

(g) IW is in material compliance with all applicable and material U.S. federal, state or local laws, statutes, ordinances, rules, regulations, orders, judgments or decrees;

(h) IW has no reason to believe that it or its Affiliates will not receive any license, approval or permit necessary for the consummation of the transactions contemplated by this Agreement;

(i) IW is not, nor will the Company as a result of IW holding Units be, an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940, as amended; and

(j) IW acknowledges that the Units it owns have not been registered under the Securities Laws. IW is aware that the Units owned by it cannot be resold without registration under applicable Securities Laws or exemption therefrom.

Section 10.3 Brokers . The Parties each represent to the other that they have not retained any broker, finder or agent in connection with the transactions contemplated hereby or the negotiation thereof. Each Party shall indemnify and hold the other Party harmless from and against all Damages, arising out of or relating to any claim of brokerage or other commissions relative to this Agreement or the transactions contemplated hereby insofar as any such claim arises by reason of services alleged to have been rendered to or at the request of the indemnifying Party.

ARTICLE 11

TRANSFER OF UNITS

Section 11.1 Restrictions on Transfers . Except as set forth in Section 11.2 hereof, no holder of Units may Transfer all or any portion of such holder's Units prior to the fifth (5th) anniversary of the Casino Opening Date. Thereafter, a holder of Units may Transfer all or any portion of such holder's Units to any Person, subject to the conditions and restrictions set forth in Section 11.3 hereof and to compliance with the terms of the right of first offer set forth in Section 11.6 hereof and the Tag-Along Rights set forth in Section 11.8 hereof. Notwithstanding the foregoing, subject to Section 11.3 hereof, a Member may at any time Transfer its Units pursuant to the terms set forth in Section 11.2 hereof.

Section 11.2 Permitted Transfers . Subject to the conditions and restrictions set forth in Section 11.3 hereof, a Member may at any time Transfer all or any portion of its Units to (i) any other Member, and (ii) any Permitted Transferee (each, a "Permitted Transfer"). Except in connection with a Transfer occurring following compliance with the terms of the right of first offer set forth in Section 11.6 hereof, no Member is released from its obligations under this Agreement solely as a result of the Permitted Transfer of all of its Units to a Permitted Transferee.

(a) As a condition to the Transfer to a Permitted Transferee, each Permitted Transferee of any Member to which Units are Transferred shall agree to Transfer back to such Member (or to another Permitted Transferee of such Member) any Units it owns prior to such Permitted Transferee ceasing to be a Permitted Transferee of such Member.

(b) Subject to the Approval of the Board of Directors, any Member may pledge its Units as collateral to lenders in connection with the Financing. In addition, either Member may pledge its Units as collateral in connection with any bona fide financing transaction by its Affiliates, provided that the lender is an institutional bank or investment bank and is not a Material Competitor nor an Affiliate of a Material Competitor, and provided that such pledge would be subordinate to the Financing. Such pledge must also provide that the Member whose Units are not the subject of such pledge shall have the right, prior to such lender's foreclosure, to pay in full the debt secured by such pledge as it relates to the applicable Units so pledged.

Section 11.3 Conditions to Transfers . A Transfer will not be treated as a Transfer permitted under Section 11.1 he reof, Section 11.2 hereof, or Section 11.6 hereof unless and until all of the following conditions are satisfied:

(a) The transferor and Transferee execute and deliver to the Company such documents and instruments of conveyance as may be necessary or appropriate in the opinion of counsel to the Company to effect such Transfer and the Transferee executes and delivers to the Company a joinder to this Agreement in a form reasonably satisfactory to the Company to be bound by the terms and conditions of this Agreement to the same extent that the transferring Member was so bound. In all cases, the transferor and/or Transferee must reimburse the Company for all costs and expenses that the Company incurs in connection with such Transfer.

(i) The transferor and Transferee must furnish the Company with the Transferee's taxpayer identification number, sufficient information to determine the Transferee's initial tax basis in the Units transferred, and any other information reasonably necessary to permit the Company to file all required U.S. federal and state tax returns and other legally-required information statements or returns. Without limiting the generality of the foregoing, the Company is not required to make any distribution otherwise provided for in this Agreement with respect to any transferred Units until the Company has received such information.

(ii) The Transfer would not, in the opinion of counsel chosen by the Company, result in the termination of the Company within the meaning of Section 708 of the Code.

(iii) The Units to be Transferred must be registered under the Securities Laws, or, unless waived by the non-transferring Members, the transferor must provide to the Company an opinion of counsel, which opinion and counsel must be reasonably satisfactory to the non-transferring Member, to the effect that such Transfer is exempt from registration under the Securities Laws.

(iv) In the case of a Transfer to a Material Competitor, the non- Transferring Member must consent to such Transfer.

(v) All approvals of any Gaming Authority required to effect a Transfer must be obtained prior to such Transfer.

(b) Notwithstanding anything to the contrary in this Agreement, no Member shall be permitted to Transfer its Units or any portion thereof to the extent such Transfer would be in violation of applicable law (including Securities Laws and all Gaming Laws) or would cause a default under any agreement or instrument to which the Company is a party or by which it is bound.

Section 11.4 Prohibited Transfers .

(a) Any purported Transfer of Units that is not made in compliance with the applicable provisions of Section 11.1, Section 11.2, and Section 11.6 hereof shall be null and void and of no force or effect whatsoever. In the case of a Transfer or attempted Transfer of Units other than pursuant to the applicable provisions of Section 11.1, Section 11.2, and Section 11.6 hereof, the Party engaging or attempting to engage in such Transfer is obligated to indemnify, defend and hold harmless the Company and the other Members for, from and against all cost, liability and damage that the Company or such indemnified Member may incur (including incremental tax liabilities, attorneys' fees and expenses) as a result of such attempted Transfer and efforts to enforce the indemnity granted hereby.

(b) If as a result of any direct or indirect transfer of Units, including any Transfers that are permitted under this Article 11 or any transfers of any direct or indirect interest in the Units that fall outside the definition of a Transfer, a Material Competitor acquires a direct or indirect interest in the Company, then, notwithstanding anything to the contrary in this Agreement, the following shall apply:

(i) The Member with respect to whom such transfer has occurred (a "Passive Member") will become a passive member of the Company with no right to (x) appoint more than one member to the Board of Directors, and all other Representative appointed by such Member will be removed immediately from the Board of Director and with no further action, (y) act as or appoint a Managing Member, or (z) have a Representative appointed by such Passive Member not vote on any matters other than those specifically provided in the Sections 9.3(a)(v), 9.3(a)(vii), 9.3(a)(xii), 9.3(a)(xx), 9.3(a)(xxi), and 9.3(a)(xxii) hereof.

(c) Any purported Transfer of Units that is not made in compliance with the applicable provisions of this Article 11 shall be null and void and of no force or effect whatsoever. In the case of a Transfer or attempted Transfer of Units other than pursuant to the applicable provisions of Article 11, the Party engaging or attempting to engage in such Transfer is obligated to indemnify, defend and hold harmless the Company and the other Member for, from and against all cost, liability and damage that the Company or such indemnified Member may incur (including incremental tax liabilities, attorneys' fees and expenses) as a result of such attempted Transfer and efforts to enforce the indemnity granted hereby.

Section 11.5 Distributions and Allocations in Respect of Transferred Units . If any Units are Transferred during any Fiscal Year in compliance with the provisions of this Article 11, Profits and Losses, each item thereof and all other items attributable to the Transferred Units for such Fiscal Year will be divided and allocated between the transferor and the Transferee by taking into account their varying interests during the Fiscal Year in accordance with Code Section 706(d), using any convention permitted by law and selected by the Managing Member. All distributions on or before the date of such Transfer will be made to the transferor and all distributions thereafter will be made to the Transferee. Any Transfer of a Member's Unit to a transferor shall be deemed a transfer of such Member's Interest and Profit Interest represented by such Unit in relation to the total number of Units owned by such Member immediately prior to such Transfer. Solely for purposes of making such allocations and distributions, the Company will recognize such Transfer not later than the end of the calendar month during which the Company is given notice of the Transfer, provided that, if the Company is given notice of a Transfer at least ten (10) Business Days prior to the Transfer, the Company will recognize the Transfer as of the date of the Transfer, and provided further that if the Company does not receive a notice stating the date such Units were transferred and such other information as the Managing Member may reasonably require within thirty (30) days after the end of the Fiscal Year during which the Transfer occurs, then all such items will be allocated, and all distributions will be made, to the Person who, according to the books and records of the Company, was the owner of the Units on the last day of such Fiscal Year. Neither the Company nor the Managing Member will incur any liability for making allocations and distributions in accordance with the provisions of this Section 11.5, whether or not the Managing Member or the Company have knowledge of any Transfer of ownership of any Units.

Section 11.6 Right of First Offer .

(a) Notice . A Member desiring to Transfer Units (other than pursuant to Section 11.2 hereof) (a "Disposing Member") shall first provide to the other Members and the Company prior written notice of the Member's intention to make a Transfer of Units (the "Disposition Notice"), which shall set forth the number of Units proposed to be Transferred (the "Offered Units").

(b) Option to the Non-Disposing Member . Upon receipt of the Disposition Notice, the other Member (the "Non-Disposing Member") has the right, exercisable within 30 days after receipt of the Disposition Notice (the "Offer Period"), to offer to purchase all, but not less than all, of the Offered Units by giving written notice to the Disposing Member (the "Offer Notice") and stating the terms (including the cash purchase price per Unit) on which the Non-Disposing Member irrevocably offers to purchase all of the Offered Units. The Disposing Member may elect to accept the offer stated in the Offer Notice by giving written notice (the "Acceptance Notice") to the Disposing Member within 30 days after receipt of the Offer Notice.

The delivery of the Acceptance Notice shall result in a binding contract between the Disposing Member and the Non-Disposing Member at the price stated in the Offer Notice. Within thirty (30) days following the receipt of the Acceptance Notice or, if later, the receipt of any required approvals from any Gaming Authority, the Disposing Member and the Non-Disposing Member shall complete the sale and purchase of the Units.

(c) Sale to a Third Party . In the event that the Disposing Member does not accept the offer set forth in the Offer Notice (or if the Non-Disposing Member does not deliver an Offer Notice within the time period contemplated by Section 11.6(b) hereof), the Disposing Member shall have the right to sell the Units to a third party at a price that is not less than the price set forth in the Offer Notice and other terms and conditions that are not less favorable than the terms and conditions set forth in the Offer Notice (or, if no Offer Notice was delivered pursuant to Section 11.6(b) hereof, at any price and terms and conditions); provided, however , that the consummation and closing of such sale must occur within one hundred eighty (180) days after expiration of the Offer Period, provided, further that such 180-day period may be extended to allow for obtaining any necessary Gaming and regulatory approvals as long as the Disposing Member and the proposed Transferee of the Disposing Member's Units are using commercially reasonable efforts to obtain such approvals. If such sale of the Units is not closed within such 180-day period, or if the Disposing Member wishes to enter into a contract to sell the Units on terms less than the price set forth in the Offer Notice or on terms and conditions less favorable than set forth in the Offer Notice, then any subsequent sale of the Units by the Disposing Member may be effected only after again complying with the conditions of this Section 11.6.

Section 11.7 Indirect Transfers . In the case of an indirect Transfer of Units, (A) the right of first offer provided for under Section 11.6 hereof shall apply to all of the Units held by the Member (versus only the Offered Units), and (B) th e burden is on the Member with respect to whom there is a Transfer to construct a transaction in which the Units are separately priced in order to determine whether the requirements of Sections 11.6 hereof and this Section 11.7 have been met.

Section 11.8 Tag-Along Rights .

(a) Notwithstanding anything to the contrary in this Agreement, neither Member ("Selling Member") may Transfer any or all of its Units to a Person other than to a Permitted Transferee unless the other Member has the right to sell, in the same transaction, its Units to such Person, on a pro rata basis based on each Member's Profit Interest, for a purchase price determined in the identical manner, after giving effect to any adjustments made pursuant to Section 3.5(b) hereof to the Profit Interest corresponding to such Member's Units, to the Profit Interest attach, as the purchase price of the Selling Member's Units shall have been determined (and subject to identical method of payment and other terms).

(b) As soon as practicable after the Selling Member decides or proposes to sell any or all of its Units, but at least ninety (90) days before the proposed date of a sale of the Selling Member's Units, the Selling Member shall give a written notice (the "Tag-Along Notice") to the other Member at each Member's address as shown on the Company's records. The Tag-Along Notice shall describe in detail the proposed sale, including the proposed price or consideration to be paid, the name and address of the proposed Transferee, and if the Selling Member is proposing to sell less than all of its Units, the proportion of their total Units that they intend to sell. The non- Selling Member ("Tagging Member") shall have the right to sell to the proposed Transferee the same proportion, based on such Member's Profit Interest, of such Member's Units on the terms, subject to adjustments in the price based on any adjustments to each Member's Profit Interest previously made pursuant to this Section 3.5(b) hereof, set forth in the Tag-Along Notice. Other than as set forth herein, the terms of the Tag-Along Notice shall not be more burdensome to the Tagging Member than the terms applicable to the Selling Member in the purchase transaction with the Transferee.

(c) The Tagging Member shall exercise the rights under this Section 11.8 by delivering a notice of exercise to the Selling Member, with a copy to the Company, within thirty (30) days after the delivery of the Tag-Along Notice to the Tagging Member.

(d) No later than one hundred eighty (180) days following delivery of the Tag Along Notice to the Company, the Selling Members shall conclude the sale of its Units on the terms and conditions described in the Tag Along Notice, and the Tagging Member shall simultaneously sell its Units on the terms and conditions described in the Tag Along Notice (subject to adjustments in the price based on any adjustments to each Member's Profit Interest previously made pursuant to Section 3.5(b) hereof).

ARTICLE 12

GAMING LAWS

Section 12.1 Qualifications .

(a) Subject to Gaming Laws . If the Company becomes, and for as long as it remains, subject to regulation under any Gaming Laws, ownership of the Company shall be held subject to the applicable provisions of any applicable Gaming Laws.

(b) Officers and Employees . The election of an individual to serve in any capacity with the Company is subject to any findings of suitability, qualifications or approvals required under any Gaming Laws. For purposes of this Agreement, an individual shall be qualified to serve as an officer or in any other capacity, for so long as that individual is determined to be, and continues to be, qualified and deemed suitable by all Gaming Authorities and under all applicable Gaming Laws. In the event any such individual does not continue to be so qualified and suitable, that individual shall be disqualified and shall cease to be an officer or serve in such other capacity with the Company.

ARTICL E 13

EVENTS OF DEFAULT

Section 13.1 Events of Default . The occurrence of any of the following events shall constitute an "Event of Default" hereunder on the part of the Member to which such event relates (the "Defaulting Member") if within 30 days following delivery to the Defaulting Member of written notice of such default by the other Member, or within 10 days if the default is due solely to the non-payment of monies, the Defaulting Member fails to pay such monies, or in the case of non-monetary defaults, fails to commence substantial efforts to cure such default or thereafter fails within a reasonable time to prosecute to completion with diligence the curing of such default; provided , however , that the occurrence of any of the events described in Section 13.1(a) or (b) below shall constitute an Event of Default immediately upon such occurrence without any requirement of notice or the passage of time except as specifically set forth therein:

(a) the violation by a Member of any of the restrictions set forth in Article 11 of this Agreement upon the right of such Member to Transfer its Units (a "Transfer Breach");

(b) (i) the institution by a Member of proceedings under any federal or state law for the relief of debtors wherein such Member is seeking relief as a debtor, (ii) a general assignment by a Member for the benefit of creditors, (iii) the institution by a Member of a proceeding for relief under the Bankruptcy Code, (iv) the institution against a Member of a proceeding under the Bankruptcy Code, which proceeding is not dismissed, stayed or discharged within 60 days after the filing thereof or, if stayed, which stay is thereafter lifted without a contemporaneous discharge or dismissal of such proceeding, (v) the admission by a Member in writing of its inability to pay its debts as they mature or (vi) the attachment, execution or other judicial seizure of all or any substantial part of a Member's Units which remains undismissed or undischarged for a period of 15 days after the levy thereof, if such attachment, execution or other judicial seizure would reasonably be expected to have a material adverse effect upon the performance by such Member of its obligations under this Agreement; provided , however , that any such attachment, execution or seizure shall not constitute an Event of Default if such Member posts a bond sufficient to fully satisfy the amount of such claim or judgment within 15 days after the levy thereof and the Member's Units are thereby released from the lien of such attachment (each an "Event of Bankruptcy"); provided , however , that notwithstanding the foregoing or any provision of Delaware law to the contrary, none of the Events of Bankruptcy enumerated above shall be deemed an Event of Default hereunder until such time as: (a) a chapter 11 trustee or an examiner with expanded powers is appointed to exercise rights otherwise vested in the Member's estate or in the Member as debtor in possession, (b) the Event of Bankruptcy is a chapter 7 case in which an order for relief is entered, or a chapter 11 case that has been converted to chapter 7 by entry of an order directing such conversion, (c) following an Event of Bankruptcy, the Member does not perform its obligations hereunder, or (d) following an Event of Bankruptcy involving MGM or corresponding event involving any of MGM's Affiliates, an Operations Manager does not perform its obligations under the applicable Operations Management Agreement;

(c) any material breach by a Member of its representations and warranties pursuant to Article 10 hereof or any material default in performance of, or failure to comply with, any other agreement, obligation or undertaking of a Member contained in this Agreement;

(d) the issuance of a final and non-appealable order or directive of a governmental agency of any jurisdiction, including any Gaming Authorities, disqualifying a Member from holding any license, approval or permit required for the business of the Company, or directing that the other Member or any of its Affiliates terminate its relationship with such Member (a "License Breach");

(e) the occurrence of any fraudulent act or intentional act of willful misconduct by a Member in connection with or in any way relating to the Company, the Project or the Project Assets;

(f) intentionally omitted; or

(g) the failure by MGM, MGM MIRAGE or its Affiliate to make any payment of all capital expenditures related to the People Mover in excess of Fifty Million Dollars ($50,000,000) as and when required.

Section 13.2 Remedies upon Default .

(a) Upon the occurrence of any Event of Default, the Non-Defaulting Member shall have the right, without limitation, to exercise any and all rights and remedies set forth in this Agreement or as may be available at law or in equity against the Defaulting Member.

(b) In no event shall any Member have the right to, nor shall any Member be obligated or liable for, consequential, special or punitive damages, and in no event may the total damages recovered under any circumstances exceed the amount of Capital Contributions paid or payable by a Member; provided , however , that, nothing in this Section 13.2 shall be deemed to apply to, or limit or otherwise modify, any rights of any Member under Section 4.2(c)(ii) or Section 13.4 hereof.

Section 13.3 Indemnification .

(a) Indemnification by MGM. MGM shall indemnify and defend the Company, the Subsidiaries of the Company, IW, IW's Affiliates and their respective stockholders, members, partners, managers, officers, directors, employees, agents, successors and assigns (the "IW Indemnitees") against, and shall hold the IW Indemnitees harmless from, any Damages incurred or suffered by an IW Indemnitee resulting from, arising out of, or in connection with, or otherwise with respect to any breach of any representation, warranty, covenant or agreement made by MGM contained in this Agreement; provided , however , that the cumulative indemnification obligation of MGM under this Section 13.3(a) shall in no event exceed the Unreturned Investment of IW at the time of such indemnification.

(b) Indemnification by IW . IW shall indemnify and defend Company, the Subsidiaries of the Company, MGM, MGM's Affiliates and their respective stockholders, members, partners, managers, officers, directors, employees, agents, successors and assigns (the "MGM Indemnitees") against, and shall hold the MGM Indemnitees harmless from, any Damages incurred or suffered by an MGM Indemnitee resulting from, arising out of, or in connection with, or otherwise with respect to any breach of any representation, warranty, covenant or agreement made by IW contained in this Agreement; provided , however , that the cumulative indemnification obligation of IW under this Section 13.3(b) shall in no event exceed the Unreturned Investment of MGM at the time of such indemnification.

Section 13.4 Buy Out on Default . At any time during the continuance of an Event of Default under this Agreement resulting from a Transfer Breach or a License Breach, the Non- Defaulting Member, without limiting any other rights or remedies it may have under this Agreement, at law or in equity, may, upon written notice (the "Appraisal Notice") delivered to the Defaulting Member, elect to purchase all (but not less than all) of the Units of the Defaulting Member for cash in an amount equal to the lesser of (A) the Conditional Transfer Price and (B) the amount of the Unreturned Investment for the Defaulting Member, and the Defaulting Member will Transfer and sell such Units to the Non-Defaulting Member (which such purchase shall be consummated in accordance with the Cash Purchase Procedure. The "Appraised Value" for all of the Units of a Member shall be the distribution that such Member would receive pursuant to Section 14.3 hereof if a single purchaser unrelated to any Member purchased the Company business and assets as a going concern, subject to all existing indebtedness and Liens, in a single cash purchase, taking into account the current condition, use and net income of the Project and the Company were liquidated. If the Members are unable to mutually agree upon the Appraised Value within 30 days after delivery of the Appraisal Notice, each Member shall select a reputable MAI appraiser to determine the Appraised Value. The two appraisers shall furnish the Members with their written appraisals within 45 days of their selection, setting forth their determinations of the Appraised Value as of the date of the Appraisal Notice. If the higher of such appraisals does not exceed the lower of such appraisals by more than 10%, the Appraised Value shall be the average of the two appraisals. If the higher of such appraisals exceeds the lower of such appraisals by more than 10%, the two appraisers shall, within 20 days, mutually select a third reputable MAI appraiser. The third appraiser shall furnish the Members with its written appraisal within 45 days of its selection, and the Appraised Value shall be the average of the three appraisals. The cost of the appraisals shall be borne equally by the Defaulting Member and the Non-Defaulting Member. The determination of the Appraised Value in accordance with this Section 13.4 shall constitute a final and non-appealable arbitration. The closing of the purchase and sale of the Units of the Defaulting Member pursuant to this Section 13.4 shall occur not later than 180 days after determination of the Appraised Value, or such other time as may be directed by the Nevada Gaming Authorities. At the closing, the Defaulting Member shall deliver to the Non-Defaulting Member good title to its Units, free and clear of any Liens.

ARTICLE 14

DISSOLUTION AND LIQUIDATION

Section 14.1 Events of Dissolution . Except as set forth in Section 14.2 hereof, the Company shall dissolve upon the occurrence of any of the following events:

(a) the sale or other disposition (including, without limitation, taking by eminent domain) of all or substantially all of the assets of the Company and the collection of the proceeds thereof;

(b) the approval of each of the Members;

(c) the death, withdrawal, Event of Bankruptcy which constitutes an Event of Default, or dissolution of a Member, or the occurrence of any event that terminates a Member's continued interest in the Company or causes a Transfer of such interest by operation of law, unless within 90 days after such event one or more new Members is admitted pursuant to Section 11.2 or 14.2 hereof; or

(d) the occurrence or failure to occur of any other event, as a result of which it is or becomes unlawful or impossible to carry on the business of the Company.

Section 14.2 Members' Consent to Continue Business . Upon the occurrence of an event described in Section 14.1 hereof which may cause the dissolution of the Company, or subsequent discovery of the occurrence of such an event, the Managing Member shall immediately notify each of the remaining Members of the occurrence of the event, and each of the remaining Members shall notify the Managing Member whether or not it consents to continue the business of the Company. If all of the remaining Members consent to continue the Company's business, then the Company shall not be dissolved and the remaining Members shall continue the Company's business.

Section 14.3 Dissolution and Liquidation . Upon the occurrence of an event of dissolution described in Section 14.1 hereof, if the business of the Company is not continued by the remaining Members pursuant to Section 14.2 hereof, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and Members and no Member shall take any action that is inconsistent with, or not necessary to or appropriate for, winding up the Company's business and affairs. To the extent not inconsistent with the foregoing, all covenants and obligations set forth in this Agreement shall continue in effect until such time as the Company's assets have been distributed pursuant to this Section 14.3 and the Company has been liquidated. The Managing Member shall be responsible for overseeing the winding up and liquidation of the Company, shall take full account of the Company's liabilities and assets, shall cause the assets to be liquidated as promptly as is consistent with obtaining the fair market value thereof and shall cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed in the following order:

(a) first, to the payment and discharge of all of the Company's debts and liabilities to creditors other than Members, in the order of priority provided by law;

(b) second, to the payment and discharge of all of the Company's debts and liabilities to Members, other than liabilities for distributions to which Members are entitled in their capacities as Members pursuant to Article 6;

(c) third, to the establishment of any reserves that may reasonably be deemed necessary by the Managing Member to meet any contingent or unforeseen liabilities or obligations of the Company not covered by insurance. Any such reserve shall be deposited in a bank or other financial institution. All or any portion of such reserve no longer needed for the purpose for which it was established shall be distributed as promptly as practicable in accordance with Section 14.3(d) hereof, as appropriate; and

(d) fourth, to the Members in accordance with Article 6.

The Managing Member shall not receive any compensation for any services performed pursuant to this Section 14.3 but shall be entitled to reimbursement for all out-of-pocket costs and expenses reasonably incurred in connection therewith.

It is intended that the distributions set forth in this Section 14.3(d) comply with the requirement of Regulations Section 1.704-1(b)(2)(ii)(*b*)(*2*) that liquidating distributions be made in accordance with positive Capital Accounts. However, if the balances in the Capital Accounts do not result in such requirement being satisfied, no change in the amounts of distributions pursuant to Article 6 shall be made, but rather, items of income, gain, loss, deduction and credit will be reallocated between the Members so as to cause the balances in the Capital Accounts to be in the amounts necessary so that, to the extent possible, such result is achieved.

Section 14.4 Notice of Dissolution . Upon the occurrence of an event of dissolution described in Section 14.1 hereof, if the business of the Company is not continued by the remaining Members pursuant to Section 14.2 hereof, the Managing Member shall, within 30 days thereafter (i) provide written notice thereof to each of the Members and to all other Persons with whom the Company regularly conducts business (as determined in the discretion of the Managing Member) and (ii) publish notice of such dissolution in a newspaper of general circulation in each place in which the Company conducts business.

Section 14.5 Disassociation . Unless and until an Event of Bankruptcy constitutes an Event of Default, Section 18-304 of the Delaware Limited Liability Company Act, and any other applicable statute or principle of law, and any other provision herein, shall not result in such Member ceasing to be a Member in the Company or otherwise result in such Member's rights being restricted, limited or abridged.

ARTIC LE 15

MISCELLANEOUS PROVISIONS

Section 15.1 Waiver of Partition and Covenant Not to Withdraw . Each Member covenants and agrees that the Members have entered into this Agreement based on the mutual expectation that both Members will continue as Members and carry out the duties and obligations undertaken by them hereunder and, except as otherwise expressly required or permitted by this Agreement or approved by each of the Members, each Member covenants and agrees not to (i) take any action to require partition or to compel any sale with respect to its Units or any property of the Company, (ii) take any action to file a certificate of dissolution or its equivalent with respect to itself, (iii) take any action that would cause an Event of Bankruptcy to constitute an Event of Default of such Member, (iv) withdraw or resign, or attempt to do so, from the Company, (v) exercise any power under the Act to dissolve the Company, (vi) except as permitted herein, transfer all or any portion of its Units, (vii) petition for judicial dissolution of the Company or (viii) demand a return of its capital contributions. Upon any breach of this Section 15.1 by any Member, the other Member (in addition to all rights and remedies it may have under this Agreement, at law or in equity) shall be entitled to a decree or order from a court of competent jurisdiction restraining and enjoining such application, action or proceeding.

Section 15.2 Additional Agreements . IW shall have the right to exercise any and all remedies of the Company under any Additional Agreements in the name of and on behalf of the Company, without the necessity of and further notice to the counterparty under the applicable Additional Agreements.

Section 15.3 Notices . Unless otherwise provided herein, all notices or other communications required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given on the date of delivery if delivered personally to the Party to whom notice is given, on the next Business Day if sent by confirmed facsimile transmission or on the date of actual delivery if sent by overnight commercial courier and properly addressed to the Party at its address set forth below, or at any other address that any Party may from time to time designate by written notice to the others:

If to MGM:

Project CC, LLC
c/o MGM Resorts International
3600 Las Vegas Boulevard South
Las Vegas, Nevada 89109
Attention: General Counsel
Facsimile: (702) 693-7628

If to MGM Parent:

MGM Resorts International
3600 Las Vegas Boulevard South
Las Vegas, Nevada 89109
Attention: General Counsel
Facsimile: (702) 693-7628

If to IW:
Infinity World Development Corp.
c/o Dubai World
The Galleries -- Building 4, Level 6
Downtown Jebel Ali
P. O. Box 17000
Dubai, United Arab Emirates
Attention: General Counsel
Facsimile: 011-971-4-361-2680

Section 15.4 Amendments . The provisions of this Agreement may not be waived, amended or repealed, in whole or in part, except with the written consent of each of the Members.

Section 15.5 Successors and Assigns . This Agreement shall be binding on, and inure to the benefit of, the Parties hereto and their respective heirs, legal representatives, successors and permitted transferees and assigns.

Section 15.6 Time . Time is of the essence with respect to this Agreement and each and every provision hereof.

Section 15.7 Severability . Each provision of this Agreement is intended to be severable. If any term or provision hereof is held to be illegal or invalid for any reason, such illegality or invalidity shall not affect the legality or validity of the remainder of this Agreement.

Section 15.8 Counterparts . This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 15.9 Attorneys' Fees and Other Costs . Except as otherwise provided in this Agreement, each of the Parties shall bear its own legal fees and expenses in connection with the negotiation, execution and performance of this Agreement. The Company shall bear all legal fees and expenses in connection with any proceeding in which the Company is named as a party. Should any action or proceeding be commenced (including without limitation any proceeding in bankruptcy) by any of the Parties to enforce any of the terms of this Agreement or that in any other way pertains to Company affairs or this Agreement, the prevailing Party or Parties in such action or proceeding (as determined by the presiding official(s)) shall be entitled to receive from the opposing Party or Parties the prevailing Party's reasonable costs and attorneys' fees incurred in investigating, prosecuting, defending or appearing in any such action or proceeding.

Section 15.10 Entire Agreement . This Agreement (together with the Letter Agreement) constitutes the complete and exclusive statement of the agreement among the Parties with respect to the subject matter hereof. This Agreement supersedes all prior negotiations, understandings and agreements of the Parties, written or oral, with respect to the subject matter hereof.

Section 15.11 Further Assurances . Each of the Parties agrees to perform any further acts and execute, acknowledge and deliver any documents or instruments that may be reasonably necessary or appropriate to carry out the provisions of this Agreement and to satisfy the conditions to the obligations of the Parties hereunder.

Section 15.12 Headings; Interpretation . Article and section headings contained in this Agreement are for convenience of reference only and shall not be deemed a part of this Agreement or have any legal effect. All provisions of this Agreement shall be construed to further the interests and business of the Company. The Parties agree to cooperate with one another in all respects in order to effect the purposes of and carry out the business activities of the Company, as more particularly set forth herein.

Section 15.13 Exhibits . Each of the Exhibits referred to herein and attached hereto is hereby incorporated by reference and made a part hereof for all purposes. Unless the context otherwise expressly requires, any reference to "this Agreement" shall mean and include all such Exhibits.

Section 15.14 Approvals and Consents . Whenever the approval or consent of a Member or any of the Parties is required by this Agreement, such Member or Party shall have the right to give or withhold such approval or consent in its sole and unfettered discretion, unless otherwise expressly provided herein.

Section 15.15 Estoppels . Each of the Parties shall, upon the written request of any other Party, promptly execute and deliver to the other Parties a statement certifying that this Agreement is unmodified and in full force and effect (or, if modified, the nature of the modification) and whether or not there are, to such Party's knowledge, any uncured defaults on the part of the other Party or Parties, specifying such defaults if any exist. Any such statement may be relied upon by third parties.

Section 15.16 Compliance with Laws and Contractual Obligations . Each of the Members shall at all times act in accordance with all applicable laws and regulations and shall indemnify and hold the other Parties (including their respective directors, officers, employees, Affiliates, successors and assigns) harmless for, from and against any and all Damages, arising out of or relating to any breach of such laws or regulations. The Company will at all times comply with all legal and Contractual Obligations and requirements applicable to the acquisition or development of the Project Assets and the operation of the Project.

Section 15.17 Remedies Cumulative . Each right, power and remedy provided for in this Agreement or now or hereafter existing at law, in equity, by statute or otherwise shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law, in equity, by statute or otherwise, and the exercise by any Party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such Party of any or all of such other rights, powers or remedies.

Section 15.18 Waiver . No consent or waiver, express or implied, by any Party to or of any breach or default by any other Party in the performance of obligations under this Agreement shall be deemed or construed to be a consent or waiver to or of any other breach or default in the perf ormance by such Party. Failure on the part of any Party to complain of any act or failure to act by any other party or to declare any other party in default, irrespective of how long such failure continues, shall not constitute a waiver by any Party of its rights under this Agreement.

Section 15.19 Governing Law and Choice of Forum . This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, excluding its conflict of law principles. In the event of any litigation between the Parties concerning or arising out of this Agreement, the Parties hereby consent to the exclusive jurisdiction of the federal and state courts in Delaware.

Section 15.20 Survival of Indemnification Obligations . Each and every indemnification obligation of any one or more of the Members hereto shall expressly survive the termination of this Agreement and the dissolution of the Company.

Section 15.21 Limited Liability .

(a) The Parties acknowledge that in the event there is a default or an alleged default by MGM under the arrangements contemplated by this Agreement, or any party has any claim arising from the arrangements contemplated in this Agreement, no party shall commence any lawsuit or otherwise seek to impose any liability whatsoever against Mr. Kirk Kerkorian, Tracinda Corporation, a Nevada corporation, and any other corporation or entity controlled by Mr. Kerkorian (other than MGM Parent and its subsidiaries) or any principals of MGM Parent or the Affiliates of such principals (the "MGM Parent Restricted Affiliates"). The Parties hereby further agree that none of the MGM Parent Restricted Affiliates shall have any liability whatsoever with respect to this Agreement. The Parties hereby further agree that they shall not permit or cause the Company to assess a claim or impose any liability against any MGM Parent Restricted Affiliate, either collectively or individually, as to any matter or thing arising out of or relating to this Agreement. In addition, the Parties agree that none of the MGM Parent Restricted Affiliates, individually or collectively, is a party to this Agreement or liable for any alleged breach or default of this Agreement by MGM or its Affiliates. It is expressly understood and agreed that this provision shall have no force and effect with respect to any document or agreement as to which Kirk Kerkorian or Tracinda Corporation is a party with IW or IW's Affiliates, except as set forth in such other agreement.

(b) The Parties acknowledge that in the event there is a default or an alleged default by IW under the arrangements contemplated by this Agreement, or any party has any claim arising from the arrangements contemplated in this Agreement, no party shall commence any lawsuit or otherwise seek to impose any liability whatsoever against either the Government of Dubai, the United Arab Emirates, any corporation or entity controlled by the Government of Dubai or the United Arab Emirates (other than IW and its subsidiaries) or any principals of Dubai World or the Affiliates of such principals (the "Dubai World Restricted Affiliates"). The Parties hereby further agree that none of the Dubai World Restricted Affiliates shall have any liability whatsoever with respect to this Agreement. The Parties hereby further agree that they shall not permit or cause the Company to assess a claim or impose any liability against any Dubai World Restricted Affiliate, either collectively or individually, as to any matter or thing arising out of or relating to this Agreement. In addition, the Parties agree that none of the Dubai World Restricted Affiliates, individually or collectively, is a party to this Agreement or liable for any alleged breach or default of this Agreement by IW or its Affiliates.

Section 15.22 Sovereign Immunity Waiver . IW irrevocably waives, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (a) suit, (b) jurisdiction of any court of Delaware or (c) relief by way of injunction, order for specific performance or for recovery of enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings under or in connection with this Agreement by the courts of any jurisdiction and irrevocably agrees that it will not claim any such immunity in any such proceedings and that the waivers set forth in this provision are intended to be irrevocable.

Section 15.23 Member Enforcement . IW shall have the power and authority to enforce any breach or to allege and enforce any breach or Event of Default by MGM under this Agreement without the necessity of including the Managing Member in any such action. The Managing Member cannot and is not authorized to waive, on behalf of IW, the occurrence or continuance of any breach or Event of Default of this Agreement without the prior written consent of IW, which consent may be withheld by IW in its sole and absolute discretion. Notwithstanding the provisions of Section 9.3(a)(xvi), in the event that either Member is in breach of this Agreement, the other Member may bring a claim or action on behalf of the Company against the breaching Member to enforce the rights of the Company against such breaching Member.

Section 15.24 Release of Dubai World . Subject in all respects to the provisions of the succeeding sentence, Dubai World's obligations under this Agreement are hereby deemed satisfied in full and Dubai World is irrevocably released and forever discharged from any and all liabilities, claims, cross-claims, causes of action, rights, actions, suits, debts, l iens, damages, costs, attorneys' fees, losses, expenses, obligations or demands, of any kind whatsoever, whether known or unknown, suspected or unsuspected, based on any facts, actions, or conduct occurring from the beginning of time through the Effective Date, that arise out of or relate to this Agreement (the "Deemed Satisfaction of DW Obligations").

Section 15.25 Release of Mirage Resorts . Subject in all respects to the provisions of the succeeding sentence, Mirage Resort's obligations under this Agreement are hereby deemed satisfied in full and Mirage Resorts is irrevocably released and forever discharged from any and all liabilities, claims, cross-claims, causes of action, rights, actions, suits, debts, liens, damages, costs, attorneys' fees, losses, expenses, obligations or demands, of any kind whatsoever, whether known or unknown, suspected or unsuspected, based on any facts, actions, or conduct occurring from the beginning of time through the Effective Date, that arise out of or relate to this Agreement (the "Deemed Satisfaction of MR Obligations"). Notwithstanding the preceding sentence, and any rule of law or equity to the contrary notwithstanding, Mirage Resort's obligations under this Agreement, shall automatically reinstate without any further notice or other action being required on the part of the Company, in the event that (i) there is any breach or default by MGM or MGM MIRAGE of MGM or MGM MIRAGE's obligations set forth in Section 4.6 hereof; or (ii) MGM or an MGM Affiliate fails to make any other payment as and when required pursuant to the terms hereof or of the applicable Additional Agreement, then until the same has been cured by MGM, MGM MIRAGE or an MGM Affiliate, as applicable, it shall be as if the Deemed Satisfaction of MR Obligations pursuant to the first sentence of this Section 15.25 had never occurred.

Section 15.26 WAIVER OF TRIAL BY JURY . THE MEMBERS TO THIS AGREEMENT HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, cause of action, or proceeding arising under or with respect to this agreement, or in any way connected with, or related to, or incidental to, the dealings of the members hereto with respect to this agreement or the transactions related hereto or thereto, in each case whether now existing or hereafter arising, and irrespective of whether sounding in contract, tort, or otherwise.

[Signatures on Next Page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

PROJECT CC, LLC
a Nevada corporation

/s/ Bruce A. Aguilera
Name: Bruce A. Aguilera
Title: Assistant Corporate Secretary

INFINITY WORLD DEVELOPMENT CORP
a Nevada corporation

/s/ William Grounds
Name: William Grounds
Title: President and COO

EXHIB IT A

PROJECT COMPONENTS

- 4,000-ROOM CITYCENTER RESORT AND CASINO
- 400-ROOM MANDARIN ORIENTAL HOTEL/RESIDENCES
- 1,500-UNIT VDARA CONDO/HOTEL TOWER
- TWIN, 335-UNIT VEER LUXURY CONDO TOWERS
- 500,000 SQUARE FEET OF RETAIL AND ENTERTAINMENT SPACE
- 225,000 SQUARE FEET OF CONVENTION AND MEETING SPACE
- 900,000 SQUARE FEET FOR BACK-OF-HOUSE OPERATIONS
- 2,000-SEAT THEATER
- 70,000-SQUARE-FOOT SPA
- 7,500-CAR PARKING GARAGE (subject to Exhibit B)
- FIRE STATION (subject to Exhibit B)
- PEOPLE MOVERS (subject to Exhibit B)
- ON-SITE POWER PLANT (subject to Exhibit B)

EXHIB IT B

ANCILLARY AGREEMENTS

The Project is a significant mixed use development and is adjacent to additional properties owned by various Affiliates of MGM. There are a number of interdependencies between the Project or components thereof and such other properties of MGM Affiliates, including the relationships identified below.

Effective Agreements

The following agreements have been prepared and entered into by the Members and the appropriate Affiliate(s) of MGM in order to address the various rights and obligations between the parties thereto with respect to the subject matters listed below:

Agreement Respecting Bellagio Employee Garage : the improvement commonly referred to as the Bellagio Employee Garage is not a part of the Project Assets, but it provides parking spaces for the hotel condominium commonly referred to as Vdara, which hotel condominium is a part of the Project Assets. That certain Declaration of Vdara Easements and Covenants by and between Bellagio, LLC, a Nevada limited liability company ("Bellagio") and CityCenter Land, LLC, a Nevada limited liability company dated as of November 15, 2007, and as amended by that certain First Amendment to Declaration of Vdara Easements and Covenants by and between Bellagio LLC, a Nevada limited liability company and CityCenter Land, LLC, a Nevada limited liability company dated as March 26, 2009, addresses the various rights and obligations of the Company and the MGM Affiliate respecting the Bellagio Employee Garage.

Agreement Respecting Frank Sinatra Garage : the multi-story parking structure (the "Frank Sinatra Garage") is a part of the Project located south of Harmon, north of Rue de Monte Carlo and east of Frank Sinatra Drive and provides parking to employees of the casino resort and other elements of the Project in addition to guests and employees of Monte Carlo, a resort casino owned by an Affiliate of MGM and not a part of the Project. That certain Frank Sinatra Parking and Access Easement Agreement by and between CityCenter Land, LLC, a Nevada limited liability company, and Victoria Partners, a Nevada general partnership dated as of March 26, 2009, addresses the various rights and obligations of the Company and the MGM Affiliate respecting the Frank Sinatra Garage.

Agreement Respecting Use of Intellectual Property Included and Not Included in Project Assets : as part of the Project Assets, the Company will own all trademarks and trade names created by MGM Parent and its Affiliates specifically for the Project, and will have the right to use in connection with the Project, at no cost to the Company, certain trademarks and trade names and other intellectual property not owned by the Company (e.g., the trade name 'MGM'). In connection with the foregoing, CityCenter Land, LLC acquired certain intellectual property rights pursuant to that certain Assignment of Intellectual property by and among Project CC, LLC, a Nevada limited liability company, MGM Parent, a Delaware corporation and CityCenter Land, LLC, a Nevada limited liability company, dated as of November 15, 2007. CityCenter Land, LLC, concurrently entered into that certain License Agreement dated as of November 15, 2007, with a number of its Affiliates in furtherance of developing the Project.

Joint Roadway Agreement : the Monte Carlo parcel and the ARIA parcel are both subject to a reciprocal easement that establishes a joint roadway for vehicular and pedestrian use and grants Licensee, as defined below, an easement to the parking area. That certain Reciprocal Easement Agreement for Joint Roadway dated as of March 26, 2009 (the "Reciprocal Easement") by and between CityCenter Land, LLC, a Nevada limited liability company, and Victoria Partners, a Nevada general partnership addresses the various rights and obligations of the Company and the MGM Affiliate respecting the joint roadway and parking area.

Irrevocable, Non-Exclusive License Agreement : The Reciprocal Easement described above provides Victoria Partners with an easement to use the parking area, and the parties have entered into an agreement to expand the permitted uses for the Reciprocal Easement for the purposes of facilitating entertainment and other attractions in the area. That certain Irrevocable, Non-Exclusive License Agreement by and between ARIA Resort & Hotel Holdings, LLC, a Nevada limited liability company, and Victoria Partners, a Nevada general partnership dated as of July 2, 2012, addresses the various rights and obligations of the Company and the MGM Affiliate respecting the parking easement area.

Central Plant Agreement : as part of the Project, the Company has developed a central plant which will provide energy services to the Project, including thermal energy, heating, cooling, fire alarm and monitoring services. In addition, the Central Plant will have the capacity to provide its services to presently existing or future improvements belonging to MGM Affiliates. That certain Central Plant Services Agreement by and between CityCenter Land, LLC, a Nevada limited liability company, CityCenter Harmon Hotel Holdings, LLC, a Nevada limited liability company, ARIA Resorts & Casino Holdings, LLC, a Nevada limited liability company, CityCenter Luxury Residences Unit Owners Association, a Nevada nonprofit corporation, CityCenter Boutique Hotel holdings, LLC, a Nevada limited liability company, CityCenter Vdara Condo Hotel Holdings, LLC, a Nevada limited liability company and Veer Towers Unit Owners Association, a Nevada nonprofit corporation addresses the various rights and obligations of the Company and the MGM Affiliate respecting the services provided by the Central Plant.

Central Plant Excess Capacity Agreement : The central plant may have the excess capacity beyond the needs of the Project, and the Company will first offer for sale to MGM any such additional energy capacity. That certain Central Plant Excess Capacity Agreement by and between CityCenter Land, LLC, a Nevada limited liability company, and MGM Parent, a Delaware corporation dated as of November 16, 2007, addresses the various rights and obligations of the Company and the MGM Affiliate respecting the excess energy capacity produced by the Project.

Agreement Respecting People Mover : the Project includes an automated people mover system (the "APM") which traverses real estate that is both part of the Project and real estate that is owned by Bellagio and Monte Carlo and not a part of the Project. The services of the APM are utilized by each of the Project, Monte Carlo and Bellagio. That certain Declaration of APM Easements, Covenants and Conditions by and between CityCenter Land, LLC, a Nevada limited liability company, and Bellagio, LLC, a Nevada limited liability company and Victoria Partners, a Nevada general partnership dated as of December 1, 2009 (the "Declaration") addresses the various rights and obligations of the Company and the MGM Affiliate respecting the APM. CityCenter Land, LLC's rights and obligations under the Declaration were assigned to Aria Resort & Casino Holdings, LLC, a Nevada limited liability company, pursuant to that certain Assignment dated as of January 7, 2010.

Frank Sinatra Utility Easement : Bellagio, CityCenter Land, LLC and Victoria Partners share an easement allowing access and maintenance of water, sewer, gas, electrical and other utility improvements. That certain Reciprocal Easement and Access Agreement by and between Bellagio, LLC, a Nevada limited liability company, CityCenter Land, LLC, a Nevada limited liability company, and Victoria Partners, a Nevada general partnership dated as of March 26, 2009, as amended by that certain First Amendment to Frank Sinatra Garage Parking and Access Easement Agreement, dated as of October 1, 2014, addresses the various rights and obligations of the Company and the MGM Affiliate respecting the utility easement.

Agreement Respecting Time Share Usage of Corporate Aircraft : the Company entered into a time share arrangement for use of corporate aircraft. That certain Time Sharing Agreement by and between Mandalay Resort Group, a Nevada corporation and CityCenter Land, LLC, a Nevada limited liability company dated as of August 22, 2012, as amended by that certain First Amendment to Time Sharing Agreement dated as of August 22, 2012, addresses the various rights and obligations of the Company and the MGM Affiliate respecting the aircraft time sharing arrangement.

Utility Easement : Bellagio and CityCenter Land, LLC share an easement allowing access and maintenance of water, sewer, electrical, IT, and other improvements. That certain Easement Agreement between Bellagio, LLC, a Nevada Limited Liability Company and CityCenter Land, LLC, a Nevada Limited Liability Company executed as of March 26, 2009, addresses the rights and obligations of Bellagio and CityCenter respecting the utility easement.

New York New York Central Plant Services Agreement and New York New York Central Plant Easement and Letter Agreement : That certain Central Plant Services Agreement by and between CityCenter Land, LLC, a Nevada limited liability company and New York-New York Hotel & Casino, LLC, a Nevada limited liability company dated July 1, 2015 addressing the various rights and obligations of CityCenter Land, LLC and New York-New York Hotel & Casino, LLC respecting the services provided by the Central Plant to New York-New York along with that certain letter agreement between CityCenter Land, LLC and New York-New York Hotel & Casino, LLC dated October 1, 2015 concerning related charges and that Certain Central Plant Easement Agreement for New York-New York dated July 1, 2015 by and among CityCenter Land, LLC, a Nevada limited liability company, Victoria Partners, a Nevada general partnership, Park District Holdings, LLC, a Nevada limited liability company, Arena Land Holdings, LLC, a Nevada limited liability company ,New York-New York Hotel & Casino, LLC, a Nevada limited liability company, and ARIA Resort & Casino Holdings, LLC, a Nevada limited liability company for the installation and maintenance of equipment and lines associated with the provision of central plant services to New York-New York.

Approved Agreements

The following agreements are currently being negotiated by the Members and the appropriate Affiliate(s) of MGM in order to address the various rights and obligations between the parties thereto with respect to the subject matters listed below:

Agreement Respecting Triangle Parcel : Bellagio, LLC, a Nevada limited liability company, formerly owned real estate west of Frank Sinatra Drive (the "Triangle Parcel") upon which a substation is being constructed to serve the Project and other properties. The Triangle Parcel has been subdivided and conveyed to Nevada Power Company pursuant to that certain Real Property Agreement and Escrow Instructions by and between Bellagio, LLC, a Nevada limited liability company; CityCenter Land, LLC, a Nevada limited liability company; Nevada Power Company, a Nevada corporation d/b/a NV Energy; and Nevada Title Company, a Nevada corporation dated as of December 8, 2008, along with that certain Grant of Easement and Agreement and Grant of Easements and Declaration of Covenants and Restrictions attached as Exhibits "A" and "B" respectively. Bellagio, LLC is currently in the process of conveying the remainder of the Triangle Parcel to CityCenter Land, LLC. The appropriate agreements for such conveyance are being finalized.

Arena and Park District Plant Services Agreement and Arena and Park District Central Plan Easement and Letter Agreement , as Approved by the Company's Board of Directors in the resolutions dated September 17, 2015.

Monte Carlo Plant Services Agreement and Monte Carlo Central Plan Easement and Letter Agreement , as Approved by the Company's Board of Directors in the resolutions dated September 17, 2015.

EXHIB IT C

PARTIAL DESCRIPTION OF PROJECT ASSETS

(i) Owned real estate on which Vdara, Veer Towers, Crystals, Mandarin Hotel and Residences, the Resort Casino and the Central Plant serving the same are being contributed, as well as the Harmon Hotel site, including all construction progress on such land;

(ii) All construction contracts, architect agreements, design contracts and related agreements for the design, development and construction of CityCenter;

(iii) All intellectual property owned by MGM or its Affiliates and developed exclusively for CityCenter, including “Vdara,” “Crystals,” and “Veer Towers”;

(iv) All inventory and personal property which is reflected in the Construction Budget;

(v) All artwork purchased pursuant to the Art Consulting Agreement for CityCenter; and

(vi) All permits, licenses and approvals obtained by MGM or its Affiliates for the development and construction of CityCenter.

EXHIB IT D

OPERATIONS MANAGEMENT AGREEMENTS

- Hotel and Casino Operations and Hotel Assets Management Agreement among Project CC, LLC, CityCenter Hotel & Casino, LLC, MGM Parent, and CityCenter Land, LLC for CityCenter Las Vegas, Nevada dated November 15, 2007 as amended by (i) Amendment No. 1 to Hotel and Casino Operations and Hotel Assets Management Agreement dated April 29, 2009 and (ii) the Letter Agreement
- Retail Management Agreement among Project CC, LLC, The Crystals at CityCenter Management, LLC, MGM Parent, and CityCenter Holdings, LLC for CityCenter Las Vegas, Nevada dated November 15, 2007 as amended by (i) Amendment No. 1 to Retail Management Agreement dated April 29, 2009 and (ii) the Letter Agreement
- Condo-Hotel Operations Management Agreement among Vdara Condo Hotel, LLC and CityCenter Vdara Development, LLC for CityCenter Las Vegas, Nevada dated November 15, 2007 as amended by (i) Amendment No. 1 to Condo-Hotel Operations Management Agreement dated April 29, 2009 and (ii) the Letter Agreement

EXHIB IT E

GROSS ASSET VALUE/CAPITAL CONTRIBUTIONS

Gross Asset Value of the Project Assets on the date of MGM's Initial Capital Contribution to the Company: $5.385 billion

Capital Account and Unit ownership following contribution of Project Assets by MGM and cash by IW at the Closing Date:

	Capital Account	Units
MGM	$2.692 billion	50
IW	$2.692 billion	50

EXHIB IT F

INTENTIONALLY OMITTED

EXHIB IT G

REPRESENTATIVES OF THE BOARD OF DIRECTORS

Representatives Appointed by MGM :

- Corey Sanders
- James J. Murren
- Robert H. Baldwin

Representatives Appointed by IW :

- Chris O'Donnell
- William Grounds
- H.E. Hamad Mubarak Mohd Buamim

EXHIB IT H

MATERIAL COMPETITORS

“Material Competitors” means Wynn Resorts Ltd., Las Vegas Sands Corp., and Harrah’s Entertainment, Inc. and their successors and assigns and their respective Affiliates.

EXHIB IT I

CONSTRUCTION BUDGET

CITYCENTER HOLDINGS, LLC

PROJECT BUDGET

AS OF APRIL 29, 2009

DESCRIPTION **($ in Thousands)**		**REVISED PROJECT BUDGET**
GMP CONSTRUCTION COSTS		
Aria Tower	**$**	**1,293,710**
Aria Podium		**1,296,029**
Convention Center		**495,185**
Showroom		**171,780**
Sinatra Garage		**151,559**
Block A Infrastructure		**49,411**
Vdara		**602,673**
Central Plant		**89,691**
Site Utilities		**106,267**
Block B Infrastructure		**91,711**
Mandarin Oriental		**602,511**
Garage #5		**105,716**
Harmon		**227,823**
Crystals & Garage #6		**441,141**
Block C Infrastructure		**75,936**
Demolition		**10,738**
Block C Excavation		**25,673**
Veer		**370,720**
Total GMP Construction Costs	**$**	**6,208,276**
OTHER HARD COSTS		
Adjustments, Other Costs & Reimbursements	**$**	**101,537**
Design		**446,098**
Project Administration		**96,550**
Tishman Fees		**80,178**
3rd Party Inspection, QA/QC, Site Security & Temp Power		**80,063**
Permits & Utility Connection Fees		**63,651**
FF&E		**321,292**
Total Other Hard Costs	**$**	**1,189,369**
SOFT COSTS		
OS&E	**$**	**294,821**
Preopening		**148,862**
Tenant Allowances		**90,988**
Insurance & Legal Fees		**49,866**
Art		**36,304**
Real Estate Taxes		**52,215**
Retail & CC Development Agreement Fees		**26,371**
LEED Sales Tax Exemption		**(103,640)**
Total Soft Costs	**$**	**595,786**
OTHER SOFT COSTS		
Financing Costs and Debt Service (4)	**$**	**266,089**
Penthouse Fitout Costs		**33,907**
Condominium Selling Expenses		**142,210**
Operating Cash		**50,000**
Owner Contingency		**-**
Total Other Soft Costs	**$**	**492,207**
TOTAL PROJECT BUDGET	**$**	**8,485,638**

EXHIB IT J

BENCHMARKING DATA PRESENTED AT THE MAY 2010 MEETING OF BOARD OF DIRECTORS

SCHEDUL E 1.11

ACTUAL PRE-CLOSING RESIDENTIAL PROCEEDS: $197 million

SCHEDUL E 3.2

INITIAL CAPITAL CONTRIBUTIONS

MGM's Initial Capital Contribution

- On November 15, 2007, Mirage Resorts contributed the Project Assets to the Company
- On November 15, 2007, Mirage Resorts contributed $245.951 million to the Company in connection with pre-financing construction costs (excluding capitalized interest)

IW's Initial Capital Contribution

- On November 15, 2007, Dubai World contributed $2.961 billion to the Company
- On November 15, 2007, Dubai World contributed $245.951 million to the Company in connection with pre-financing construction costs (excluding capitalized interest) [Note: This $245.951 million is also captured in the $2.961 billion described above]

SCHEDU LE 6.1

INITIAL DISTRIBUTION: $2.469 billion [Note: This figure is computed after deducting $245.951 million for the Mirage Resorts contribution in connection with Pre-Financing Construction Costs]

TABLE OF CONTENTS

Exhibit 12

MGM RESORTS INTERNATIONAL

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(In thousands, except ratio data)

	Years Ended December 31,				
	2015	**2014**	**2013**	**2012**	**2011**
			(In thousands)		
Earnings:					
Income (loss) from continuing operations before income taxes and (income) loss from unconsolidated affiliates	$ (1,224,189)	$ 435,761	$ 202,550	$ (1,585,912)	$ 2,860,981
Fixed charges (see below)	862,377	846,321	862,417	1,117,327	1,086,865
Distributed income from unconsolidated affiliates	230,945	15,700	17,038	23,000	63,013
	(130,867)	1,297,782	1,082,005	(445,585)	4,010,859
Capitalized interest	(64,798)	(29,260)	(5,070)	(969)	(33)
	(195,665)	1,268,522	1,076,935	(446,554)	4,010,826
Fixed charges:					
Interest expense, net (a)	$ 797,579	$ 817,061	$ 857,347	$ 1,116,358	$ 1,086,832
Capitalized interest	64,798	29,260	5,070	969	33
	862,377	846,321	862,417	1,117,327	1,086,865
Ratio of earnings to fixed charges	(b)	1.50x	1.25x	(b)	3.69x
Deficiency	$ 1,058,042	$ –	$ –	$ 1,563,881	$ –

(a) Interest expense does not include the interest factor of rental expense as these amounts are not material.
(b) Earnings were inadequate to cover fixed charges.

Exhibit 21

Subsidiaries of MGM Resorts International

Listed below are the majority-owned subsidiaries of MGM Resorts International as of December 31, 2015.

Subsidiary	Jurisdiction of Incorporation	Percentage Ownership
Blue Tarp reDevelopment, LLC	Massachusetts	(1)
MGM Springfield reDevelopment, LLC	Massachusetts	100%
Destron, Inc.	Nevada	100%
MGM Grand (International), Pte Ltd.	Singapore	100%
MGM Resorts International Marketing, Inc.	Nevada	100%
MGM Resorts International Marketing, Ltd.	Hong Kong	100%
Las Vegas Arena Management, LLC	Nevada	100%
Mandalay Resort Group	Nevada	100%
550 Leasing Company I, LLC	Nevada	100%
550 Leasing Company II, LLC	Nevada	100%
Circus Circus Casinos, Inc.	Nevada	100%
Diamond Gold, Inc.	Nevada	100%
MGM Elgin Sub, Inc.	Nevada	100%
MGM Resorts Aircraft Holdings, LLC	Nevada	100%
Galleon, Inc.	Nevada	100%
Mandalay Corp.	Nevada	100%
Mandalay Employment, LLC	Nevada	100%
Mandalay Place	Nevada	100%
MGM Resorts Festival Grounds, LLC	Nevada	100%
MGM Resorts Festival Grounds II, LLC	Nevada	100%
MGM Resorts Mississippi, Inc.	Mississippi	100%
M.S.E. Investments, Incorporated (" MSE ")	Nevada	100%
Nevada Landing Partnership	Illinois	(2)
Gold Strike L.V.	Nevada	(3)
Victoria Partners	Nevada	(4)
Arena Land Holdings, LLC	Nevada	100%
New York-New York Tower, LLC	Nevada	100%
Park District Holdings, LLC	Nevada	100%
New Castle Corp.	Nevada	100%
Ramparts, Inc.	Nevada	100%
Vintage Land Holdings, LLC	Nevada	100%
Merger Sub Beau, LLC	Mississippi	100%
Metropolitan Marketing, LLC	Nevada	100%
MMNY Land Company, Inc.	New York	100%
MGM Grand Detroit, Inc.	Delaware	100%
MGM Grand Detroit, LLC	Delaware	(5)
MGM Grand Hotel, LLC	Nevada	100%
Grand Laundry, Inc.	Nevada	100%
MGM Grand Condominiums, LLC	Nevada	100%
MGM Grand Condominiums II, LLC	Nevada	100%
MGM Grand Condominiums III, LLC	Nevada	100%
Tower B, LLC	Nevada	100%
Tower C, LLC	Nevada	100%
MGM Growth Properties LLC	Delaware	100%
MGM Hospitality, LLC	Nevada	100%
MGM Hospitality Global, LLC	Nevada	100%
MGM Hospitality International, LP	Cayman Islands	100%
MGM Hospitality International, GP, Ltd.	Cayman Islands	100%
MGM Hospitality Holdings, LLC	Dubai	100%
MGM Hospitality Development, LLC	Dubai	100%
MGM Hospitality International Holdings, Ltd.	Isle of Man	100%

Subsidiary	Jurisdiction of Incorporation	Percentage Ownership
MGM Asia Pacific Limited (f/k/a MGM Resorts China Holdings Limited)	Hong Kong	100%
MGM (Beijing) Hospitality Services, Ltd.	Beijing	100%
MGM Hospitality India Private, Ltd.	India	100%
MGM International, LLC	Nevada	100%
MGM Resorts International Holdings, Ltd.	Isle of Man	100%
MGM China Holdings, Ltd.	Cayman Islands	(6)
MGM Resorts Club Holdings, Ltd.	Hong Kong	100%
MGM Resorts Japan, LLC	Japan	100%
MGM Resorts West Japan, LLC	Japan	100%
MGM National Harbor, LLC	Nevada	100%
MGM Resorts Advertising, Inc.	Nevada	100%
VidiAd	Nevada	100%
MGM Resorts Arena Holdings, LLC	Nevada	100%
MGM Resorts Canada, Inc.	NB, Canada	100%
MGM Resorts Development, LLC	Nevada	100%
MGM Resorts International Global Gaming Development, LLC	Nevada	100%
MGM Resorts International Operations, Inc.	Nevada	100%
MGM Resorts Land Holdings, LLC	Nevada	100%
MGM Resorts Macao, LLC	Nevada	100%
MGM Grand (Macao) Limited	Macau	100%
MGM Resorts Limited, LLC	Nevada	100%
MGM Resorts Management and Technical Services, LLC	Nevada	100%
MGM Resorts Interactive, LLC	Nevada	100%
MGM Resorts Regional Operations, LLC	Nevada	100%
MGM Resorts Retail	Nevada	100%
OE Pub, LLC	Nevada	100%
MGM Resorts Sub 1, LLC	Nevada	100%
MGM Resorts Sub 2, LLC	Nevada	100%
MGM Resorts Sub 3, LLC	Nevada	100%
Grand Garden Arena Management, LLC	Nevada	100%
MGM Resorts Venue Management, LLC	Nevada	100%
MGM Springfield, LLC	Massachusetts	100%
MGMM Insurance Company	Nevada (insurance)	100%
Mirage Resorts, Incorporated	Nevada	100%
AC Holding Corp.	Nevada	100%
AC Holding Corp. II	Nevada	100%
Beau Rivage Resorts, Inc.	Mississippi	100%
Bellagio, LLC	Nevada	100%
Bungalow, Inc.	Mississippi	100%
LV Concrete Corp.	Nevada	100%
MAC, CORP.	New Jersey	100%
MGM Resorts Aviation Corp.	Nevada	100%
MGM Resorts Corporate Services	Nevada	100%
MGM Resorts International Design	Nevada	100%
MGM Resorts Manufacturing Corp.	Nevada	100%
MH, Inc.	Nevada	100%
M.I.R. Travel	Nevada	100%
The Mirage Casino-Hotel	Nevada	100%
Mirage Laundry Services Corp.	Nevada	100%
350 Leasing Company I, LLC	Nevada	100%
350 Leasing Company II, LLC	Nevada	100%
450 Leasing Company I, LLC	Nevada	100%
MRGS, LLC	Nevada	100%
Project CC, LLC	Nevada	100%
MGM CC, LLC	Nevada	100%
Aria Resort & Casino, LLC	Nevada	100%
CityCenter Facilities Management, LLC	Nevada	100%
CityCenter Realty Corporation	Nevada	100%
The Crystals at CityCenter Management, LLC	Nevada	100%
Vdara Condo Hotel, LLC	Nevada	100%
New York-New York Hotel & Casino, LLC	Nevada	100%

Subsidiary	Jurisdiction of Incorporation	Percentage Ownership
Vintage Land Holdings II, LLC	Nevada	100%
PRMA, LLC	Nevada	100%
PRMA Land Development Company	Nevada	100%
The Mirage Casino-Hotel, LLC	Nevada	100%
The Signature Condominiums, LLC	Nevada	100%
Signature Tower I, LLC	Nevada	100%
Signature Tower 2, LLC	Nevada	100%
Signature Tower 3, LLC	Nevada	100%
Vendido, LLC	Nevada	100%

(1) 99% of the voting securities are owned by MGM Resorts International and 1% is owned by an unrelated third party.
(2) The partnership interests are owned 85% by MSE and 15% by Diamond Gold, Inc.
(3) The partnership interests are owned 97.5% by MSE and 2.5% by Diamond Gold, Inc.
(4) The partnership interests are owned 50% by Gold Strike L.V. and 50% by MRGS, LLC.
(5) Approximately 97% of the voting securities are owned by MGM Grand Detroit, Inc. and 3% are owned by unrelated third parties.
(6) The company interests are owned 51% by MGM Resorts International Holdings, Ltd. and 49% owned by unrelated third parties.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-00187, 333-22957, 333- 42729, 333-73155, 333-77061, 333-50880, 333-105964, 333-124864, 333-160117, and 333-198011 on Form S-8 and No. 333-202427 on Form S-3, of our reports dated February 29, 2016, relating to the consolidated financial statements and financial statement schedule of MGM Resorts International and subsidiaries, and the effectiveness of MGM Resorts International and subsidiaries' internal control over financial reporting, appearing in this Annual Report on Form 10-K of MGM Resorts International for the year ended December 31, 2015.

/s/ DELOITTE & TOUCHE LLP

Las Vegas, Nevada
February 29, 2016

Exhibit 23.2

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in Registration Statement Nos. 333-00187, 333-22957, 333- 42729, 333-73155, 333-77061, 333-50880, 333-105964, 333-124864, 333-160117, and 333-198011 on Form S-8 and No. 333-202427 on Form S-3, of our report dated February 26, 2016, relating to the consolidated financial statements of CityCenter Holdings, LLC and subsidiaries, appearing in this Annual Report on Form 10-K of MGM Resorts International for the year ended December 31, 2015.

/s/ DELOITTE & TOUCHE LLP

Las Vegas, Nevada
February 26, 2016

Exhibit 31.1

CERTIFICATION

I, James J. Murren, certify that:

1. I have reviewed this annual report on Form 10-K of MGM Resorts International;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 29, 2016

/s/ J AMES J. M URREN

James J. Murren
Chairman of the Board and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Daniel J. D'Arrigo, certify that:

1. I have reviewed this annual report on Form 10-K of MGM Resorts International;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 29, 2016

/s/ D ANIEL J. D'A RRIGO

Daniel J. D'Arrigo
Executive Vice President, Chief Financial Officer and Treasurer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

In connection with the Annual Report of MGM Resorts International (the "Company") on Form 10-K for the period ending December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James J. Murren, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ J AMES J. M URREN

James J. Murren
Chairman of the Board and Chief Executive Officer
February 29, 2016

A signed original of this certification has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

In connection with the Annual Report of MGM Resorts International (the "Company") on Form 10-K for the period ending December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel J. D'Arrigo, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ D ANIEL J. D'A RRIGO

Daniel J. D'Arrigo
Executive Vice President, Chief Financial Officer and Treasurer
February 29, 2016

A signed original of this certification has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.1

DESCRIPTION OF OUR OPERATING RESORTS

The following information describes each of our operating resorts, including their key amenities, features and awards.

Bellagio

Bellagio is located at the heart of the Las Vegas Strip, Bellagio has earned the prestigious Five Diamond award from the American Automobile Association ("AAA") since 2001. The resort is richly decorated, including a conservatory filled with unique botanical displays that change with the seasons. At the front of Bellagio is an eight-acre lake featuring over 1,000 fountains that come alive at regular intervals in a choreographed ballet of water, music and lights. Bellagio also offers 200,000 square feet of convention space. For both business and leisure customers, Bellagio's restaurants offer the finest choices, including Five Diamond award winners Picasso and Le Cirque. Leisure travelers can also enjoy Bellagio's expansive pool, world-class spa and Gallery of Fine Arts. Via Bellagio features luxury retail shops and restaurants.

Bellagio features *O,* the Cirque du Soleil production where world-class acrobats, synchronized swimmers, divers and characters perform in, on, and above water. Other entertainment options include the nightclub The Bank, Hyde Lounge overlooking the Bellagio fountains and several other unique bars and lounges. Bellagio is connected via a covered walkway with Vdara and by a people mover to Crystals.

MGM Grand Las Vegas

MGM Grand Las Vegas, located on the corner of the Las Vegas Strip and Tropicana Avenue is a recipient of the prestigious AAA Four Diamond award. In addition to the standard room offerings, the resort also offers several unique room offerings, including: StayWell, a unique wellness hotel experience; Skylofts, ultra-luxurious penthouse suites featuring the ultimate in personal service and a AAA Five Diamond award winner; and the exclusive Mansion for premium gaming customers. Additionally, The Signature at MGM Grand is a connecting AAA Four Star all-suite, non-smoking, non-gaming development featuring three 576-unit towers.

The resort boasts an extensive array of restaurants, over 15, including two restaurants by renowned chef Joël Robuchon – whose self-titled restaurant is a AAA Five Diamond award recipient and a recipient of a Michelin three-star rating. Other celebrity chef restaurants include Craftsteak by Tom Colicchio, Michael Mina's Pub 1842, Emeril Lagasse's name sake restaurant, and Hakkasan.

MGM Grand offers unique entertainment options including the spectacular show *KÀ* , by Cirque du Soleil, performed in a custom-designed theatre seating almost 2,000 guests. The MGM Grand Garden Arena, with a seating capacity of over 16,000, hosts premier concerts, award shows, sporting events including championship boxing, and other special events. The David Copperfield Theatre and Brad Garrett's Comedy Club entertain guests seven nights a week.

For Daylife and Nightlife club goers, Hakkasan Las Vegas is the ultimate mega-night club and Wet Republic is the ultra-pool dayclub with shared global superstar resident DJs. In addition, Beacher's Madhouse offers a vaudeville-inspired nightclub and show.

Other amenities include a traditional Wedding Chapel, numerous retail shopping outlets, a 380,000 square foot conference center, a 90,000 square foot pillar-less trade show pavilion, and an extensive pool and spa complex.

Mandalay Bay

Mandalay Bay is the first major resort on the Las Vegas Strip to greet visitors arriving by automobile from Southern California. This AAA Four Diamond resort features numerous restaurants, such as Charlie Palmer's Aureole, Wolfgang Puck's Lupo, Hubert Keller's Fleur, and Michael Mina's Stripsteak. Mandalay Bay offers multiple entertainment venues that include a 12,000-seat special events arena, the House of Blues, and a 1,700-seat showroom which is the home of the *Cirque du Soleil* Michael Jackson ONE production show.

Mandalay Bay also offers 2.1 million square feet of convention, ballroom and meeting rooms. At the south end of the convention center is the Shark Reef Aquarium, exhibiting sharks, other fascinating sea creatures and a Komodo dragon. Mandalay Bay's expansive pool and beach area plays host to an array of evening open air concerts during the pool season and includes a 160,000 square foot casino, a large wave pool, and Moorea, a European-style "ultra" beach and Daylight Beach Club. The resort also features Spa Mandalay, a 30,000 square-foot spa and fitness center.

Included within Mandalay Bay is a Four Seasons Hotel with its own lobby, restaurants and pool and spa, providing visitors with 11 years of AAA Five-Diamond-rated hospitality experience. The Delano is an all-suite hotel tower within the Mandalay Bay

complex . The Delano includes its own spa and fitness center, a lounge and two restaurants, including Revea and the Skyfall lounge , created by famed chef Alain Ducasse and located on the top floor of The Delano .

The Mirage

The Mirage is a tropically-themed hotel and casino resort located at the center of the Las Vegas Strip. The Mirage is recognized by AAA as a Four Diamond resort. The exterior of the resort is landscaped with lagoons and other water features centered around a volcano that erupts at scheduled intervals. Inside the front entrance is an atrium with a tropical garden and additional water features capped by a 100-foot-high glass dome. Located at the rear of the hotel, adjacent to the swimming pool area, *Siegfried & Roy's Secret Garden and Dolphin Habitat* , an attraction featuring bottlenose dolphins that allow guests to view the beautiful exotic animals of Siegfried & Roy, the world-famous illusionists.

The Mirage features a wide array of restaurants, including Tom Colicchio's Heritage Steak, Stack, Michael LaPlaca's Portofino and Samba Brazilian Steakhouse. Casual dining options include Cravings Buffet, Carnegie Deli, California Pizza Kitchen and BLT Burger by famed chef Laurent Tourondel. Entertainment at The Mirage features The Beatles Love, by Cirque du Soleil; celebrity impressionist and ventriloquist Terry Fator, winner of NBC's America's Got Talent competition; and The Mirage Aces of Comedy series featuring acts such as Daniel Tosh, Jay Leno, Ray Romano and others. Nightlife options at The Mirage include 1OAKand Parlor, an intimate piano lounge. The Mirage has numerous retail shopping outlets and 170,000 square feet of meetings and convention space, including the 90,000-square foot Mirage Events Center.

Luxor

Luxor is a 4,400 room pyramid-shaped hotel and casino resort situated at the south end of the Las Vegas strip between Mandalay Bay and Excalibur. In addition to the well-known beam of light, brilliantly shining from the top of the pyramid, Luxor offers over 20,000 square feet of convention and meeting space, a 20,000 square foot spa, and food and entertainment venues on three different levels beneath a soaring hotel atrium. Nightlife and dining at Luxor includes the 26,000 square foot LAX nightclub, Centra, an exotic and inviting lounge located in the center of the casino, TENDER steak & seafood, rated one of Las Vegas' top steakhouses, Public House, the popular East Coast hangout featuring casual cocktails, comfortable food and spectacular sports and Tacos & Tequila, a Mexican style menu intermixed with a rock-n-roll flair. The Luxor is home to *Titanic: The Artifacts Exhibition,* and *Bodies… The Exhibition,* . With some of the most popular entertainment in Las Vegas, Luxor features the popular entertainment show Blue Man Group, the Cirque du Soleil production show *CRISS ANGEL Believe* , "Entertainer of the Year" prop comic *Carrot Top* and the adult dance revue *Fantasy* .

Excalibur

Excalibur is a castle-themed hotel and casino complex situated immediately north of Luxor at the corner of Las Vegas Boulevard and Tropicana Avenue. Entertainment options at Excalibur include the long-running *Tournament of Kings* dinner show, the Bee Gees tribute show, *The Australian Bee Gees* and the male revue *Thunder from Down Under* . Excalibur's other world-class venues include the Fun Dungeon, featuring the Excalibur arcade and midway, and the Castle Walk, a shopping expedition featuring artisans' booths and specialty shops. In addition, Excalibur has several restaurants and bars including Dick's Last Resort, a wacky and wild down-to-earth dining and entertainment option, Buca di Beppo, serving fresh, authentic family style Italian food and the Steakhouse at Camelot, offering the finest cuts of beef, along with the freshest seafood flown in daily. The property also features a 13,000 square foot fitness facility and spa. Excalibur, Luxor and Mandalay Bay are connected by a tram allowing guests to travel easily from resort to resort.

New York-New York

New York-New York is located at the corner of the Las Vegas Strip and Tropicana Avenue. Pedestrian bridges link New York-New York with both MGM Grand Las Vegas and Excalibur. The architecture at New York-New York replicates many of New York City's landmark buildings and icons, including the Statue of Liberty, the Empire State Building, the Brooklyn Bridge, and a Coney Island-style roller coaster. New York-New York also features several restaurants and numerous bars and lounges, including nationally recognized Tom's Urban, Shake Shack, and Nine Fine Irishmen, an authentic Irish Pub. New York-New York's entertainment options include *Zumanity* by Cirque du Soleil and The Bar at Times Square piano bar.

Monte Carlo

Monte Carlo is located on the Las Vegas Strip adjacent to New York-New York. The resort offers a variety of restaurant offerings, including fine dining at Andre's, The Pub featuring live entertainment, Diablo's Cantina, Double Barrel Roadhouse and Brand Steakhouse. Other resort amenities include a health spa, and a beauty salon. Monte Carlo is connected to Aria via walkway

and to Crystals via people mover through the Monte Carlo's "Street of Dreams" retail area . Blue Man Group recently unveiled its newest production complete with electrifying music, sensational technology, a captivating nightly procession and its signature interactive, audience experiences at Monte Carlo.

Circus Circus Las Vegas

Circus Circus Las Vegas is situated on the north end of the Las Vegas Strip and features the Adventuredome, a five-acre indoor theme park, and the Midway, which houses performances by circus acts and provides amusement for all ages. Circus Circus is home to the awarding winning THE Steak House, which has been voted Best of Las Vegas for over 20 years. In 2014 the Adventuredome introduced the El Loco roller coaster, where riders will experience twists, turns and drops very unique in the coaster world as they ascend 90 feet before dropping to experience a feeling of flying.

MGM Grand Detroit

MGM Grand Detroit is one of three casinos licensed in Detroit, Michigan and is operated by MGM Grand Detroit, LLC. MGM Grand Detroit, Inc., our wholly-owned subsidiary, holds a controlling interest in MGM Grand Detroit, LLC. A minority interest in MGM Grand Detroit, LLC is held by Partners Detroit, LLC, a Michigan limited liability company composed of a group of Detroit city, community and business leaders. MGM Grand Detroit is the city's first and only downtown hotel, gaming, and entertainment destination built from the ground up. The resort features two restaurants by Wolfgang Puck, TAP sports pub, exciting nightlife amenities, and a luxurious spa. Additional amenities include a private entrance and lobby for hotel guests and 30,000 square feet of meeting and events space.

Beau Rivage

Beau Rivage is located on a beachfront site where Interstate 110 meets the Gulf Coast in Biloxi, Mississippi. Beau Rivage blends world-class amenities with Southern hospitality and features elegantly remodeled guest rooms and suites, numerous restaurants, nightclubs and bars, a 1,550-seat theatre, an upscale shopping promenade, and a world-class spa and salon. The resort also has 50,000 square feet of convention space.

Gold Strike Tunica

Gold Strike Tunica is a dockside casino located along the Mississippi River, 20 miles south of Memphis and approximately three miles west of Mississippi State Highway 61, a major north/south highway connecting Memphis with Tunica County. The property features an 800-seat showroom, the Chicago Steakhouse, a coffee shop, a buffet, a food court, several cocktail lounges, and 17,000 square feet of meeting space. Gold Strike Tunica is part of a three-casino development covering approximately 72 acres. The other two casinos are owned and operated by unaffiliated third parties.

MGM China

We own 51% of MGM China Holdings Limited, an entity which indirectly owns MGM Macau, a hotel casino resort in Macau S.A.R. MGM Macau is an award-winning, five-star integrated casino and luxury hotel resort located on the Macau Peninsula, the center of gaming activity in the greater China region. The resort's focal point is the signature Grande Praca and features Portuguese-inspired architecture, dramatic landscapes and a glass ceiling rising over 80 feet above the floor of the resort. The Grande Praca features unique themed displays and events throughout the year. MGM Macau has over 1,200 slot machines, 417 gaming tables and multiple VIP and private gaming areas. The hotel comprises a 35-story tower with over 580 rooms, suites and private luxury villas. In addition, MGM Macau offers luxurious amenities, including a variety of diverse restaurants, world-class pool and spa facilities, and over 15,000 square feet of convertible convention space. The hotel is directly connected to the prestigious 200,000 square foot One Central Complex, which features many of the world's leading luxury retailers.

In October 2012, MGM Grand Paradise formally accepted the terms and conditions of a land concession contract from the government of Macau to develop a resort and casino on an approximately 18 acre site on the Cotai Strip in Macau ("MGM Cotai"). The land concession contract became effective when the Macau government published the agreement in the Official Gazette of Macau on January 9, 2013 and has an initial term of 25 years. Under the terms of the land concession contract, MGM Grand Paradise is required to build and open the development by January 2018.

Construction of MGM Cotai commenced in 2013 and it is anticipated to open at the end of the first quarter of 2017. China State Construction Engineering Corporation serves as the sole general contractor for the project. MGM Cotai will be an integrated casino, hotel and entertainment resort with capacity for up to 500 gaming tables and up to 1,500 slots, and featuring approximately 1,500 hotel rooms. The actual number of gaming tables allocated to MGM Cotai will be determined by the Macau government prior to opening,

and such allocation may be less than the 500 gaming table capacity. The total estimated project budget is $3.0 billion, excluding development fees eliminated in consolidation, capitalized interest and land related costs.

CityCenter

We own 50% of CityCenter and the other 50% of CityCenter is owned by Infinity World Development Corp, a wholly owned subsidiary of Dubai World, a Dubai, United Arab Emirates government decree entity. We manage the operations of CityCenter for a fee. CityCenter is a mixed-use development on the Las Vegas Strip located between the Bellagio and Monte Carlo resorts, both of which are owned by us. CityCenter consists of the following components:

- Aria Resort & Casino, a 4,004-room casino resort featuring an approximately 140,000 square-foot casino, an approximately 1,800-seat showroom, approximately 300,000 square feet of conference and convention space, and numerous world-class restaurants, nightclubs and bars, and pool and spa amenities;
- The Vdara Hotel and Spa, a luxury condominium-hotel with 1,495 units;
- Mandarin Oriental Las Vegas, a 392-room non-gaming boutique hotel managed by luxury hotelier Mandarin Oriental Hotel Group, as well as 225 luxury residential units (all 225 units are sold and closed as of December 31, 2015);
- The Veer Towers, 669 units in two towers consisting entirely of luxury residential condominium units (668 units sold and closed as of December 31, 2015); and
- The Crystals retail district with approximately 355,000 of currently leasable square feet of retail shops, dining, and entertainment venues.

We believe CityCenter is one of the world's largest green developments. Aria, Vdara, Mandarin Oriental, Veer Towers and Crystals have all received LEED Gold certification by the U.S. Green Building Council. CityCenter is connected to the Bellagio and Monte Carlo with a state-of-the-art people mover system.

Borgata

The Borgata Hotel Casino and Spa is located at Renaissance Pointe in Atlantic City, New Jersey. In addition to its guest rooms and suites and extensive gaming floor, Borgata includes several specialty restaurants, retail shops, a European-style health spa, meeting space and unique entertainment venues. We own 50% of the limited liability company that owns Borgata. Boyd Gaming Corporation owns the other 50% and also operates the resort.

Grand Victoria

We own a 50% interest in Grand Victoria. An affiliate of Hyatt Gaming, Illinois RBG, L.L.C., owns the other 50% and also operates the Grand Victoria, a Victorian-themed riverboat casino and land-based entertainment complex in Elgin, Illinois, a suburb approximately 40 miles northwest of downtown Chicago. The riverboat offers dockside gaming, which means its operation is conducted at dockside without cruising. The property also features a dockside complex that contains an approximately 83,000-square-foot pavilion with a buffet, a fine dining restaurant and lounge, a 24-hour deli and a gourmet burger restaurant.

Golf Courses

We own and operate an exclusive world-class golf course, Shadow Creek, designed by Tom Fazio and located approximately ten miles north of our Las Vegas Strip resorts. Shadow Creek is consistently highly ranked in Golf Digest's ranking of America's 100 Greatest Public Courses. We also own the Primm Valley Golf Club designed by Tom Fazio located four miles south of the Primm Valley Resorts in California, which includes two 18-hole championship courses and is operated by a third party. In Mississippi, we own and operate Fallen Oak, a championship golf course also designed by Tom Fazio that is located approximately 20 miles from Beau Rivage.

Exhibit 99.2

DESCRIPTION OF REGULATION AND LICENSING

The gaming industry is highly regulated, and we must maintain our licenses and pay gaming taxes to continue our operations. Each of our casinos is subject to extensive regulation under the laws, rules, and regulations of the jurisdiction where it is located. These laws, rules, and regulations generally concern the responsibility, financial stability, and character of the owners, managers, and persons with financial interest in the gaming operations. Violations of laws in one jurisdiction could result in disciplinary action in other jurisdictions.

In addition to gaming regulations, our businesses are subject to various federal, state, and local laws and regulations of the countries and states in which we operate. These laws and regulations include, but are not limited to, restrictions and conditions concerning alcoholic beverages, smoking, environmental matters, employment and immigration, currency transactions, taxation, zoning and building codes, land use, marketing and advertising, timeshare, lending, privacy, telemarketing, regulations applicable under the Office of Foreign Asset Control, the Foreign Corrupt Practices Act and the various reporting and anti-money laundering regulations. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Any material changes, new laws or regulations, or material differences in interpretations by courts or governmental authorities could adversely affect our business and operating results.

Nevada Government Regulation

The ownership and operation of our casino gaming facilities in Nevada are subject to the Nevada Gaming Control Act and the regulations promulgated thereunder (collectively, the "Nevada Act"), and various local regulations. Our gaming operations are subject to the licensing and regulatory control of the Nevada Gaming Commission (the "Nevada Commission"), the Nevada State Gaming Control Board (the "Nevada Board"), and various county and city licensing agencies (the "local authorities"). The Nevada Commission, the Nevada Board, and the local authorities are collectively referred to as the "Nevada Gaming Authorities."

The laws, regulations, and supervisory procedures of the Nevada Gaming Authorities are based upon declarations of public policy that are concerned with, among other things:

- the prevention of unsavory or unsuitable persons from having direct or indirect involvement with gaming at any time or in any capacity;
- the establishment and maintenance of responsible accounting practices;
- the maintenance of effective controls over the financial practices of licensees, including the establishment of minimum procedures for internal fiscal affairs and the safeguarding of assets and revenues;
- providing reliable record keeping and requiring the filing of periodic reports with the Nevada Gaming Authorities;
- the prevention of cheating and fraudulent practices; and
- providing a source of state and local revenues through taxation and licensing fees.

Any change in the laws, regulations, and supervisory procedures of the Nevada Gaming Authorities could have an adverse effect on our gaming operations.

Each of our subsidiaries that currently operate casinos in Nevada (collectively, the "Nevada casino licensees") is required to be licensed by the Nevada Gaming Authorities. Each gaming license requires the periodic payment of fees and taxes and is not transferable. MGM Grand Hotel, LLC, New York-New York Hotel & Casino, LLC, Bellagio, LLC, MGM Resorts Manufacturing Corp., and Aria Resort & Casino, LLC are also licensed as manufacturers and distributors of gaming devices (collectively, the "Nevada manufacturer and distributor licensees"). Certain of our subsidiaries have also been licensed or found suitable as shareholders, members, or general partners, as relevant, of the Nevada casino licensees and of the Nevada manufacturer and distributor licensees. The Nevada casino licensees, Nevada manufacturer and distributor licensees, and the foregoing subsidiaries are collectively referred to as the "Nevada licensed subsidiaries."

We, along with Mandalay Resort Group, are required to be registered by the Nevada Commission as publicly traded corporations (collectively, the "Nevada registered corporations") and Mirage Resorts, Incorporated is required to be registered as an intermediary company and, as such, each of us is required periodically to submit detailed financial and operating reports to the Nevada Commission and furnish any other information that the Nevada Commission may require. No person may become a stockholder or member of, or

receive any percentage of profits from, the Nevada licensed subsidiaries without first registering with (for equity ownership of 5% or less), or obtaining licenses and approvals from the Nevada Gaming Authorities . Additionally, the local authorities have taken the position that they have the authority to approve all persons owning or controlling the stock of any corporation controlling a gaming licensee . The Nevada registered corporations, Mirage Resorts, Incorporated and the Nevada licensed subsidiaries have obtained from the Nevada Gaming Authorities the various registrations, approvals, permits, and licenses required in order to engage in gaming activities in Nevada.

The Nevada Gaming Authorities may investigate any individual who has a material relationship to, or material involvement with, the Nevada registered corporations or any of the Nevada licensed subsidiaries to determine whether such individual is suitable or should be licensed as a business associate of a gaming licensee. Officers, directors, and certain key employees of the Nevada licensed subsidiaries must file applications with the Nevada Gaming Authorities and may be required to be licensed by the Nevada Gaming Authorities. Officers, directors, and key employees of the Nevada registered corporations who are actively and directly involved in the gaming activities of the Nevada licensed subsidiaries may be required to be licensed or found suitable by the Nevada Gaming Authorities. The Nevada Gaming Authorities may deny an application for licensing or a finding of suitability for any cause they deem reasonable. A finding of suitability is comparable to licensing, and both require submission of detailed personal and financial information followed by a thorough investigation. The applicant for licensing or a finding of suitability, or the gaming licensee by which the applicant is employed or for whom the applicant serves, must pay all the costs of the investigation. Changes in licensed positions must be reported to the Nevada Gaming Authorities, and, in addition to their authority to deny an application for a finding of suitability or licensure, the Nevada Gaming Authorities have jurisdiction to disapprove a change in a corporate position.

If the Nevada Gaming Authorities were to find an officer, director, or key employee unsuitable for licensing or to continue having a relationship with the Nevada registered corporations or the Nevada licensed subsidiaries, such Nevada registered corporations or Nevada licensed subsidiaries, as applicable, would have to sever all relationships with that person. In addition, the Nevada Commission may require the Nevada registered corporations or the Nevada licensed subsidiaries to terminate the employment of any person who refuses to file appropriate applications. Determinations of suitability or of questions pertaining to licensing are not subject to judicial review in Nevada.

The Nevada registered corporations and the Nevada casino licensees are required to submit detailed financial and operating reports to the Nevada Commission. Substantially all of the Nevada registered corporations' and the Nevada licensed subsidiaries' material loans, leases, sales of securities, and similar financing transactions must be reported to or approved by the Nevada Commission.

If the Nevada Commission determined that we or a Nevada licensed subsidiary violated the Nevada Act, it could limit, condition, suspend, or revoke, subject to compliance with certain statutory and regulatory procedures, our gaming licenses and those of the Nevada licensed subsidiaries. In addition, the Nevada registered corporations and the Nevada licensed subsidiaries and the persons involved could be subject to substantial fines for each separate violation of the Nevada Act at the discretion of the Nevada Commission. Further, a supervisor could be appointed by the Nevada Commission to operate the gaming establishments and, under certain circumstances, earnings generated during the supervisor's appointment (except for the reasonable rental value of the gaming establishments) could be forfeited to the State of Nevada. Limitation, conditioning, or suspension of any gaming license or the appointment of a supervisor could (and revocation of any gaming license would) materially adversely affect our gaming operations.

Any beneficial holder of our voting securities, regardless of the number of shares owned, may be required to file an application, be investigated, and have his or her suitability as a beneficial holder of the voting securities determined if the Nevada Commission has reason to believe that such ownership would otherwise be inconsistent with the declared policies of the State of Nevada. The applicant must pay all costs of investigation incurred by the Nevada Gaming Authorities in conducting any such investigation.

The Nevada Act requires any person who acquires more than 5% of any class of our voting securities to report the acquisition to the Nevada Commission. The Nevada Act requires that beneficial owners of more than 10% of any class of our voting securities apply to the Nevada Commission for a finding of suitability within 30 days after the Chairman of the Nevada Board mails the written notice requiring such filing. Under certain circumstances, an "institutional investor" as defined in the Nevada Act, which acquires more than 10% but not more than 25% of any class of our voting securities, may apply to the Nevada Commission for a waiver of such finding of suitability if such institutional investor holds the voting securities for investment purposes only. An institutional investor that has obtained a waiver may, in certain circumstances, own up to 29% of the voting securities of a registered company for a limited period of time and maintain the waiver.

An institutional investor will be deemed to hold voting securities for investment purposes if it acquires and holds the voting securities in the ordinary course of business as an institutional investor and not for the purpose of causing, directly or indirectly, the election of a majority of the members of our board of directors, any change in our corporate charter, bylaws, management, policies, or operations, or any of our gaming affiliates, or any other action that the Nevada Commission finds to be inconsistent with holding our

voting securities for investment purposes only . Activities that are not deemed to be inconsistent with holding voting securities for investment purposes only include:

- voting on all matters voted on by stockholders;
- making financial and other inquiries of management of the type normally made by securities analysts for informational purposes and not to cause a change in its management, policies, or operations; and
- such other activities as the Nevada Commission may determine to be consistent with such investment intent.

If the beneficial holder of voting securities who must be found suitable is a corporation, partnership, or trust, it must submit detailed business and financial information including a list of beneficial owners. The applicant is required to pay all costs of investigation.

Any person who fails or refuses to apply for a finding of suitability or a license within 30 days after being ordered to do so by the Nevada Commission or the Chairman of the Nevada Board, or who refuses or fails to pay the investigative costs incurred by the Nevada Gaming Authorities in connection with investigation of its application, may be found unsuitable. The same restrictions apply to a record owner if the record owner, after request, fails to identify the beneficial owner. Any stockholder found unsuitable and who holds, directly or indirectly, any beneficial ownership of our common stock beyond such period of time as may be prescribed by the Nevada Commission may be guilty of a criminal offense. We will be subject to disciplinary action if, after we receive notice that a person is unsuitable to be a stockholder or to have any other relationship with us or a Nevada licensed subsidiary, we or any of the Nevada licensed subsidiaries:

- pays that person any dividend or interest upon any of our voting securities;
- allows that person to exercise, directly or indirectly, any voting right conferred through securities held by that person;
- pays remuneration in any form to that person for services rendered or otherwise; or
- fails to pursue all lawful efforts to require such unsuitable person to relinquish his or her voting securities including if necessary, the immediate purchase of the voting securities for cash at fair market value.

The Nevada Commission may, in its discretion, require the holder of any debt security of the Nevada registered corporations to file an application, be investigated, and be found suitable to hold the debt security. If the Nevada Commission determines that a person is unsuitable to own such security, then pursuant to the Nevada Act, the registered corporation can be sanctioned, including the loss of its approvals, if, without the prior approval of the Nevada Commission, it:

- pays to the unsuitable person any dividend, interest, or any distribution whatsoever;
- recognizes any voting right by such unsuitable person in connection with such securities;
- pays the unsuitable person remuneration in any form; or
- makes any payment to the unsuitable person by way of principal, redemption, conversion, exchange, liquidation, or similar transaction.

We are required to maintain a current stock ledger in Nevada that may be examined by the Nevada Gaming Authorities at any time. If any securities are held in trust by an agent or by a nominee, the record holder may be required to disclose the identity of the beneficial owner to the Nevada Gaming Authorities. A failure to make such disclosure may be grounds for finding the record holder unsuitable. We are also required to render maximum assistance in determining the identity of the beneficial owner. The Nevada Commission has the power to require the Nevada registered corporations' stock certificates to bear a legend indicating that such securities are subject to the Nevada Act. However, to date, the Nevada Commission has not imposed such a requirement on the Nevada registered corporations.

The Nevada registered corporations may not make a public offering of any securities without the prior approval of the Nevada Commission if the securities or the proceeds therefrom are intended to be used to construct, acquire, or finance gaming facilities in Nevada, or to retire or extend obligations incurred for those purposes or for similar purposes. An approval, if given, does not

constitute a finding, recommendation, or approval by the Nevada Commission or the Nevada Board as to the accuracy or adequacy of the prospectus or the investment merits of the securities . Any representation to the contrary is unlawful.

On July 24, 2014, the Nevada Commission granted the Nevada registered corporations prior approval to make public offerings for a period of three years, subject to certain conditions.

Changes in control of the Nevada registered corporations through merger, consolidation, stock or asset acquisitions, management or consulting agreements, or any act or conduct by a person whereby he or she obtains control may not occur without the prior approval of the Nevada Commission. Entities seeking to acquire control of a registered corporation must satisfy the Nevada Board and the Nevada Commission concerning a variety of stringent standards prior to assuming control of the registered corporation. The Nevada Commission may also require controlling stockholders, officers, directors, and other persons having a material relationship or involvement with the entity proposing to acquire control to be investigated and licensed as part of the approval process relating to the transaction.

The Nevada legislature has declared that some corporate acquisitions opposed by management, repurchases of voting securities, and corporate defensive tactics affecting Nevada gaming licensees and registered corporations that are affiliated with those operations may be injurious to stable and productive corporate gaming. The Nevada Commission has established a regulatory scheme to ameliorate the potentially adverse effects of these business practices upon Nevada's gaming industry and to further Nevada's policy to:

- assure the financial stability of corporate gaming operators and their affiliates;
- preserve the beneficial aspects of conducting business in the corporate form; and
- promote a neutral environment for the orderly governance of corporate affairs.

Approvals are, in certain circumstances, required from the Nevada Commission before we can make exceptional repurchases of voting securities above the current market price and before a corporate acquisition opposed by management can be consummated. The Nevada Act also requires prior approval of a plan of recapitalization proposed by a registered corporation's board of directors in response to a tender offer made directly to the registered corporation's stockholders for the purpose of acquiring control of that corporation.

License fees and taxes, computed in various ways depending on the type of gaming or activity involved, are payable to the State of Nevada and to the local authorities. Depending upon the particular fee or tax involved, these fees and taxes are payable either monthly, quarterly, or annually and are based upon either:

- a percentage of the gross revenues received;
- the number of gaming devices operated; or
- the number of table games operated.

The tax on gross revenues received is generally 6.75%. A live entertainment tax is also paid on charges for admission to any facility where certain forms of live entertainment are provided. The Nevada manufacturer and distributor licensees also pay certain fees and taxes to the State of Nevada.

Because we are involved in gaming ventures outside of Nevada, we are required to deposit with the Nevada Board, and thereafter maintain, a revolving fund in the amount of $10,000 to pay the expenses of investigation by the Nevada Board of our participation in such foreign gaming. The revolving fund is subject to increase or decrease at the discretion of the Nevada Commission. Thereafter, we are also required to comply with certain reporting requirements imposed by the Nevada Act. We would be subject to disciplinary action by the Nevada Commission if we:

- knowingly violate any laws of the foreign jurisdiction pertaining to the foreign gaming operation;
- fail to conduct the foreign gaming operation in accordance with the standards of honesty and integrity required of Nevada gaming operations;

- engage in any activity or enter into any association that is unsuitable because it poses an unreasonable threat to the control of gaming in Nevada, reflects or tends to reflect discredit or disrepute upon the State of Nevada or gaming in Nevada, or is contrary to the gaming policies of Nevada;

- engage in any activity or enter into any association that interferes with the ability of the State of Nevada to collect gaming taxes and fees; or

- employ, contract with, or associate with any person in the foreign gaming operation who has been denied a license or a finding of suitability in Nevada on the ground of personal unsuitability, or who has been found guilty of cheating at gambling.

The sale of alcoholic beverages by the Nevada licensed subsidiaries is subject to licensing, control, and regulation by the applicable local authorities. All licenses are revocable and are not transferable. The agencies involved have full power to limit, condition, suspend, or revoke any such license, and any such disciplinary action could (and revocation would) have a material adverse effect upon our operations.

Michigan Government Regulation and Taxation

The Michigan Gaming Control and Revenue Act (the "Michigan Act") subjects the owners and operators of casino gaming facilities to extensive state licensing and regulatory requirements. The Michigan Act also authorizes local regulation of casino gaming facilities by the City of Detroit, provided that any such local ordinances regulating casino gaming are consistent with the Michigan Act and rules promulgated to implement it. We are subject to the Michigan Act through our ownership interest in MGM Grand Detroit, LLC (the "licensed subsidiary") which operates MGM Grand Detroit. Our ownership interest in MGM Grand Detroit, LLC is held by our wholly-owned subsidiary MGM Grand Detroit, Inc.

The Michigan Act creates the Michigan Gaming Control Board (the "Michigan Board") and authorizes it to grant casino licenses to not more than three applicants who have entered into development agreements with the City of Detroit. The Michigan Board is granted extensive authority to conduct background investigations and determine the suitability of casino license applicants, affiliated companies, officers, directors, or managerial employees of applicants and affiliated companies and persons or entities holding a one percent or greater direct or indirect interest in an applicant or affiliated company. Institutional investors holding less than certain specified amounts of our debt or equity securities are exempted from meeting the suitability requirements of the Michigan Act since we are a publicly traded corporation, and provided that the securities were purchased for investment purposes only and not for the purpose of influencing or affecting our affairs. Any person who supplies goods or services to the licensed subsidiary which are directly related to, used in connection with, or affecting gaming, and any person who supplies other goods or services to the licensed subsidiary on a regular and continuing basis, must obtain a supplier's license from the Michigan Board. In addition, any individual employed by the licensed subsidiary or by a supplier licensee whose work duties are related to or involved in the gaming operation or are performed in a restricted area or a gaming area of the licensed subsidiary must obtain an occupational license from the Michigan Board.

The Michigan Act imposes the burden of proof on the applicant for a casino license to establish its suitability to receive and hold the license. The applicant must establish its suitability as to integrity, moral character and reputation, business probity, financial ability and experience, responsibility, and other criteria deemed appropriate by the Michigan Board. A casino license is valid for a period of one year and the Michigan Board may refuse to renew it upon a determination that the licensee no longer meets the requirements for licensure.

The Michigan Board may, among other things, revoke, suspend or restrict the licensed subsidiary's casino license. The licensed subsidiary is also subject to fines or forfeiture of assets for violations of gaming or liquor control laws or rules. In the event that the licensed subsidiary's license is revoked or suspended for more than 120 days, the Michigan Act provides for the appointment of a conservator who, among other things, is required to preserve the assets to ensure that they shall continue to be operated in a sound and businesslike manner, or upon order of the Michigan Board, to sell or otherwise transfer the assets to another person or entity who meets the requirements of the Michigan Act for licensure, subject to certain approvals and consultations.

The Michigan Board has adopted administrative rules to implement the terms of the Michigan Act. Among other things, the rules impose more detailed substantive and procedural requirements with respect to casino licensing and operations.

Included are requirements regarding such things as licensing investigations and hearings, record keeping and retention, contracting, reports to the Michigan Board, internal control and accounting procedures, security and surveillance, extensions of credit to gaming patrons, conduct of gaming, and transfers of ownership interests in licensed casinos. The rules also establish numerous

Michigan Board procedures regarding licensing, disciplinary and other hearings, and similar matters . The rules have the force of law and are binding on the Michigan Board as well as on applicants for or holders of casino licenses.

Under rules of the Michigan Board, a person or company which intends to acquire shares representing more than a 5% equity interest in a publicly traded company which is the holding company of a Michigan casino licensee must obtain approval of the acquisition from the Michigan Board. Subsequent to the acquisition, the person or company acquiring the shares must be determined by the Michigan Board to be "suitable" and "qualified" to own the shares. In addition, if the acquisition is by a company, "key persons" in the company (generally the officers, directors, managerial employees, and significant owners) must also be determined to be "suitable" and "qualified." "Institutional investors" (as that term is defined in the Michigan Act) may generally obtain a waiver from these requirements if the institutional investor has less than 15% ownership interest in the publicly traded company. Upon attaining equity ownership of 5% or more, or filing Schedule 13D or 13G with the SEC, the Michigan Board must be notified by the investor. Unless otherwise ordered by the Michigan Board, institutional investors acquiring less than 10% equity ownership in the publicly traded company are entitled to an exemption from the approval requirements, but are required to file an institutional waiver application with the Michigan Board. Institutional investors acquiring 10% or more equity ownership must apply for an institutional waiver, supplying certain information delineated in Rule 504(3). Pursuant to Rule 504(4), institutional investors acquiring more than 15% equity ownership must apply to the Michigan Board for approval of the acquisition within 45 days after it occurs. The institutional investor and its key persons may be subject to suitability and qualification determinations.

The term "institutional investor" includes financial institutions, insurance companies, pension funds, mutual funds, etc. The shares held by the institutional investor must be held for investment purposes only. The following activities are deemed consistent with holding the shares for investment purposes: voting by proxy furnished by the board of directors, on all matters voted on by the holders of the voting securities; serving as a member of a committee of creditors or security holders formed in connection with a debt restructuring; nominating a candidate for election or appointment to the board of directors in connection with a debt restructuring; accepting appointment or election as a member of the board of directors in connection with a debt restructuring and serving in that capacity until the conclusion of the member's term; making financial and other inquiries of management of the type normally made by securities analysts for information purposes and not to cause a change in its management, policies, or operations; and other activities that the board determines to be consistent with the investment intent.

The Michigan Liquor Control Commission licenses, controls and regulates the sale of alcoholic beverages by the licensed subsidiary pursuant to the Michigan Liquor Control Code of 1998. The Michigan Act also requires that the licensed subsidiary sell in a manner consistent with the Michigan Liquor Control Code.

The Detroit City Council enacted an ordinance entitled "Casino Gaming Authorization and Casino Development Agreement Certification and Compliance." The ordinance authorizes casino gaming only by operators who are licensed by the Michigan Board and are parties to a development agreement which has been approved and certified by the City Council and is currently in effect, or are acting on behalf of such parties. The development agreement among the City of Detroit, MGM Grand Detroit, LLC and the Economic Development Corporation of the City of Detroit has been so approved and certified and is currently in effect. Under the ordinance, the licensed subsidiary is required to submit to the Mayor of Detroit and to the City Council periodic reports regarding its compliance with the development agreement or, in the event of non-compliance, reasons for non-compliance and an explanation of efforts to comply. The ordinance requires the Mayor of Detroit to monitor each casino operator's compliance with its development agreement, to take appropriate enforcement action in the event of default and to notify the City Council of defaults and enforcement action taken; and, if a development agreement is terminated, it requires the City Council to transmit notice of such action to the Michigan Board within five business days along with Detroit's request that the Michigan Board revoke the relevant operator's casino license. If a development agreement is terminated, the Michigan Act requires the Michigan Board to revoke the relevant operator's casino license upon the request of Detroit.

The administrative rules of the Michigan Board prohibit the licensed subsidiary or us from entering into a debt transaction affecting the capitalization or financial viability of MGM Grand Detroit without prior approval from the Michigan Board. On October 14, 2003, the Michigan Board authorized the licensed subsidiary to borrow under our credit facilities for the purpose of financing the development of its permanent casino and any future expansion of, or maintenance capital expenditures for, the permanent casino, and to secure such borrowings with liens upon substantially all of its assets. In the same order, the Michigan Board authorized MGM Grand Detroit, Inc. to pledge its equity interest in MGM Grand Detroit, LLC to secure such borrowings. Enforcement of a security interest in such equity interest is limited by the Michigan Act and the rules of the Michigan Board. Specifically, acquisitions resulting in an interest of more than one percent of an entity, other than a publicly traded corporation, holding a casino license are subject to the approval of the Michigan Board, and persons acquiring such interests must be found suitable by the Michigan Board.

The Michigan Act effectively provides for a wagering tax equal to 19% of adjusted gross receipts from gaming operations conducted at a casino. Proceeds of the wagering tax are shared between the State of Michigan and the City of Detroit. In addition to

the wagering tax, the Michigan Act establishes an annual municipal service fee equal to the greater of $4 million or 1.25% of adjusted gross receipts to be paid to Detroit to defray its cost of hosting casinos, and an annual assessment, as adjusted annually based upon a consumer price index, in the initial amount of approximately $8.3 million to be paid to Michigan to defray its regulatory enforcement and other casino-related costs . These payments are in addition to the taxes, fees and assessments customarily paid by business entities situated in Detroit . The licensed subsidiary is also obligated to pay 1% of its adjusted gross receipts to Detroit, to be increased to 2% of its adjusted gross receipts in any calendar year in which adjusted gross receipts exceed $400 million.

Mississippi Government Regulation

We conduct our Mississippi gaming operations through two indirect subsidiaries, Beau Rivage Resorts, Inc., which owns and operates Beau Rivage in Biloxi, Mississippi, and MGM Resorts Mississippi, Inc., which owns and operates the Gold Strike Casino in Tunica County, Mississippi (collectively, the "casino licensees"). The ownership and operation of casino facilities in Mississippi are subject to extensive state and local regulation, but primarily the licensing and regulatory control of the Mississippi Gaming Commission and the Mississippi Department of Revenue.

The Mississippi Gaming Control Act (the "Mississippi Act") legalized casino gaming in Mississippi. The Mississippi Gaming Commission adopted regulations in furtherance of the Mississippi Act. The laws, regulations and supervisory procedures of Mississippi and the Mississippi Gaming Commission seek to:

- prevent unsavory or unsuitable persons from having any direct or indirect involvement with gaming at any time or in any capacity;
- establish and maintain responsible accounting practices and procedures;
- maintain effective control over the financial practices of licensees, including establishing minimum procedures for internal fiscal affairs and safeguarding of assets and revenues, providing reliable record keeping and making periodic reports to the Mississippi Gaming Commission;
- prevent cheating and fraudulent practices;
- provide a source of state and local revenues through taxation and licensing fees; and
- ensure that gaming licensees, to the extent practicable, employ Mississippi residents.

The regulations are subject to amendment and interpretation by the Mississippi Gaming Commission. Changes in Mississippi law or the regulations or the Mississippi Gaming Commission's interpretations thereof may limit or otherwise materially affect the types of gaming that may be conducted, and could have a material adverse effect on us and our Mississippi gaming operations.

The Mississippi Act provides for legalized gaming at the discretion of the 14 counties that either border the Gulf Coast or the Mississippi River, but only if the voters in such counties have not voted to prohibit gaming in that county. As of December 31, 2015, gaming was permissible in nine of the 14 eligible counties in the state and gaming operations had commenced in Adams, Coahoma, Hancock, Harrison, Tunica, Warren and Washington counties. Prior to Hurricane Katrina, Mississippi law required that gaming vessels be located on the Mississippi River or on navigable waters in eligible counties along the Mississippi River, or in the waters of the State of Mississippi lying south of the state in eligible counties along the Mississippi Gulf Coast. Subsequent to Hurricane Katrina, changes to the law became effective which allowed gaming facilities to be constructed on land in the three Gulf Coast counties, provided that no portion of the gaming facilities is located more than 800 feet from the mean high water line of the Mississippi Sound or designated bays on the Sound. The 800-foot limit does not apply to non-gaming facilities. The law permits unlimited stakes gaming on permanently moored dockside vessels or in land-based facilities on a 24-hour basis and does not restrict the percentage of space which may be utilized for gaming. There are no limitations on the number of gaming licenses which may be issued in Mississippi.

The casino licensees are subject to the licensing and regulatory control of the Mississippi Gaming Commission. Gaming licenses require the periodic payment of fees and taxes and are not transferable. Gaming licenses are issued for a maximum term of three years and must be renewed periodically thereafter. The current licenses of the casino licensees are effective through June 22, 2018.

We are registered by the Mississippi Gaming Commission under the Mississippi Act as a publicly traded holding company of the casino licensees. As a registered publicly traded corporation, we are subject to the licensing and regulatory control of the Mississippi Gaming Commission, and are required to periodically submit detailed financial, operating and other reports to the Mississippi Gaming Commission and furnish any other information which the Mississippi Gaming Commission may require. If we are unable to satisfy

the registration requirements of the Mississippi Act, we and our casino licensees cannot own or operate gaming facilities in Mississippi . The casino licensees are also required to periodically submit detailed financial, operating and other reports to the Mississippi Gaming Commission and the Mississippi Department of Revenue and to furnish any other information required thereby . With certain exceptions, no person may become a stockholder of or receive any percentage of profits from the casino licensees without first obtaining licenses and approvals from the Mississippi Gaming Commission.

Certain of our officers, directors and employees must be found suitable or be licensed by the Mississippi Gaming Commission. We believe that we have applied for all necessary findings of suitability with respect to these persons, although the Mississippi Gaming Commission, in its discretion, may require additional persons to file applications for findings of suitability. In addition, any person having a material relationship or involvement with us may be required to be found suitable, in which case those persons must pay the costs and fees associated with the investigation. A finding of suitability requires submission of detailed personal and financial information followed by a thorough investigation. There can be no assurance that a person who is subject to a finding of suitability will be found suitable by the Mississippi Gaming Commission. The Mississippi Gaming Commission may deny an application for a finding of suitability for any cause that it deems reasonable. Findings of suitability must be periodically renewed.

Changes in certain licensed positions must be reported to the Mississippi Gaming Commission. In addition to its authority to deny an application for a finding of suitability, the Mississippi Gaming Commission has jurisdiction to disapprove a change in a licensed position. The Mississippi Gaming Commission has the power to require us to suspend or dismiss officers, directors and other key employees or sever relationships with other persons who refuse to file appropriate applications or whom the authorities find unsuitable to act in their capacities.

Employees associated with gaming must obtain work permits that are subject to immediate suspension. The Mississippi Gaming Commission will refuse to issue a work permit to a person convicted of a felony and it may refuse to issue a work permit to a gaming employee if the employee has committed various misdemeanors or knowingly violated the Mississippi Act or for any other reasonable cause.

At any time, the Mississippi Gaming Commission has the power to investigate and require a finding of suitability of any of our record or beneficial stockholders, regardless of the percentage of ownership. Mississippi law requires any person who acquires more than 5% of our voting securities to report the acquisition to the Mississippi Gaming Commission, and that person may be required to be found suitable. Also, any person who becomes a beneficial owner of more than 10% of our voting securities, as reported to the Mississippi Gaming Commission, must apply for a finding of suitability by the Mississippi Gaming Commission. An applicant for finding of suitability must pay the costs and fees that the Mississippi Gaming Commission incurs in conducting the investigation.

The Mississippi Gaming Commission has generally exercised its discretion to require a finding of suitability of any beneficial owner of more than 5% of a registered public or private company's voting securities. However, the Mississippi Gaming Commission has adopted a regulation that permits certain institutional investors to own beneficially up to 15% and, under certain circumstances, up to 19%, of a registered or licensed company's voting securities without a finding of suitability. Under the regulations, an "institutional investor," as defined therein, may apply to the Executive Director of the Mississippi Gaming Commission for a waiver of a finding of suitability if such institutional investor (i) beneficially owns up to 15% (or, in certain circumstances, up to 19%) of the voting securities of a registered or licensed company, and (ii) holds the voting securities for investment purposes only. An institutional investor shall not be deemed to hold voting securities for investment purposes unless the voting securities were acquired and are held in the ordinary course of business as an institutional investor and not for the purpose of causing, directly or indirectly, the election of a majority of the members of the board of directors of the registered or licensed company, any change in the registered or licensed company's corporate charter, bylaws, management, policies or operations of the registered public or private company or any of its gaming affiliates, or any other action which the Mississippi Gaming Commission finds to be inconsistent with holding the registered or licensed company's voting securities for investment purposes only.

Activities that are not deemed to be inconsistent with holding voting securities for investment purposes only include:

- voting, directly or indirectly through the delivery of a proxy furnished by the board of directors, on all matters voted upon by the holders of such voting securities;
- serving as a member of any committee of creditors or security holders formed in connection with a debt restructuring;
- nominating any candidate for election or appointment to the board of directors in connection with a debt restructuring;
- accepting appointment or election (or having a representative accept appointment or election) as a member of the board of directors in connection with a debt restructuring and serving in that capacity until the conclusion of the member's term;

- making financial and other inquiries of management of the type normally made by securities analysts for informational purposes and not to cause a change in management, policies or operations; and

- such other activities as the Mississippi Gaming Commission may determine to be consistent with such investment intent.

If a stockholder who must be found suitable is a corporation, partnership or trust, it must submit detailed business and financial information including a list of beneficial owners. The Mississippi Gaming Commission may at any time dissolve, suspend, condition, limit or restrict a finding of suitability to own a registered public company's equity interests for any cause it deems reasonable.

We may be required to disclose to the Mississippi Gaming Commission upon request the identities of the holders of any of our debt or other securities. In addition, under the Mississippi Act, the Mississippi Gaming Commission may, in its discretion, require holders of our debt securities to file applications, investigate the holders, and require the holders to be found suitable to own the debt securities.

Although the Mississippi Gaming Commission generally does not require the individual holders of obligations such as notes to be investigated and found suitable, the Mississippi Gaming Commission retains the discretion to do so for any reason, including but not limited to a default, or where the holder of the debt instrument exercises a material influence over the gaming operations of the entity in question. Any holder of debt securities required to apply for a finding of suitability must pay all investigative fees and costs of the Mississippi Gaming Commission in connection with the investigation.

Any person who fails or refuses to apply for a finding of suitability or a license within 30 days after being ordered to do so by the Mississippi Gaming Commission may be found unsuitable. Any person found unsuitable and who holds, directly or indirectly, any beneficial ownership of our securities beyond the time that the Mississippi Gaming Commission prescribes, may be guilty of a misdemeanor. After receiving notice that a person is unsuitable to be a stockholder, a holder of our debt securities or to have any other relationship with us, we will be subject to disciplinary action if we:

- pay the unsuitable person any dividend, interest or other distribution whatsoever;

- recognize the exercise, directly or indirectly, of any voting rights conferred through such securities held by the unsuitable person;

- pay the unsuitable person any remuneration in any form for services rendered or otherwise, except in limited and specific circumstances;

- make any payment to the unsuitable person by way of principal, redemption, conversion, exchange, liquidation or similar transaction; or

- fail to pursue all lawful efforts to require the unsuitable person to divest himself or herself of the securities, including, if necessary, the immediate purchase of the securities for cash at a fair market value.

The casino licensees must maintain in Mississippi a current ledger with respect to the ownership of their equity securities and we must maintain in Mississippi a current list of our stockholders which must reflect the record ownership of each outstanding share of any equity security issued by us. The ledger and stockholder lists must be available for inspection by the Mississippi Gaming Commission at any time. If any of our securities are held in trust by an agent or by a nominee, the record holder may be required to disclose the identity of the beneficial owner to the Mississippi Gaming Commission. A failure to make that disclosure may be grounds for finding the record holder unsuitable. We must also render maximum assistance in determining the identity of the beneficial owner.

The Mississippi Act requires that the certificates representing securities of a registered publicly traded corporation bear a legend to the general effect that the securities are subject to the Mississippi Act and the regulations of the Mississippi Gaming Commission. On May 28, 2009, the Mississippi Gaming Commission granted us a waiver of this legend requirement. The Mississippi Gaming Commission has the power to impose additional restrictions on us and the holders of our securities at any time.

Substantially all loans, leases, sales of securities and similar financing transactions by the casino licensees must be reported to or approved by the Mississippi Gaming Commission. The licensed subsidiaries may not make a public offering of their securities, but may pledge or mortgage casino facilities with the prior approval of the Mississippi Gaming Commission. We may not make a public offering of our securities without the prior approval of the Mississippi Gaming Commission if any part of the proceeds of the offering is to be used to finance the construction, acquisition or operation of gaming facilities in Mississippi or to retire or extend obligations incurred for those purposes. The approval, if given, does not constitute a recommendation or approval of the accuracy or adequacy of

the prospectus or the investment merits of the securities subject to the offering . Effective June 23, 2015 , the Mississippi Gaming Commission granted us a waiver of the prior approval requirement for our securities offerings for a period of three years, subject to certain conditions . The waiver may be rescinded for good cause without prior notice upon the issuance of an interlocutory stop order by the Executive Director of the Mississippi Gaming Commission.

Under the regulations of the Mississippi Gaming Commission, the casino licensees may not guarantee a security issued by us pursuant to a public offering, or pledge their assets to secure payment or performance of the obligations evidenced by such a security issued by us, without the prior approval of the Mississippi Gaming Commission. Similarly, we may not pledge the stock or other ownership interests of the casino licensees, nor may the pledgee of such ownership interests foreclose on such a pledge, without the prior approval of the Mississippi Gaming Commission. Moreover, restrictions on the transfer of an equity security issued by us and agreements not to encumber such securities granted by us are ineffective without the prior approval of the Mississippi Gaming Commission. The waiver of the prior approval requirement for our securities offerings received from the Mississippi Gaming Commission effective June 23, 2015 includes a waiver of the prior approval requirement for such guarantees, pledges and restrictions of the casino licensees, subject to certain conditions.

We cannot change our control through merger, consolidation, acquisition of assets, management or consulting agreements or any form of takeover without the prior approval of the Mississippi Gaming Commission. The Mississippi Gaming Commission may also require controlling stockholders, officers, directors, and other persons having a material relationship or involvement with the entity proposing to acquire control, to be investigated and licensed as part of the approval process relating to the transaction.

The Mississippi Legislature has declared that some corporate acquisitions opposed by management, repurchases of voting securities and other corporate defensive tactics that affect corporate gaming licensees in Mississippi and corporations whose stock is publicly traded that are affiliated with those licensees may be injurious to stable and productive corporate gaming. The Mississippi Gaming Commission has established a regulatory scheme to ameliorate the potentially adverse effects of these business practices upon Mississippi's gaming industry and to further Mississippi's policy to assure the financial stability of corporate gaming operators and their affiliates, preserve the beneficial aspects of conducting business in the corporate form, and promote a neutral environment for the orderly governance of corporate affairs.

We may be required to obtain approval from the Mississippi Gaming Commission before we may make exceptional repurchases of voting securities in excess of the current market price of its common stock (commonly called "greenmail") or before we may consummate a corporate acquisition opposed by management. The regulations also require prior approval by the Mississippi Gaming Commission if we adopt a plan of recapitalization proposed by our Board of Directors opposing a tender offer made directly to the stockholders for the purpose of acquiring control of us.

Neither we nor the casino licensees may engage in gaming activities in Mississippi while we, the casino licensees and/or persons found suitable to be associated with the gaming license of the casino licensees conduct gaming operations outside of Mississippi without approval of the Mississippi Gaming Commission. The Mississippi Gaming Commission may require that it have access to information concerning our, and our affiliates', out-of-state gaming operations. We believe that we have applied for all necessary waivers of foreign gaming approval from the Mississippi Gaming Commission for the conduct of our active or planned gaming operations outside of Mississippi.

If the Mississippi Gaming Commission decides that the casino licensees violated a gaming law or regulation, the Mississippi Gaming Commission could limit, condition, suspend or revoke the license of the subsidiary. In addition, we, the casino licensees and the persons involved could be subject to substantial fines for each separate violation. A violation under any of our other operating subsidiaries' gaming licenses may be deemed a violation of the casino licensees' gaming license.

Because of a violation, the Mississippi Gaming Commission could attempt to appoint a supervisor to operate the casino facilities. Limitation, conditioning or suspension of the casino licensees' gaming license or our registration as a publicly traded holding company, or the appointment of a supervisor could, and the revocation of any gaming license or registration would, materially adversely affect our Mississippi gaming operations.

The casino licensees must pay license fees and taxes, computed in various ways depending on the type of gaming involved, to the State of Mississippi and to the county or city in which the licensed gaming subsidiary conducts operations. Depending upon the particular fee or tax involved, these fees and taxes are payable either monthly, quarterly or annually and are based upon a percentage of gross gaming revenues, the number of slot machines operated by the casino, and the number of table games operated by the casino.

The license fee payable to the State of Mississippi is based upon "gross revenues," generally defined as cash receipts less cash payouts to customers as winnings, and generally equals 8% of gross revenue. These license fees are allowed as a credit against our Mississippi income tax liability for the year paid. The gross revenue fee imposed by the Mississippi cities and counties in which

casino operations are located is in addition to the fees payable to the State of Mississippi and equals approximately 4% of gross revenue.

The Mississippi Gaming Commission adopted a regulation in 1994 requiring as a condition of licensure or license renewal that a gaming establishment's plan include a 500-car parking facility in close proximity to the casino complex and infrastructure facilities which will amount to at least 25% of the casino cost. Infrastructure facilities are defined in the regulation to include a hotel with at least 250 rooms, theme park, golf course and other similar facilities. Beau Rivage and Gold Strike Tunica are in compliance with this requirement. On January 21, 1999, the Mississippi Gaming Commission adopted an amendment to this regulation which increased the infrastructure requirement to 100% from the existing 25%; however, the regulation grandfathers existing licensees and applies only to new casino projects and casinos that are not operating at the time of acquisition or purchase, and would therefore not apply to Beau Rivage and Gold Strike Tunica. In any event, Beau Rivage and Gold Strike Tunica would comply with such requirement. On February 21, 2013, the Mississippi Gaming Commission adopted further amendments to this regulation to impose additional requirements on new casino projects. However, the amended regulation grandfathers any licensee who has been licensed by the Mississippi Gaming Commission prior to December 31, 2013; therefore, the amendments do not apply to Beau Rivage or Gold Strike Tunica.

Both the local jurisdiction and the Alcoholic Beverage Control Division of the Mississippi Department of Revenue license, control and regulate the sale of alcoholic beverages by the casino licensees. Beau Rivage and Gold Strike Tunica are in areas designated as special resort areas, which allows casinos located therein to serve alcoholic beverages on a 24-hour basis. The Alcoholic Beverage Control Division requires that our key officers and managers and the casino licensees' key officers and managers and all owners of more than 5% of the casino licensees' equity submit detailed personal, and in some instances, financial information to the Alcoholic Beverage Control Division and be investigated and licensed. All such licenses are non-transferable. The Alcohol Beverage Control Division has the full power to limit, condition, suspend or revoke any license for the service of alcoholic beverages or to place a licensee on probation with or without conditions. Any disciplinary action could, and revocation would, have a material adverse effect upon the casino's operations.

Illinois Government Regulation

Our 50% joint venture ownership interest in Grand Victoria Riverboat Casino, located in Elgin, Illinois ("Grand Victoria") is subject to extensive state regulation under the Illinois Riverboat Gambling Act (the "Illinois Act") and the regulations of the Illinois Gaming Board (the "Illinois Board").

In February 1990, the State of Illinois legalized riverboat gambling. The Illinois Act authorizes the Illinois Board to issue up to ten riverboat gaming owners' licenses on any water within the State of Illinois or any water other than Lake Michigan which constitutes a boundary of the State of Illinois. The Illinois Act restricts the location of certain of the ten owners' licenses. Three of the licenses must be located on the Mississippi River. One license must be at a location on the Illinois River south of Marshall County and another license must be located on the Des Plaines River in Will County. The remaining licenses are not restricted as to location. Currently, all ten owner's licenses are in operation in Alton, Aurora, East Peoria, East St. Louis, Elgin, Metropolis, Rock Island, Des Plaines, and two licenses in Joliet.

The Illinois Act strictly regulates the facilities, persons, associations and practices related to gaming operations. It grants the Illinois Board specific powers and duties, and all other powers necessary and proper to fully and effectively execute the Illinois Act for the purpose of administering, regulating and enforcing the system of riverboat gaming. The Illinois Board has authority over every person, association, corporation, partnership and trust involved in riverboat gaming operations in the State of Illinois.

The Illinois Act requires the owner of a riverboat gaming operation to hold an owner's license issued by the Illinois Board. Each owner's license permits the holder to own up to two riverboats as part of its gaming operation; however, gaming participants are limited to 1,200 for any owner's license. The number of gaming participants will be determined by the number of gaming positions available at any given time. Gaming positions are counted as follows:

- positions for electronic gaming devices will be determined as 90% of the total number of devices available for play;
- craps tables will be counted as having ten gaming positions; and
- games utilizing live gaming devices, except for craps, will be counted as having five gaming positions.

Each owner's license initially runs for a period of three years. Thereafter, the license must be renewed annually. The Board may renew an owner's license for up to four years. An owner licensee is eligible for renewal upon payment of the applicable fee and a determination by the Illinois Board that the licensee continues to meet all of the requirements of the Illinois Act and Illinois Board's

rules . The owner's license for Grand Victoria was issued in October 1994 and was renewed for a four-year period that ends in October 2016 . An ownership interest in an owner's license may not be transferred or pledged as collateral without the prior approval of the Illinois Board.

Pursuant to the Illinois Act, the Illinois Board established certain rules to follow in deciding whether to approve direct or indirect ownership or control of an owner's license. The Illinois Board must consider the impact of any economic concentration caused by the ownership or control. No direct or indirect ownership or control may be approved which will result in undue economic concentration of the ownership of a riverboat gambling operation in Illinois. The Illinois Act specifies a number of criteria for the Illinois Board to consider in determining whether the approval of the issuance, transfer or holding of a license will create undue economic concentration. The application of such criteria could reduce the number of potential purchasers for the Grand Victoria or our 50% joint venture interest therein.

The Illinois Act does not limit the maximum bet or per patron loss. Minimum and maximum wagers on games are set by the holder of the owner's license. Wagering may not be conducted with money or other negotiable currency. No person under the age of 21 is permitted to wager and wagers only may be received from a person present on the riverboat. With respect to electronic gaming devices, the payout percentage may not be less than 80% or more than 100%.

Illinois imposes a number of taxes on Illinois casinos. Such taxes are subject to change by the Illinois legislature and have been increased in the past. The Illinois legislature also may impose new taxes on Grand Victoria's activities. Illinois currently imposes an admission tax of $2.00 per person for an owner licensee that admitted 1,000,000 persons or fewer in the 2004 calendar year, and $3.00 per person for all other owner licensees (including Grand Victoria).

Additionally, Illinois imposes a wagering tax on the adjusted gross receipts, as defined in the Illinois Act, of a riverboat operation. The owner licensee is required, on a daily basis, to wire the wagering tax payment to the Illinois Board. Currently, the wagering tax is:

- 15.0% of adjusted gross receipts up to and including $25.0 million;
- 22.5% of adjusted gross receipts in excess of $25.0 million but not exceeding $50.0 million;
- 27.5% of adjusted gross receipts in excess of $50.0 million but not exceeding $75.0 million;
- 32.5% of adjusted gross receipts in excess of $75.0 million but not exceeding $100.0 million;
- 37.5% of adjusted gross receipts in excess of $100.0 million but not exceeding $150.0 million;
- 45.0% of adjusted gross receipts in excess of $150.0 million but not exceeding $200.0 million; and
- 50.0% of adjusted gross receipts in excess of $200.0 million.

A holder of any gaming license in Illinois is subject to imposition of fines, suspension or revocation of such license, or other action for any act or failure to act by the licensee or the licensee's agents or employees, that is injurious to the public health, safety, morals, good order and general welfare of the people of the State of Illinois, or that would discredit or tend to discredit the Illinois gaming industry or the State of Illinois. The Illinois Board may revoke or suspend licenses, as the Illinois Board may determine and, in compliance with applicable Illinois law regarding administrative procedures, may suspend an owner's license, without notice or hearing, upon a determination that the safety or health of patrons or employees is jeopardized by continuing a riverboat's operation. The suspension may remain in effect until the Illinois Board determines that the cause for suspension has been abated and it may revoke the owner's license upon a determination that the owner has not made satisfactory progress toward abating the hazard.

If the Illinois Board has suspended, revoked or refused to renew an owner's license or if a riverboat gambling operation is closing and the owner is voluntarily surrendering its owner's license, the Illinois Board may petition the local circuit court in which the riverboat is situated for appointment of a receiver. The circuit court has sole jurisdiction over any and all issues pertaining to the appointment of a receiver. The Illinois Board specifies the specific powers, duties and limitations of the receiver.

The Illinois Board requires that each "Key Person" of an owner licensee submit a Personal Disclosure or Business Entity Form and be investigated and approved by the Illinois Board . The Illinois Board determines which positions, individuals or Business Entities are required to be approved by the Board as Key Persons . Once approved, such Key Person status must be maintained . Key Persons include:

- any Business Entity and any individual with an ownership interest or voting rights of more than 5% in the licensee or applicant and the trustee of any trust holding such ownership interest or voting rights;
- the directors of the licensee or applicant and its chief executive officer, president and chief operating officer or their functional equivalents;
- a Gaming Operations Manager or any other business entity or individual who has influence and/or control over the conduct of gaming or the Riverboat Gaming Operation; and
- all other individuals or Business Entities that, upon review of the applicant's or licensees Table of Organization, Ownership and Control the Board determines hold a position or a level of ownership, control or influence that is material to the regulatory concerns and obligations of the Illinois Board for the specified licensee or applicant.

Each owner licensee must provide a means for the economic disassociation of a Key Person in the event such economic disassociation is required by an order of the Illinois Board. Based upon findings from an investigation into the character, reputation, experience, associations, business probity and financial integrity of a Key Person, the Illinois Board may enter an order upon the licensee or require the economic disassociation of the Key Person.

Applicants for and holders of an owner's license are required to obtain the Illinois Board's approval for changes in the following: (i) Key Persons; (ii) type of entity; (iii) equity and debt capitalization of the entity; (iv) investors and/or debt holders; (v) source of funds; (vi) applicant's economic development plan; (vii) riverboat capacity or significant design change; (viii) gaming positions; (ix) anticipated economic impact; or (x) agreements, oral or written, relating to the acquisition or disposition of property (real or personal) of a value greater than $1 million. Illinois regulations provide that a holder of an owner's license may make distributions to its stockholders only to the extent that such distributions do not impair the financial viability of the owner.

The Illinois Board requires each holder of an owner's license to obtain the Illinois Board's approval prior to issuing a guaranty of any indebtedness. Accordingly, we and our subsidiaries with a direct interest in Grand Victoria intend to petition the Illinois Board to allow those subsidiaries to issue subsidiary guaranties of any indebtedness that we incur in the future to the extent such guaranties are required by our lenders. Although we and those subsidiaries believe the Illinois Board will continue to approve our petitions and allow such guaranties of our future indebtedness, there can be no assurance that the Illinois Board will continue to grant the necessary approvals.

The Illinois Board requires that each "institutional investor," as that term is defined by Illinois Board, that, individually or jointly with others, cumulatively acquires, directly or indirectly, 5% or more of any class of voting securities of a publicly-traded licensee or a licensee's publicly-traded parent corporation shall, within no less than ten days after acquiring such securities, notify the Illinois Board of such ownership and shall, upon request, provide such additional information as may be required by the Illinois Board. An institutional investor that, individually or jointly with others, cumulatively acquires, directly or indirectly, 10% or more of any class of voting securities of a publicly-traded licensee or a licensee's publicly-traded parent corporation shall file an "Institutional Investor Disclosure Form," provided by the Illinois Board, within 45 days after cumulatively acquiring such level of ownership interest, unless such requirement is waived by the Illinois Board. Based upon the current position of the Illinois Board, ownership interest in a licensee's publicly-traded parent corporation is calculated based on the publicly-traded parent corporation's ownership in the licensee. Accordingly, an institutional investor that owns 5% of any class of our voting securities should only be considered a 2.5% owner for the basis of the regulations of the Illinois Board based on our 50% ownership in Grand Victoria. Additionally, we must notify the Illinois Board as soon as possible after we become aware that we are involved in an ownership acquisition by an institutional investor.

The Illinois Board may waive any licensing requirement or procedure provided by rule if it determines that the waiver is in the best interests of the public and the gaming industry. Also, the Illinois Board may, from time to time, amend or change its rules.

On January 1, 2008, Illinois' statewide public smoking ban became effective. Smoking is now illegal in Illinois' casinos, bars, restaurants and other public establishments. This may continue to negatively impact the gaming industry in Illinois.

From time to time, various proposals have been introduced in the Illinois legislature that, if enacted, would affect the taxation, regulation, operation or other aspects of the gaming industry. The Illinois legislature regularly considers proposals that would expand

gaming opportunities in Illinois . Some of this legislation, if enacted, could adversely affect the gaming industry . No assurance can be given whether such or similar legislation will be enacted.

The Illinois legislature continues to discuss the possibility of gaming expansion. This expansion could include several new casinos (including one in Chicago), increased gaming positions in existing casinos, as well as gaming positions at Illinois racetracks. If gaming expansion occurs, Grand Victoria's operating results could be adversely impacted by the increased competition.

On July 13, 2009, Illinois enacted the Video Gaming Act, which legalizes the use of up to five video gaming terminals in most bars, restaurants, fraternal organizations and veterans' organizations holding valid Illinois liquor licenses, as well as at qualifying truck stops. The Illinois Board adopted a set of Regulations and continues to release new or emergency Regulations, as necessary, to implement and regulate the Video Gaming Act. Effective October 9, 2012, video gaming in Illinois became operational. The video gaming terminals in licensed establishments allow patrons to play games such as video poker, line up and blackjack. In December 2015, over ,200 licensed establishments were operating nearly 22,000 video gaming terminals. Grand Victoria's revenues may be adversely impacted by the availability of video gaming terminals in non-casino establishments proximately located to its customer base.

Macau S.A.R. Laws and Regulations

MGM Grand Paradise is regulated as a gaming operator under applicable Macau law and our ownership interest in MGM Grand Paradise is subject to continuing regulatory scrutiny. We are required to be approved by the Macau government (gaming authorities) to own an interest in a gaming operator. Authorized gaming operators must pay periodic fees and taxes, and gaming rights are not transferable, unless approved by the Macau government. MGM Grand Paradise must periodically submit detailed financial and operating reports to the Macau gaming authorities and furnish any other information that the Macau gaming authorities may require. No person may acquire any rights over the shares or assets of MGM Grand Paradise without first obtaining the approval of the Macau gaming authorities. The transfer or creation of encumbrances over ownership of shares representing the share capital of MGM Grand Paradise or other rights relating to such shares, and any act involving the granting of voting rights or other stockholders' rights to persons or entities other than the original owners, would require the approval of the Macau government and the subsequent report of such acts and transactions to the Macau gaming authorities. The stock of MGM Grand Paradise and its casinos, assets and equipment shall not be subject to any liens or encumbrances, except under authorization by the Macau government.

MGM Grand Paradise's subconcession contract requires approval of the Macau government for transfers of shares, or of any rights over such shares, in any of the direct or indirect stockholders in MGM Grand Paradise, including us, provided that such shares or rights are directly or indirectly equivalent to an amount that is equal to or higher than 5% of the share capital in MGM Grand Paradise. Under the subconcession contract, this approval requirement does not apply to securities that are listed and tradable on a stock market. Since MGM Grand Paradise's securities are not listed and tradable on a stock market this approval requirement applies to transfers of MGM Grand Paradise's shares. In addition, this contract requires that the Macau government be given notice of the creation of any encumbrance or the grant of voting rights or other stockholders' rights to persons other than the original owners on shares in any of the direct or indirect stockholders in MGM Grand Paradise, including us, provided that such shares or rights are indirectly equivalent to an amount that is equal to or higher than 5% of the share capital in MGM Grand Paradise. This notice requirement will not apply, however, to securities listed and tradable on a stock exchange.

MGM Grand Paradise is in no case allowed to delegate the management of gaming operations to a management company, and is in no case allowed to enter into a management contract by which its managing powers are or might be assumed by a third party. Any act or contract by which MGM Grand Paradise assigns, transfers, alienates or creates liens or encumbrances on gaming operations to or in favor of a third party is prohibited, unless previously approved by the Macau government.

The Macau gaming authorities may investigate any individual who has a material relationship to, or material involvement with, MGM Grand Paradise to determine whether MGM Grand Paradise's suitability and/or financial capacity is affected by that individual. MGM Grand Paradise shareholders with 5% or more of the share capital and directors must apply for and undergo a finding of suitability process and maintain due qualification during the subconcession term, and accept the persistent and long-term inspection and supervision exercised by the Macau government. MGM Grand Paradise is required to immediately notify the Macau government should MGM Grand Paradise become aware of any fact that may be material to the appropriate qualification of any shareholder who owns 5% or more of the share capital, or any director or key employee. Changes in approved corporate positions must be reported to the Macau gaming authorities. The Macau gaming authorities have jurisdiction to deny an application for a finding of suitability.

Any person who fails or refuses to apply for a finding of suitability after being ordered to do so by the Macau gaming authorities may be found unsuitable. Any stockholder subject to a suitability process who is found unsuitable must transfer their shares to a third party within a term set by the Macau government. If such transfer is not consummated, MGM Grand Paradise must acquire those shares. If any officer, director or key employee is found unsuitable, MGM Grand Paradise must sever all relationships with that

person . In case of failure to act in accordance thereof, MGM Grand Paradise would become subject to administrative sanctions and penalties.

The Macau government must give their prior approval to changes in control of MGM Grand Paradise through a merger, consolidation, stock or asset acquisition, management or consulting agreement or any act or conduct by any person whereby he or she obtains control. Entities seeking to acquire control of a registered corporation must satisfy the Macau government concerning a variety of stringent standards prior to assuming control. The Macau gaming authorities may also require controlling stockholders, officers, directors and other persons having a material relationship or involvement with the entity proposing to acquire control, to be considered suitable as part of the approval process of the transaction.

The Macau gaming authorities also have the power to supervise gaming operators in order to assure the financial stability of corporate gaming operators and their affiliates.

The subconcession contract requires the Macau gaming authorities' prior approval of any recapitalization plan, any increase of the capital stock by public subscription, any issue of preferential shares or any creation, issue or transformation of types or series of shares representative of MGM Grand Paradise capital stock, as well as any change in the constituent documents (i.e., articles of association) of MGM Grand Paradise. The Chief Executive of Macau could also require MGM Grand Paradise to increase its share capital if he deemed it necessary.

MGM Macau was constructed and is operated under MGM Grand Paradise's subconcession contract. This subconcession excludes the following gaming activities: mutual bets, gaming activities provided to the public, interactive gaming and games of chance or other gaming, betting or gambling activities on ships or planes. MGM Grand Paradise's subconcession is exclusively governed by Macau law. MGM Grand Paradise is subject to the exclusive jurisdiction of the courts of Macau in case of any potential dispute or conflict relating to our subconcession.

MGM Grand Paradise's subconcession contract expires on March 31, 2020. Unless the subconcession is extended, on that date, all casino operations and related equipment in MGM Macau will automatically be transferred to the Macau government without compensation to MGM Grand Paradise and MGM Resorts International will cease to generate any revenues from these operations. Beginning on April 20, 2017, the Macau government may redeem the subconcession by giving MGM Grand Paradise at least one year prior notice and by paying fair compensation or indemnity.

The amount of such compensation or indemnity will be determined based on the amount of revenue generated during the tax year prior to the redemption.

The Macau government also has the right to unilaterally terminate, without compensation to MGM Grand Paradise, the subconcession at any time upon the occurrence of fundamental non-compliance by MGM Grand Paradise with applicable Macau laws or MGM Grand Paradise's basic obligations under the subconcession contract. If the default is curable, the Macau gaming authorities are required to give MGM Grand Paradise prior notice to cure the default, though no specific cure period for that purpose is provided.

The subconcession contract contains various general covenants and obligations and other provisions, the compliance with which is subjective. MGM Grand Paradise has the following obligations under the subconcession contract:

- ensure the proper operation and conduct of casino games;
- employ people with appropriate qualifications;
- operate and conduct casino games of chance in a fair and honest manner without the influence of criminal activities; and
- safeguard and ensure Macau's interests in tax revenue from the operation of casinos and other gaming areas.

The subconcession contract requires MGM Grand Paradise Limited to maintain a certain minimum level of insurance which are in place.

MGM Grand Paradise Limited is also subject to certain reporting requirements to the Macau gaming authorities.

Under the subconcession, MGM Grand Paradise Limited is obligated to pay to the Macau S.A.R. an annual premium with a fixed portion and a variable portion based on the number and type of gaming tables employed and gaming machines operated. The fixed portion of the premium is equal to 30 million patacas (approximately $3.9 million, based on exchange rates at December 31, 2015). The variable portion is equal to 300,000 patacas per gaming table reserved exclusively for certain kinds of games or players, 150,000

patacas per gaming table not so reserved and 1,000 patacas per electrical or mechanical gaming machine, including slot machines (approximately $3 8 , 7 00 , $1 9 , 4 00 and $12 9 , respectively, based on exchange rates at December 31, 2015), subject to a minimum of forty five million patacas (approximately $5. 8 million, based on exchange rates at December 31, 2015) . MGM Grand Paradise Limited also has to pay a special gaming tax of 35% of gross gaming revenues and applicable withholding taxes . It must also contribute 1.6% and 2.4% (a portion of which must be used for promotion of tourism in Macau) of its gross gaming revenue to a public foundation designated by the Macau S.A.R . government and to the Macau S.A.R, respectively, as special levy.

Currently, the gaming tax in Macau is calculated as a percentage of gross gaming revenue. However, gross gaming revenue does not include deductions for credit losses. As a result, if MGM Grand Paradise issues markers to its customers in Macau and is unable to collect on the related receivables from them, it has to pay taxes on its winnings from these customers even though it was unable to collect the related receivables.

MGM Grand Paradise has received a concession from the Macau government to use a 10.67 acre parcel of land for MGM Macau (the "MGM Macau Land Contract"). The land concession will expire on April 6, 2031 and is renewable.

The MGM Macau Land Contract requires MGM Grand Paradise to pay a premium which was paid in full before the opening of MGM Macau. In addition, MGM Grand Paradise is also obligated to pay rent annually for the term of the MGM Macau Land Contract. The rent amount may be revised every five years by the Macau government, according to the provisions of the Macau Land law.

In addition, MGM Grand Paradise has received a concession from the Macau government to use an approximately 18 acre site in Cotai Macau and develop a second resort and casino (the "Cotai Land Contract"). The land concession contract became effective on January 9, 2013 and has an initial term of 25 years. The total land premium payable to the Macau government for the land concession contract is $161 million and is composed of a down payment and eight additional semi-annual payments. As of December 31, 2015, MGM China had paid $130 million of the contract premium. In January 2016, MGM China paid the fourth semi-annual payment of $15 million under the land concession contract. Including interest on the four remaining semi-annual payments, MGM China has $99 million remaining payable for the land concession contract. Under the terms of the land concession contract, MGM Grand Paradise is required to complete the development of the land by January 2018.

MGM Grand Paradise received an exemption from Macau's corporate income tax on profits generated by the operation of casino games of chance for a period of five-years starting at January 1, 2007. In October 2011, MGM Grand Paradise was granted an extension of this exemption for an additional five years. The exemption runs through December 31, 2016.

Maryland Government Regulation

The Maryland State Lottery Video Lottery Terminal Law ("Maryland VLT Law") subjects the owners and operators of video lottery facilities to extensive state licensing and regulatory requirements. We are subject to the Maryland VLT Law and the regulations promulgated to implement it through our ownership interest in MGM National Harbor, LLC, which is expected to operate a video lottery facility in Prince George's County, Maryland, which facility is currently scheduled for completion in the fourth quarter of 2016 (the "National Harbor Project").

Under the Maryland VLT Law, the Maryland Lottery and Gaming Control Commission ("Maryland Commission"), in conjunction with the Maryland Lottery and Gaming Control Agency ("Maryland Agency"), maintains authority to regulate the operation of video lottery terminals and tables games within the State of Maryland, and to issue video lottery operation licenses to qualified applicants. The Maryland Video Lottery Facility Location Commission ("Maryland Location Commission") has the authority to award up to six video lottery operation licenses within the State of Maryland and is responsible for evaluating competing proposals and awarding the video lottery operation licenses to applicants based on business and market, economic development and location siting factors. The Maryland Location Commission cannot award a video lottery operation license to an applicant until the Maryland Commission determines that the applicant is qualified. On October 10, 2013, the Maryland Commission determined that MGM National Harbor, LLC and all applicable principals were qualified, and on December 23, 2013, the Maryland Location Commission awarded the video lottery operation license in Prince George's County, Maryland to MGM National Harbor, LLC. MGM National Harbor, LLC was awarded the sixth and final video lottery operation license in Maryland.

Once a video lottery operation license is awarded, the Maryland Commission may issue the license if the, as developed, video lottery facility is consistent in all material respects with that proposed by the applicant to the Maryland Location Commission, meets applicable state and local requirements, for example, zoning, land use, and transportation approvals or permits, and the applicant continues to meet qualification and other regulatory requirements.

Once the video lottery operation license is issued, the initial license term of 15 years will commence . The initial license fee is based on the number of video lottery terminals proposed within the video lottery facility . As 3,600 video lottery terminals were proposed for the National Harbor Project, our initial license fee was $21 million, and the Maryland Location Commission determined that the National Harbor Project may have up to 3,600 terminals . Within 1 year of the end of the initial 15–year license term, a video lottery operation licensee may reapply for a license that has a license term of 10 years and a license fee to be established by statute.

Under the Maryland VLT Law, video lottery terminals each must have an average payout percentage of at least 87%. Video lottery facilities are permitted to operate 24 hours a day, and patrons must be 21 years of age to wager. While alcohol may be offered in the video lottery facility, it may not be offered free of charge. The Maryland VLT Law and regulations also impose various restrictions on check cashing, debit and credit card usage, ATMs, and other transactions within the video lottery facility.

The Maryland Commission has extensive authority to conduct background investigations and to determine whether applicants for a video lottery operation license, affiliated holding or intermediary companies, directors, officers, key management employees, principals, partners, and other persons or entities holding a five percent or greater interest in the applicant, are qualified under the Maryland VLT Law.

The Maryland VLT Law provides that institutional investors may be exempt from certain regulatory requirements, and an Institutional Investor Waiver Application may be submitted for entities holding an interest in an applicant or licensee that are considered institutional investors. The term “institutional investor” generally includes insurance companies, banks and financial institutions, investment companies, trusts and advisors, pension funds, etc. The Maryland Commission’s decision concerning whether to grant a waiver is discretionary, and based on a variety of factors that include, but are not limited to, the institutional investor’s securities, whether the investor is substantially involved in the video lottery operations of the licensee, and the investor’s gaming licensure history in other jurisdictions.

After a video lottery operation license is awarded and/or issued, the Maryland Commission has responsibility for the continuing regulation and licensing of the licensee and its officers, directors, and other designated persons. The Maryland Commission retains the authority to suspend, revoke or restrict a video lottery operation license, and may levy civil penalties for regulatory and other violations. The licensee’s participation in video lottery and table game operations is expressly deemed a revocable privilege under the Maryland VLT Law, conditioned on the proper and continued qualification of the licensee and the licensee meeting reporting requirements and continuing to provide any assistance and information necessary to the Maryland regulators. Each licensee has an affirmative responsibility to provide an annual update of applicable licensing information to the Maryland Commission. Among other things, the Maryland Commission is also responsible for the collection of application, license and other fees, conducting investigations into the operation of video lottery terminals and table games, and reviewing and ruling on complaints, and may conduct unannounced inspections of the video lottery facility premises or the licensee’s records and equipment.

The regulations promulgated to implement the Maryland VLT Law impose detailed substantive and procedural requirements related to video lottery licensing and ongoing operations. The regulations include, but are not limited to, provisions concerning: licensing investigations and hearings; marketing controls and standards; internal control standards related to accounting, finance and statistics, audits, record retention, complimentaries, surveillance, security, cage and customer transactions, promotions, and other gaming related controls; facility design standards; table games surveillance; gaming floor plans; the transportation and testing of video lottery terminals and table games equipment; the registration of video lottery terminals and table games; voluntary and mandatory patron exclusion; responsible gaming; and junket enterprises and representatives. Applicants and licensees must also meet requirements concerning minority business participation, provide health insurance and retirement benefits for employees, and give preference to hiring employees located within ten miles of the video lottery facility.

Generally, a video lottery operation license may not be transferred, assigned or pledged as collateral without approval from the Maryland Commission. Specifically, a licensee cannot sell or transfer more than 5% of the legal or beneficial interests in the licensee unless the Maryland Commission is notified and determines that the buyer or transferee meets all applicable qualification and regulatory requirements. If the licensee fails to meet these requirements, the applicable license will be automatically revoked ninety days after the transfer or sale. Entities and individuals are also prohibited from owning an interest in more than one video lottery facility, and any application to the Maryland Location Commission to apply for an additional license must include a plan for divesting the applicable interest in the initial license. Applicants seeking investors in an entity applying for a video lottery operation license must make serious, good-faith efforts to solicit and interview a reasonable number of minority investors before a license will be awarded by the Maryland Location Commission, and following the award, must again make serious, good-faith efforts to interview minority investors in any future attempts to raise venture capital or attract new investors to the entity awarded the license.

The Maryland Commission retains the authority to recommend or propose changes to the Maryland VLT Law, and may amend or change regulations concerning the Maryland VLT Law, which, if enacted, could adversely affect the gaming industry and our ability to operate in Maryland.

New Jersey Government Regulation

Our ownership of 50% of Borgata in Atlantic City, New Jersey subjects us to extensive state regulation under the New Jersey Casino Control Act and the regulations promulgated thereunder (collectively, the "NJ Act") and various other statutes and regulations. The New Jersey Casino Control Commission ("NJ Commission") and the New Jersey Division of Gaming Enforcement ("NJ Division" and, together with the NJ Commission, the "NJ Gaming Authorities") are, to varying degrees, empowered to regulate a wide spectrum of gaming and non-gaming related activities and to approve the form of ownership and financial structure of not only a casino licensee, but also its holding and intermediary companies and entity qualifiers.

The NJ Commission issues casino licenses and casino key employee licenses and the NJ Division issues all other types of licenses, including permits to conduct intrastate Internet gaming and registrations and licenses to persons who provide goods or services to a casino. The NJ Division also is responsible for investigating all license applications and for monitoring compliance with and enforcing the requirements of the NJ Act.

On June 24, 2010, the NJ Commission renewed Borgata's casino license effective July 1, 2010 for a term which became indefinite by operation of law. However, no later than five years after the issuance of a casino license, and approximately every five years thereafter, the casino licensee and its qualifying entities and individuals must submit information to the NJ Gaming Authorities to demonstrate their continuing qualification. In addition, the NJ Commission may reopen the license hearing at any time, and the NJ Commission must do so at the request of the NJ Division. In September 2014, we and certain of our subsidiaries were found qualified as holding companies of Borgata, the trust holding our interest in Borgata was dissolved, and all of the trust property assets, including $83 million of cash, were transferred to us.

Pursuant to the NJ Act and applicable precedent, no entity may hold a casino license unless each officer, director, person who directly or indirectly holds any beneficial interest or ownership of the securities of the licensee, each person who in the opinion of the Director of the NJ Division has the ability to control or elect a majority of the board of directors of the licensee (other than a banking or other licensed lending institution acting in the ordinary course of business) and each of its holding, intermediary or subsidiary companies, obtains and maintains qualification approval from the NJ Gaming Authorities.

Persons holding 5% or more of the equity securities of a holding or intermediary company are presumed to have the ability to control the company or elect one or more of its directors and will, unless this presumption is rebutted by clear and convincing evidence or the qualification requirement is waived, be required to individually qualify. Equity securities are defined in the NJ Act as any voting stock or any other security having a direct or indirect participation in the profits of the issuer. Notwithstanding either the presumption of control for holding 5% or more of the equity securities of a holding company or the requirement that a casino licensee establish and maintain the qualification of certain holders of debt securities, the NJ Act provides for a waiver of qualification for passive "institutional investors," as defined by the NJ Act under certain circumstances.

Casino licensees are also required to establish and maintain the qualifications of any financial backer, investor, mortgagee, bondholder, or holder of indentures, notes or other evidences of indebtedness, either in effect or proposed which bears any relation to the casino operation or casino hotel premises who holds 25% or more of such financial instruments or other evidences of indebtedness; provided, however, in circumstances of default, persons holding 10% of such financial instruments or evidences of indebtedness shall be required to establish and maintain their qualifications. Persons who hold less than these thresholds may be required to establish and maintain their qualifications in the discretion of the Director of the NJ Division. Banks and licensed lending institutions, however, are exempt from any qualification requirements if they are acting in the ordinary course of business.

The NJ Act imposes certain restrictions upon the issuance, ownership and transfer of securities of a casino licensee and its holding and intermediary companies and defines the term "security" to include instruments which evidence a direct or indirect beneficial ownership or creditor interest, including stock (common and preferred) mortgages, debentures, security agreements, notes, warrants, options and rights. If the NJ Commission finds that a holder of such securities is not qualified under the NJ Act, it has the right to take any remedial action deemed appropriate including the right to force divestiture by such disqualified holder of such securities. In the event that certain disqualified holders fail to divest themselves of such securities, the NJ Commission has the power to revoke or suspend the casino license or licenses related to the company which issued the securities. It is unlawful for a disqualified holder (i) to exercise, directly or through any trustee or nominee, any right conferred by such securities or (ii) to receive any dividends or interest upon such securities or any remuneration, in any form, from its affiliated casino licensee for services rendered or otherwise.

The NJ Act requires our certificate of incorporation to provide that our securities are held subject to the condition that if a holder is found to be disqualified by the NJ Commission pursuant to the NJ Act, such holder shall dispose of his interest in the company. Accordingly, our certificate of incorporation provides that a holder of our securities must dispose of such securities if the holder is

found disqualified under the NJ Act . In addition, our certificate of incorporation provides that we may redeem the stock of any holder found to be disqualified.

The ability of a lender to foreclose on pledged assets, including gaming equipment, is subject to compliance with the NJ Act. Generally, no person is permitted to hold an ownership interest in or manage a casino or own any gaming assets, including gaming devices, without being licensed. Consequently, any lender who desires to enforce a security interest must file the necessary applications for licensure, be investigated, and either be found qualified by the NJ Commission or obtain interim casino authorization ("ICA") prior to obtaining any ownership interest. Similarly, any prospective purchaser of an ownership interest in a casino or of gaming assets must file the necessary applications for licensure, be investigated, and either found qualified by the NJ Commission or obtain ICA prior to obtaining any ownership interest or gaming assets.

Massachusetts Government Regulation

The Massachusetts Expanded Gaming Act ("Massachusetts Act") subjects the owners and operators of gaming establishments to extensive state licensing and regulatory requirements. We are subject to the Massachusetts Act and the regulations promulgated to implement it through our ownership interest in Blue Tarp reDevelopment, LLC ("Blue Tarp"), which is expected to operate a gaming establishment in Springfield, Massachusetts, which establishment is currently scheduled for completion and opening in 2017.

Under the Massachusetts Act, the Massachusetts Gaming Commission ("Massachusetts Commission") is responsible for issuing licenses under the Massachusetts Act and assuring that licenses are not issued or held by unqualified, disqualified or unsuitable persons. The Investigations and Enforcement Bureau ("IEB"), which is a Bureau within the Massachusetts Commission, is responsible for conducting administrative investigations of applicants and licensees, and for generally enforcing the Massachusetts Act and the regulations promulgated thereunder. In order to enforce the law, the IEB coordinates with the Massachusetts State Police, Attorney General and the Alcoholic Beverage Control Commission in order to perform its duties. The Massachusetts Act also establishes a Gaming Enforcement Division within the Massachusetts Attorney General's Office responsible for investigating and prosecuting criminal violations of the Massachusetts Act. The Massachusetts Commission has the authority to award up to three Category 1 licenses (table games and slot machines), and one Category 2 license (slot machines only), within the Commonwealth of Massachusetts to qualified applicants.

On December 23, 2013, the Massachusetts Commission determined that Blue Tarp and all applicable principal individuals and entities were qualified, and on November 6, 2014, the Massachusetts Commission awarded the sole Category 1 license in Region B of Massachusetts to Blue Tarp, effective November 7, 2014.

While a Category 1 license has been awarded to Blue Tarp, Blue Tarp may not conduct gaming activities until an operations certificate has been issued by the Massachusetts Commission, which will be issued upon compliance with applicable provisions of the Massachusetts Act and regulations promulgated thereunder, receipt of all required permits and approvals, compliance with the conditions of Blue Tarp's Category 1 license, and Blue Tarp continuing to meet applicable licensing, registration, qualification and other regulatory requirements. Under the Massachusetts Act, a Category 1 gaming licensee who fails to commence operations within one year from the opening date approved by the Massachusetts Commission is subject to the suspension or revocation of its license and, if the Commission determines that the gaming licensee acted in bad faith in its application, be assessed a fine of $50,000,000 or less. Under Blue Tarp's Host Community Agreement with the City of Springfield, Blue Tarp's failure to commence operations by February 7, 2018 subjects Blue Tarp to potential liquidated damages in the amount of $64,393.28 per calendar day. An amendment to the Host Community Agreement negotiated with the City of Springfield to extend this date is pending before the Springfield City Council.

The initial license term is 15 years, which will commence upon the Massachusetts Commission's approval of the commencement of the operation of the gaming establishment. The initial license fee for Category 1 licenses is $85,000,000, as determined by the Massachusetts Commission and authorized by the Massachusetts Act, which amount Blue Tarp has paid. All Category 1 and Category 2 gaming licensees are also subject to additional annual fees under the Massachusetts Act. Category 1 licensees must generally make on-going annual capital expenditures to their gaming establishments in a minimum aggregate amount equal to 3.5 percent of the net gaming revenues derived from the establishment.

Under the Massachusetts Act, gaming establishments may be open 24 hours a day, patrons must be 21 years of age to wager. Gaming beverage licenses may be granted by the Massachusetts Commission for the sale and distribution of alcoholic beverages at the gaming establishment except between the hours of 2 a.m. and 8 a.m.. The Massachusetts Act and regulations also describe procedures for, and restrictions on, check cashing, debit and credit card usage, ATMs, and other transactions within the gaming establishment. Certain regulations related to these transactions and other casino internal controls are currently in draft form, and subject to further review, revision and final approval.

The Massachusetts Commission, in particular the IEB, has extensive authority to conduct background investigations and to determine whether applicants for Category 1 and Category 2 licenses, affiliated holding or intermediary companies, subsidiaries, directors, managers, officers, financiers and debt holders, associates, key gaming executives and employees, other gaming related employees, and other persons or entities holding a five percent or greater direct or indirect interest in the applicant, are qualified under the Massachusetts Act (with certain exemptions for institutional investors in the discretion of the Massachusetts Commission) .

After a Category 1 license is awarded, the Massachusetts Commission and IEB have responsibility for the continuing regulation and licensing of the licensee and its officers, directors, employees and other designated persons. The Massachusetts Commission retains the authority to suspend, revoke or condition a Category 1 license, or any other license issued under the Massachusetts Act, and the IEB may levy civil penalties for regulatory and other violations. All licenses issued under the Massachusetts Act are expressly deemed a revocable privilege, conditioned on the licensee's fulfillment of all conditions of licensure, compliance with applicable laws and regulations, and the licensee's continuing qualification and suitability. Among other things, the Massachusetts Commission is also responsible for the collection of application, license and other fees, conducting investigations of and monitoring applicants and licensees, and reviewing and ruling on complaints, and may conduct inspections of the gaming establishment premises or the licensee's records and equipment.

The regulations promulgated to implement the Massachusetts Act impose detailed substantive and procedural requirements related to licensing and on-going operations. The regulations include, but are not limited to, provisions concerning: licensing and registration of employees; accounting procedures and internal controls; surveillance and security requirements; gaming equipment, devices and systems, and device registration and testing; self-exclusion; on-going reporting requirements related to construction, approvals and operations; temporary licensure; marketing and affirmative marketing plans; notification requirements related to new or changes in shareholders, executives, and other qualifiers; notification and/or approval of certain material events and transactions; complimentary services; on-going capital expenditures; political contributions; credit issuance and customer transactions; auditing and record retention; facility design and gaming floor plans; slot machine possession and transportation; table game rules and procedures; employee credentials; vendors and junkets; and count room and cage procedures.

Generally, interests in a gaming establishment and Category 1 licenses may not be transferred without notification to and approval of the Massachusetts Commission. The sale, assignment, transfer, pledge or other disposition of any security issued by a corporation which holds a gaming license is conditional and will be ineffective if disapproved by the Massachusetts Commission. Category 1 licensees may also not change their business governing structure without the notification and approval of the Massachusetts Commission, and may not operate, invest in or own, in whole or in part, another gaming licensee's license or gaming establishment.

The Massachusetts Commission retains the authority to promulgate, amend or repeal regulations concerning the Massachusetts Act, which, if enacted, could adversely affect the gaming industry and our ability to operate in Massachusetts. Further, certain regulations are currently in draft form, and subject to further review, revision and final approval.

Exhibit 99.3

CITYCENTER HOLDINGS, LLC AND SUBSIDIARIES

I N D E X

I NDEPENDENT AUDITORS' REPORT

To the Board of Directors
CityCenter Holdings, LLC

We have audited the accompanying consolidated financial statements of CityCenter Holdings, LLC and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2015 and 2014, and the related consolidated statements of operations, members' equity, and cash flows for each of the three years in the period ended December 31, 2015, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of CityCenter Holdings, LLC and its subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2015, in accordance with accounting principles generally accepted in the United States of America.

/s/ DELOITTE & TOUCHE LLP

Las Vegas, Nevada
February 26, 2016

CITYCENTER HOLDINGS, LLC
CONSOLIDATED BALANCE SHEETS
(In thousands)

	December 31,	
	2015	**2014**
ASSETS		
Current assets		
Cash and cash equivalents	$ 269,557	$ 266,411
Restricted cash	-	143,170
Accounts receivable, net	107,179	106,477
Inventories	18,786	20,537
Prepaid expenses and other current assets	28,621	25,309
Total current assets	424,143	561,904
Residential real estate	1,771	17,007
Property and equipment, net	7,569,599	7,795,723
Other assets		
Intangible assets, net	21,769	22,969
Deposits and other assets, net	41,501	34,908
Total other assets	63,270	57,877
	$ 8,058,783	$ 8,432,511
LIABILITIES AND MEMBERS' EQUITY		
Current liabilities		
Accounts payable	$ 23,027	$ 24,151
Construction payable	7,513	203,401
Current portion of long-term debt	5,167	-
Due to MGM Resorts International	55,018	45,500
Other accrued liabilities	181,048	235,116
Total current liabilities	271,773	508,168
Long-term debt, net	1,480,529	1,519,442
Other long-term obligations	18,726	20,369
Commitments and contingencies (Note 11)		
Members' equity	6,287,755	6,384,532
	$ 8,058,783	$ 8,432,511

The accompanying notes are an integral part of these consolidated financial statements.

CITYCENTER HOLDINGS, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)

	Year Ended December 31,		
	2015	**2014**	**2013**
Revenues			
Casino	$ 450,166	$ 422,979	$ 447,106
Rooms	429,488	409,495	370,199
Food and beverage	289,925	297,567	286,322
Entertainment	54,273	55,225	66,418
Retail	81,857	79,236	77,195
Residential	33,358	62,985	99,370
Other	52,065	51,590	46,830
	1,391,132	1,379,077	1,393,440
Less: Promotional allowances	(130,673)	(129,683)	(137,001)
	1,260,459	1,249,394	1,256,439
Expenses			
Casino	230,227	226,582	223,302
Rooms	133,507	130,150	115,492
Food and beverage	174,624	179,588	174,547
Entertainment	36,904	37,318	44,708
Retail	19,837	19,148	25,231
Residential	23,994	49,195	75,791
Other	31,197	30,505	27,668
General and administrative	258,298	278,543	262,187
Preopening and start-up expenses	-	-	752
Property transactions, net	(154,733)	61,914	(11,265)
Depreciation and amortization	272,330	350,926	345,920
	1,026,185	1,363,869	1,284,333
Operating income (loss)	234,274	(114,475)	(27,894)
Non-operating income (expense)			
Interest income	541	332	1,463
Interest expense, net	(72,791)	(82,260)	(239,052)
Loss on retirement of debt	-	(4,584)	(140,390)
Other, net	(191)	(7,579)	(37,275)
	(72,441)	(94,091)	(415,254)
Net income (loss)	$ 161,833	$ (208,566)	$ (443,148)

The accompanying notes are an integral part of these consolidated financial statements.

CITYCENTER HOLDINGS, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,		
	2015	**2014**	**2013**
Cash flows from operating activities			
Net income (loss)	$ 161,833	$ (208,566)	$ (443,148)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	272,330	350,926	345,920
Amortization of debt discounts and issuance costs	4,486	4,718	58,461
Pay-in-kind interest	-	-	31,874
Loss on retirement of long-term debt	-	4,584	140,390
Property transactions, net	(154,733)	61,914	(11,265)
Provision for doubtful accounts	22,420	18,311	7,272
Changes in current assets and liabilities:			
Accounts receivable	(22,622)	3,756	(33,330)
Inventories	1,751	(263)	1,783
Prepaid expenses and other	(11,612)	(279)	(2,178)
Accounts payable and accrued liabilities	(74,248)	(8,248)	(10,904)
Change in residential real estate	6,609	44,548	62,575
Change in residential mortgage notes receivable	-	-	42,096
Other	(7,754)	(6,924)	21
Net cash provided by operating activities	198,460	264,477	189,567
Cash flows from investing activities			
Capital expenditures, net of construction payable	(133,966)	(60,266)	(66,825)
Litigation settlements and insurance proceeds	87,617	93,635	-
Increase in restricted cash	-	(85,164)	(128,195)
Decrease in restricted cash	143,170	13,900	201,990
Other	(49)	(746)	(977)
Net cash provided by (used in) investing activities	96,772	(38,641)	5,993
Cash flows from financing activities			
Net repayments under bank credit facilities – maturities of three months or less	(38,000)	(154,250)	-
Retirement of senior notes, including premiums paid	-	-	(1,967,183)
Issuance of senior secured credit facility	-	-	1,683,000
Dividends paid	(400,000)	-	-
Cash contributions from Members	141,390	31,400	24,600
Due to MGM Resorts International	4,524	(3,002)	(2,295)
Debt issuance costs	-	(772)	(19,417)
Net cash used in financing activities	(292,086)	(126,624)	(281,295)
Cash and cash equivalents			
Net increase (decrease) for the period	3,146	99,212	(85,735)
Balance, beginning of period	266,411	167,199	252,934
Balance, end of period	$ 269,557	$ 266,411	$ 167,199

The accompanying notes are an integral part of these consolidated financial statements.

CITYCENTER HOLDINGS, LLC
CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY
(In thousands)

Balance as of January 1, 2013	**$**	**6,167,764**
Cash contributions by Members		24,600
Amounts due to MGM Resorts International reclassified to equity (Note 12)		72,618
Conversion of Members' notes to equity (Notes 8 and 12)		737,511
Non-cash capital contributions		2,353
Net loss		(443,148)
Balance as of December 31, 2013		**6,561,698**
Cash contributions by Members		31,400
Net loss		(208,566)
Balance as of December 31, 2014		**6,384,532**
Cash contributions by Members		141,390
Dividends paid		(400,000)
Net income		161,833
Balance as of December 31, 2015	**$**	**6,287,755**

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 — ORGANIZATION AND NATURE OF BUSINESS

Organization. CityCenter Holdings, LLC (the "Company") is a Delaware limited liability company formed on November 2, 2007. The Company was formed to acquire, own, develop and operate the CityCenter development ("CityCenter") in Las Vegas, Nevada. The Company is a joint venture which is 50%-owned by a wholly owned subsidiary of MGM Resorts International (together with its wholly owned subsidiaries, "MGM Resorts"), a Delaware corporation, and 50%-owned by Infinity World Development Corp ("Infinity World"), which is wholly owned by Dubai World, a Dubai United Arab Emirates government decree entity (each, a "Member"). The governing document for the Company is the Third Amended and Restated Limited Liability Company Agreement dated December 22, 2015 (the "LLC Agreement").

Under the LLC Agreement, the Board of Directors of the Company is composed of six representatives (subject to intermittent vacancies) – three selected by each Member – and has exclusive power and authority for the overall management of the Company. Compensation for Board of Directors' duties is borne by the Members. The Company has no employees and has entered into several agreements with MGM Resorts to provide for the development and day-to-day management of CityCenter and the Company. See Note 14 for further discussion of such agreements.

Nature of Business. CityCenter is a mixed-use development on the Las Vegas Strip located between the Bellagio and Monte Carlo resorts, both owned by MGM Resorts. CityCenter consists of the following components:

- Aria Resort & Casino, a 4,004-room casino resort featuring an approximately 140,000 square-foot casino, an approximately 1,800-seat showroom, approximately 300,000 square feet of conference and convention space, and numerous world-class restaurants, nightclubs and bars, and pool and spa amenities;
- The Vdara Hotel and Spa, a luxury condominium-hotel with 1,495 units;
- Mandarin Oriental, Las Vegas, a 392-room non-gaming boutique hotel managed by luxury hotelier Mandarin Oriental Hotel Group, as well as 225 luxury residential units (all 225 units were sold and closed as of December 31, 2015);
- The Veer Towers, 669 units in two towers consisting entirely of luxury residential condominium units (668 units sold and closed as of December 31, 2015); and
- The Shops at Crystals ("Crystals") with approximately 355,000 of currently leasable square feet of retail shops, dining, and entertainment venues.

Substantially all of the operations of CityCenter commenced in December 2009, and closing of sales of residential condominium units began in early 2010. See Note 11 for discussion of the demolition of the Harmon Hotel & Spa ("Harmon").

NOTE 2 — BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation. The consolidated financial statements include the accounts of the Company and its subsidiaries. The Company does not have a variable interest in any variable interest entities. All intercompany balances and transactions have been eliminated in consolidation. The results of operations are not necessarily indicative of the results to be expected in the future.

Management's use of estimates. The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. Those principles require the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair value measurements. Fair value measurements affect the Company's accounting for and impairment assessments of its long-lived assets, residential real-estate, residential mortgage notes and intangible assets. Fair value is defined as 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 and is measured according to a hierarchy consisting of: Level 1 inputs, such as quoted prices in an active market; Level 2 inputs, which are observable inputs for similar assets; or Level 3 inputs, which are unobservable inputs.

When assessing fair value of its residential real estate, the Company estimates fair value less costs to sell utilizing Level 3 inputs, including a discounted cash flow analysis based on management's current expectations of future cash flows. See Note 4 for further discussion.

The Company valued its residential mortgage notes using a discounted cash flow analysis based on Level 3 inputs, including contractual cash flows and discount rates based on market indicators. The Company sold its residential mortgage note portfolio in 2013. See "Residential mortgage notes" below for further discussion.

Cash and cash equivalents. Cash and cash equivalents include investments and interest bearing instruments with maturities of three months or less at the date of acquisition. Such investments are carried at cost, which approximates fair value.

Restricted cash. As of December 31, 2014, restricted cash included $58 million in condo proceeds contractually restricted to use for payment on construction related liens, which were subsequently used to fund amounts due to Perini Building Company ("Perini") pursuant to the settlement agreements, and $85 million of restricted cash related to insurance proceeds received in connection with certain settlement agreements, discussed in Note 11. Under the terms of the agreements applicable to CityCenter, such proceeds were being held in a segregated account and were payable by the Company to MGM Resorts. During 2015 such restrictions were removed in accordance with these agreements. See Notes 11 and 13 for further discussion.

Accounts receivable and credit risk. The Company issues markers to approved casino customers following investigations of creditworthiness. As of December 31, 2015, approximately 73% of the Company's casino receivables were due from customers residing in foreign countries. Business or economic conditions or other significant events in these countries could affect the collectability of such receivables.

Trade receivables, including casino and hotel receivables, are typically non-interest bearing and are initially recorded at cost. Accounts are written off when management deems the account to be uncollectible. Recoveries of accounts previously written off are recorded when received. An allowance for doubtful accounts is maintained to reduce the Company's receivables to their estimated realizable amount, which approximates fair value. The allowance is estimated based on a specific review of customer accounts as well as historical collection experience and current economic and business conditions. Management believes that as of December 31, 2015, no significant concentrations of credit risk existed.

Inventories. Inventories consist primarily of food and beverage, retail merchandise and operating supplies, and are stated at the lower of cost or market. Cost is determined primarily by the average cost method for food and beverage and operating supplies. Cost for retail merchandise is determined using the cost method.

Residential real estate. Residential real estate represents capitalized costs of residential inventory, which consists of completed condominium units available for sale less impairments previously recognized. Costs include land, direct and indirect construction and development costs, and capitalized property taxes and interest. See Note 4 for further discussion of residential real estate.

As part of an increase in the Company's construction accrual during 2013, the Company recognized an increased cost of its residential inventory of $20 million, $14 million of which was recorded to "Property transactions, net" in the year ended December 31, 2013, representing additional costs associated with previously sold residential units.

Residential operating expenses include cost of real estate sold, holding costs, selling costs, indirect selling costs and valuation allowances for residential mortgage notes receivable. Costs associated with residential sales were deferred during construction, except for indirect selling costs and general and administrative expense, which were expensed as incurred.

Property and equipment. Property and equipment are stated at cost including capitalized interest. Gains or losses on dispositions of property and equipment are included in the determination of income or loss. Maintenance and repairs that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Property and equipment are depreciated over the following estimated useful lives on a straight-line basis:

Buildings and improvements	20 to 40 years
Land improvements	10 to 20 years
Furniture and fixtures	3 to 20 years
Equipment	3 to 20 years

Project costs are stated at cost and recorded as property and equipment (which includes adjustments made upon the initial contribution by MGM Resorts) unless determined to be impaired, in which case the carrying value is reduced to estimated fair value. Final costs of the initial project were determined in connection with settlement of Perini litigation in December 2014 as discussed in Note 11. The Company recorded non-operating expense related to the Perini settlement of $8 million and $37 million for statutory

interest on estimated amounts payable in 2014 and 2013, respectively. At December 31, 2014, the Company accrued $139 million payable to Perini related to the settlement agreement.

In December 2015, the Company decided to close the Zarkana show at the Aria Resort & Casino as part of a plan to expand its conference and convention space. The Company expects the majority of the assets related to the Zarkana theatre will be disposed in April 2016 with construction of the conference and convention space to begin in May 2016. As a result, the Company has shortened the useful life of the assets related to the Zarkana theatre and recognized $20 million in accelerated depreciation expense associated with such assets in 2015. Accelerated depreciation expense of $20 million will be recognized each month until the theatre's disposition in April 2016.

Impairment of long-lived assets. The Company evaluates its property and equipment for impairment as held and used. The Company reviews assets to be held and used for impairment whenever indicators of impairment exist. It then compares the estimated future cash flows of the asset, on an undiscounted basis, to the carrying amount of the asset. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying amount, then impairment is recorded based on the fair value of the asset, typically measured using a discounted cash flow model.

Intangible assets. Indefinite-lived intangible assets are reviewed for impairment at least annually and between annual test dates in certain circumstances. The Company performs its annual impairment test for indefinite-lived intangible assets in the fourth quarter of each fiscal year. See Note 6 for further discussion.

Debt issuance costs . The Company capitalizes debt issuance costs, which include legal and other direct costs related to the issuance of debt. The capitalized costs are amortized straight-line to interest expense over the contractual term of the debt. The Company adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update No. 2015-03, "Simplifying the Presentation of Debt Issuance Costs," ("ASU 2015-03"), in 2015 on a retrospective basis as further discussed in the "Recently issued accounting standards" section. Accordingly, a reclassification has been made to the prior year financial statements to reclassify $13 million from Deposits and other assets, net, to Long-term debt, net as of December 31, 2014.

Revenue recognition and promotional allowances. Casino revenue is the aggregate net difference between gaming wins and losses, with liabilities recognized for funds deposited by customers before gaming play occurs ("casino front money") and for chips in the customers' possession ("casino outstanding chip liability"). Hotel, food and beverage, entertainment, retail and other operating revenues are recognized as services are performed and goods are provided. Advance deposits on rooms and advance ticket sales are recorded as accrued liabilities until services are provided to the customer.

Gaming revenues are recognized net of certain sales incentives, including discounts and points earned in point-loyalty programs. The retail value of accommodations, food and beverage, and other services furnished to guests without charge is included in gross revenue and then deducted as promotional allowances. The estimated cost of providing such promotional allowances is primarily included in casino expenses as follows:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
Rooms	$ 22,513	$ 22,159	$ 24,206
Food and beverage	43,446	44,241	47,188
All other	8,153	8,520	8,872
	$ 74,112	$ 74,920	$ 80,266

Real estate sales – revenue recognition. Revenue for residential sales is deferred until closing occurs, which is when title, possession and other attributes of ownership have been transferred to the buyer and the Company is not obligated to perform activities after the sale. Additionally, the buyer's initial and continuing investment must be adequate to demonstrate a commitment to pay and the buyer's receivable cannot be subject to future subordination.

Leases where the Company is a lessor. The majority of the Company's revenue from leasing activities relates to Crystals. Minimum rental revenue, if applicable to the lease, is recognized on a straight-line basis over the terms of the related leases. Revenue from contingent rent is recognized as earned. The Company provides construction allowances to certain tenants. Construction allowances are recorded as fixed assets if the Company has determined it is the owner of such improvements for accounting purposes; improvements related specifically to the current tenant are depreciated over the shorter of the asset life or lease term. Where the Company has determined it is not the owner of such improvements, the construction allowances are amortized over the life of the related lease as a reduction of revenue.

Loyalty programs. Aria participates in the MGM Resorts' "M life" loyalty program. Customers may earn points and/or Express Comps for their gaming play which can be redeemed at restaurants, box offices or the M life front desk at participating properties. Points may also be redeemed for free slot play on participating machines. The Company records a liability based on the points earned multiplied by the redemption value, less an estimate for points not expected to be redeemed, and records a corresponding reduction in casino revenue. Customers also earn Express Comps based on their gaming play which can be redeemed for complimentary goods and services, including hotel rooms, food and beverage, and entertainment. The Company records a liability for the estimated costs of providing goods and services for Express Comps based on the Express Comps earned multiplied by a cost margin, less an estimate for Express Comps not expected to be redeemed and records a corresponding expense in the casino department.

Preopening and start-up expenses. Costs incurred for one-time activities during the start-up phase of operations are accounted for as preopening and start-up costs. Preopening and start-up costs, including organizational costs, are expensed as incurred. No preopening expenses were incurred for the periods ended December 31, 2015 and 2014. During 2013, costs classified as preopening and start-up expense represent costs associated with the opening of a new wedding chapel.

Advertising. The Company expenses advertising costs the first time the advertising takes place. Advertising expense is included in preopening and start-up expenses when related to the preopening and start-up period and in general and administrative expense when related to ongoing operations or residential selling expenses. Advertising expense was $20 million for the each of the years ended December 31, 2015, 2014 and 2013.

Property transactions, net. The Company classifies transactions related to long-lived assets – such as write-downs and impairments, demolition costs, and gains and losses on the sale of fixed assets – within "Property transactions, net" in the accompanying consolidated statements of operations. See Note 9 for details.

Residential mortgage notes. Certain buyers of CityCenter's residential units participated in the Company's seller financing program, whereby the Company provided first mortgage financing. All mortgage notes were classified as held for sale and reported at the lower of cost or fair value, determined based on management's assessment of the market terms of the portfolio and its collectability. The evaluation of collectability was based on several factors including past payment history, duration of the loan, creditworthiness, loan-to-value ratios, underlying collateral, and present economic conditions. The entire residential mortgage note receivable portfolio was sold in April 2013.

Income taxes. The Company is treated as a partnership for federal income tax purposes. Therefore, federal income taxes are the responsibility of the Members. As a result, no provision for income taxes is reflected in the accompanying consolidated financial statements.

Comprehensive income (loss). Net income (loss) equals comprehensive income (loss) for all periods presented.

Dividends. In April 2015, the Company adopted an annual distribution policy and declared and paid a special dividend of $400 million. Under the annual distribution policy, the Company will distribute up to 35% of excess cash flow, subject to the approval of the Company's board of directors.

Recently issued accounting standards. On February 25, 2016, the FASB issued Accounting Standards Update No. 2016-02, "Leases (Topic 842)," ("ASU 2016-02"), which replaces the existing guidance in Accounting Standards Codification 840, Leases. ASU 2016-02 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2018. ASU 2016-02 requires a dual approach for lessee accounting under which a lessee would account for leases as finance leases or operating leases. Both finance leases and operating leases will result in the lessee recognizing a right-of-use ("ROU") asset and a corresponding lease liability. For finance leases the lessee would recognize interest expense and amortization of the ROU asset and for operating leases the lessee would recognize a straight-line total lease expense. The Company is currently assessing the impact that adoption of this guidance will have on its consolidated financial statements and footnote disclosures.

In August 2015, the FASB issued Accounting Standards Update No. 2015-14, "Revenue From Contracts With Customers (Topic 606): Deferral of the Effective Date," which defers the effective date of Accounting Standards Update No. 2014-09, "Revenue From Contracts With Customers," ("ASU 2014-09") to the fiscal year, and interim periods within the year, beginning on or after December 15, 2017. FASB ASU 2014-09 outlines a new, single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. This new revenue recognition model provides a five-step analysis in determining when and how revenue is recognized. Additionally, the new model will require revenue recognition to depict the transfer of promised goods or services to customers in an amount that reflects the consideration a company expects to receive in exchange for those goods or services. The Company is currently assessing the impact that adoption of this guidance will have on its consolidated financial statements and footnote disclosures.

In July 2015, the FASB issued Accounting Standards Update No. 2015-11, "Simplifying the Measurement of Inventory," ("ASU 2015-11"), effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. ASU 2015-11 requires inventory that is measured using first-in, first-out (FIFO) or average cost method to be measured "at the lower of cost and net realizable value," thereby simplifying the current guidance under which an entity must measure inventory at the lower of cost or market (market in this context is defined as one of three different measures). ASU No. 2015-11 will not apply to inventories that are measured by using either the LIFO method or the retail inventory method. The Company is currently assessing the impact that adoption of ASU 2015-11 will have on its consolidated financial statements and footnote disclosures.

During 2015, the Company early adopted ASU 2015-03, which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the carrying value of the associated debt liability, consistent with the presentation of a debt discount. The amortization of such costs will continue to be reported as interest expense. In addition, in accordance with Accounting Standards Update No. 2015-15, "Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements: Amendments to SEC Paragraph Pursuant to Staff Announcement at June 18, 2015 EITF Meeting," ("ASU 2015-15"), which was adopted concurrent with ASU 2015-03, the Company will continue to present the debt issuance costs associated with the Company's revolving credit facilities as other assets included within the Company's consolidated balance sheets and continue amortizing those deferred costs over the term of the related facilities. ASU 2015-03 requires the new guidance to be applied on a retrospective basis. Accordingly, as of December 31, 2015 and 2014, the Company reclassified $11 million and $13 million, respectively, of debt issuance costs in the accompanying consolidated balance sheets.

Subsequent events. Management has evaluated subsequent events through February 26, 2016, the date these consolidated financial statements were issued.

NOTE 3 — ACCOUNTS RECEIVABLE, NET

Accounts receivable consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Casino	$ 112,461	$ 116,575
Hotel	30,241	29,933
Other	9,555	9,872
	152,257	156,380
Less: Allowance for doubtful accounts	$ (45,078)	(49,903)
	$ 107,179	$ 106,477

NOTE 4 — RESIDENTIAL REAL ESTATE

Residential real estate was $2 million and $17 million as of December 31, 2015 and 2014, respectively. As of December 31, 2014, an additional $7 million was recorded in property and equipment, net related to a portion of the residential inventory in the rental program. During the years ended December 31, 2015, 2014 and 2013, the Company transferred $7 million, $43 million, and $16 million, respectively, of net residential real estate assets from property and equipment, net related to a portion of the units that were previously included in the rental program.

The Company is required to carry its residential inventory at the lower of cost or fair value less costs to sell. When assessing impairment of its residential real estate, the Company estimates fair value less costs to sell utilizing Level 3 inputs, including a discounted cash flow analysis based on management's current expectations of future cash flows. These estimates are subject to management's judgment and are highly sensitive to changes in the market and economic conditions. No impairment charges were recorded against the Company's residential inventory for the years ended December 31, 2015, 2014 and 2013.

As of December 31, 2015, the Company had one unit remaining unsold.

NOTE 5 — PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Land	$ 1,778,894	$ 1,780,416
Buildings, building improvements and land improvements	6,254,349	6,242,163
Furniture, fixtures and equipment	1,457,277	1,434,264
Construction in progress	10,825	12,923
	9,501,345	9,469,766
Less: Accumulated depreciation and amortization	(1,931,746)	(1,674,043)
	$ 7,569,599	$ 7,795,723

NOTE 6 — INTANGIBLE ASSETS

Intangible assets consisted of the following:

	December 31,	
	2015	2014
Indefinite-lived:	*(In thousands)*	
Intellectual property	$ 5,017	$ 5,017
Finite-lived:		
Aircraft time sharing agreement	24,000	24,000
Other intangible assets	578	578
	24,578	24,578
Less: Accumulated amortization	(7,826)	(6,626)
	$ 21,769	$ 22,969

The majority of the Company's intangible assets are assets that were contributed by MGM Resorts upon formation of the Company. Intellectual property represents trademarks, domain names, and other intellectual property including the *CityCenter, Aria, Vdara* and *Crystals* tradenames and *Aria.com* domain. There is no contractual or market-based limit to the use of these intangible assets and therefore they have been classified as indefinite-lived.

The Company performs an annual review of its indefinite-lived intangible assets for impairment in the fourth quarter each year. The asset's fair value is compared to its carrying value, and an impairment charge is recorded for any short-fall. Fair value is estimated using the relief-from-royalty method which discounts cash flows that would be required to obtain the use of the related intangible asset. Key inputs in the relief-from-royalty analysis include forecasted revenues related to the intangible asset, market royalty rates, discount rates and terminal year growth rates.

The aircraft time sharing agreement intangible asset relates to an agreement between MGM Resorts and the Company whereby MGM Resorts provides the Company the use of MGM Resorts' aircraft in its operations. The Company is charged a rate that is based on Federal Aviation Administration regulations, which provides for reimbursement for specific costs incurred by MGM Resorts without any profit or mark-up. Accordingly, the fair value of this agreement was recognized as an intangible asset, and is being amortized on a straight-line basis over 20 years, and will be fully amortized in 2029.

NOTE 7 — OTHER ACCRUED LIABILITIES

Other accrued liabilities consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Advance deposits and ticket sales	$ 31,033	$ 25,856
Casino outstanding chip liability	56,807	45,863
Casino front money deposits	36,764	40,038
Other gaming related accruals	10,257	7,089
Taxes, other than income taxes	15,616	14,817
Harmon demolition accrual	14,693	22,778
Deferred insurance proceeds	-	55,000
Other	15,878	23,675
	$ 181,048	$ 235,116

See Note 11 for discussion of the Harmon demolition accrual and deferred insurance proceeds.

NOTE 8 – LONG-TERM DEBT

Long-term debt consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Senior secured credit facility	$ 1,507,750	$ 1,545,750
Less discounts and unamortized debt issuance cost	(22,054)	(26,308)
	1,485,696	1,519,442
Less current portion of long-long term debt	(5,167)	-
	$ 1,480,529	$ 1,519,442

Interest expense, net consisted of the following:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
Senior secured credit facility including discount amortization	$ 70,309	$ 79,545	$ 18,339
Senior secured notes including pay-in-kind interest	-	-	128,831
Member notes including discount amortization	-	-	82,655
Amortization of debt issuance costs and other	2,482	2,715	9,227
	$ 72,791	$ 82,260	$ 239,052

Senior secured credit facility. At December 31, 2015, the Company's senior secured credit facility consisted of a $75 million revolving facility maturing in October 2018, and a $1.5 billion term loan B facility maturing in October 2020. The term loan B facility requires the Company to make amortization payments of 0.25% of the original principal balance at each quarter end. In June 2014 the Company completed a repricing of the term loan B facility and used available cash to permanently repay $150 million of the term loan B facility, a portion of which represents the amortization obligation through the remaining term of the facility.

The loans under the term loan B bear interest, in the case of Eurodollar loans, at LIBOR plus 3.25% with a LIBOR floor of 1.00%, and in the case of base rate loans, at the base rate plus 2.25%. As of December 31, 2015, the interest rate on the term loan B was 4.25%. Loans under the revolving facility bear interest, in the case of Eurodollar loans, at LIBOR plus 3.75% or 4.00%, depending on the Company's credit ratings, and in the case of base rate loans, 2.75% or 3.00%, depending on the Company's ratings. Additionally, the Company pays an applicable fee of 0.375% or 0.50%, depending on the Company's credit ratings, for the unused portion of the revolving facility. The Company had $63 million of available borrowing capacity under its senior secured credit facility at December 31, 2015.

In connection with the closing of the senior secured credit facility in October 2013, the Company redeemed its existing 7.625% senior secured first lien notes and 10.75% senior secured second lien PIK toggle notes at a premium in accordance with the terms of the indentures governing those notes. As a result of the transaction, the Company recorded a loss on retirement of long-term debt of $140 million, primarily consisting of premiums associated with the redemption of the existing first and second lien notes as well as the write-off of previously unamortized debt issuance costs. In connection with the October 2013 debt restructuring, sponsor notes with a carrying value of approximately $738 million were converted to Members' equity. As a result of these transactions, the senior secured credit facility is CityCenter's only remaining long-term debt.

The senior secured credit facility is a general senior obligation of the Company and ranks equally with the Company's other existing and future senior obligations, is fully and unconditionally guaranteed on a senior secured basis by the restricted subsidiaries of the Company, and is secured by a first-priority perfected lien on substantially all of the Company's assets and the assets of its subsidiaries.

The senior secured credit facility contains covenants that, among other things, restrict the Company's ability to (i) incur additional indebtedness or liens, (ii) pay dividends or make distributions on its equity interests or repurchase its equity interests, (iii) make certain investments, (iv) enter into certain burdensome agreements limiting the ability of its subsidiaries to pay dividends or make other distributions to it, (v) sell certain assets or merge with or into other companies, and (vi) enter into certain transactions with its equity holders and affiliates. In addition, the senior secured credit facility includes certain financial covenants that require the Company to maintain a quarterly minimum interest coverage ratio of 2.0:1.0 and a maximum quarterly leverage ratio for the trailing four quarters of: 6.75:1.00 for December 31, 2015; 6.00:1.00 for March 31, 2016 through December 31, 2016; and 5.50:1.00 for March 31, 2017 and thereafter. The Company was in compliance with all applicable covenants as of December 31, 2015.

Pursuant to the senior secured credit facility, the Company is required to make permanent repayments of principal based on an annual calculation of excess cash flow, as defined in the agreements. The percentage of excess cash flow required to be repaid is based on the Company's leverage ratio as of the end of the fiscal year, with 50% required to be repaid if the leverage ratio is greater than 5.0:1.0 as of the measurement date, 25% if the leverage ratio is less than or equal to 5.0:1.0 and greater than 4.0:1.0, and no payment of excess cash flow is required if the leverage ratio is less than or equal to 4.0:1.0. As of December 31, 2015, the Company's excess cash flow required to be paid in accordance with the senior secured credit agreement for 2015 was $43 million. During 2015 the Company paid $38 million related to its 2015 excess cash flow obligation and recorded $5 million in current portion of long-term debt related to its remaining obligation. As of December 31, 2014, the Company's excess cash flow required to be paid in accordance with the senior secured credit agreement for 2014 was included in the $150 million principal repayments. As a result, the Company did not record a current portion of long-term debt related to a 2014 obligation of excess cash flow repayment.

Fair value of long-term debt. The estimated fair value of the Company's long-term debt as of December 31, 2015 and 2014 was approximately $1.50 billion and $1.61 billion, respectively, and was determined using estimates based on trading prices of similar liabilities, a Level 2 input.

Maturities of long-term debt. As of December 31, 2015, maturities of the Company's long-term debt were as follows:

For the year ending December 31,	*(In thousands)*
2016	$ 5,167
2017	-
2018	-
2019	-
2020	1,502,583
Thereafter	-
	$ 1,507,750

NOTE 9 — PROPERTY TRANSACTIONS, NET

Property transactions, net consisted of the following:

	Year Ended December 31,		
	2015	2014	2013
		(In thousands)	
Construction litigation and Harmon related settlements	$ (159,980)	$ 47,540	$ (33,000)
Other, net	5,247	14,374	21,735
	$ (154,733)	$ 61,914	$ (11,265)

In 2015, the Company recorded a $160 million gain associated with the settlement of the Perini litigation. See Note 11 for details.

In 2014, the Company recorded charges of $48 million related to certain settlement agreements in conjunction with the resolution of the Perini litigation as discussed in Note 11.

In 2013, the Company recognized a $33 million gain associated with the settlement of insurance claims for errors and omissions with respect to the original construction of CityCenter. Other property transactions, net for the year ended December 31, 2013 includes $14 million related to increases in cost estimates allocated to residential units sold in prior periods.

Other property transactions, net for the years ended December 31, 2015, 2014 and 2013 also includes miscellaneous asset disposals in the normal course of business.

NOTE 10 — SEGMENT INFORMATION

The Company determines its segments based on the nature of the products and services provided. There are six operating segments: Aria, Vdara, Mandarin Oriental hotel, Crystals, Mandarin Oriental residential and Veer residential. Mandarin Oriental has both a hotel and a residential operating segment. The Company has aggregated residential operations into one reportable segment ("Residential") given the similar economic characteristics and business of selling and leasing high-rise condominiums. All other operating segments are reported separately. The Company's operating segments do not include the ongoing activity associated with closing out its construction costs and certain corporate administrative costs.

The Company analyzes the results of its operating segments' operations based on Adjusted EBITDA, which it defines as earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening and start-up expenses, and property transactions, net. The Company believes Adjusted EBITDA is 1) a widely used measure of operating performance in the hospitality and gaming industry, and 2) a principal basis for valuation of hospitality and gaming companies.

While items excluded from Adjusted EBITDA may be recurring in nature and should not be disregarded in evaluating the Company's or its segments' earnings performance, it is useful to exclude such items when analyzing current results and trends compared to other periods because these items can vary significantly depending on specific underlying transactions or events that may not be comparable between the periods being presented. Also, the Company believes excluded items may not relate specifically to current operating trends or be indicative of future results. For example, write-downs and impairments includes normal recurring disposals and gains and losses on sales of assets related to specific assets within CityCenter, but also includes impairment charges which may not be comparable period over period.

The following tables present the Company's segment information:

	Year Ended December 31,		
	2015	2014	2013
Net revenues		*(In thousands)*	
Aria	$ 985,483	$ 955,563	$ 951,727
Vdara	111,006	103,856	90,444
Mandarin Oriental	61,541	60,515	53,714
Crystals	69,071	66,475	61,184
Residential	33,358	62,985	99,370
Net revenues	$ 1,260,459	$ 1,249,394	$ 1,256,439

	Year Ended December 31,		
	2015	2014	2013
Adjusted EBITDA		*(In thousands)*	
Aria	$ 267,606	$ 242,790	$ 252,670
Vdara	29,666	25,688	20,650
Mandarin Oriental	5,685	5,028	3,471
Crystals	44,997	43,453	38,712
Residential	7,877	9,378	15,171
Reportable segment Adjusted EBITDA	355,831	326,337	330,674
Other operating income (expense)			
Development and corporate administration	(3,960)	(27,972)	(23,161)
Preopening and start-up expenses	-	-	(752)
Property transactions, net	154,733	(61,914)	11,265
Depreciation and amortization	(272,330)	(350,926)	(345,920)
Operating income (loss)	234,274	(114,475)	(27,894)
Non-operating income (expense)			
Interest income	541	332	1,463
Interest expense, net	(72,791)	(82,260)	(239,052)
Loss on retirement of debt	-	(4,584)	(140,390)
Other, net	(191)	(7,579)	(37,275)
	(72,441)	(94,091)	(415,254)
Net income (loss)	$ 161,833	$ (208,566)	$ (443,148)

	December 31,	
	2015	2014
Total assets	*(In thousands)*	
Aria	$ 6,027,597	$ 6,172,420
Vdara	717,616	746,645
Mandarin Oriental	366,190	376,692
Crystals	888,769	909,938
Residential	1,955	26,507
Reportable segment total assets	8,002,127	8,232,202
Development and corporate administration	56,656	200,309
Total assets	$ 8,058,783	$ 8,432,511

	Year Ended December 31,		
	2015	2014	2013
Capital expenditures		*(In thousands)*	
Aria	$ 47,807	$ 31,174	$ 28,687
Vdara	1,121	1,583	4,391
Mandarin Oriental	1,050	814	325
Crystals	1,399	169	5,236
Residential	-	-	-
Reportable segment capital expenditures	51,377	33,740	38,639
Development and corporate administration, net of change in construction payable and due to MGM Resorts International	82,589	26,526	28,186
Capital expenditures, net of change in construction payable	$ 133,966	$ 60,266	$ 66,825

Capital expenditures related to the original construction costs are included in "development and corporate administration, net of change in construction payable and due to MGM Resorts International." See Note 2 for discussion of project costs and allocation methodologies. Ongoing capital expenditures not related to the project budget are included within the relevant segments.

NOTE 11 — COMMITMENTS AND CONTINGENCIES

Construction litigation. In March 2010, Perini, general contractor for CityCenter, filed a lawsuit in the Eighth Judicial District Court for Clark County, State of Nevada, against MGM MIRAGE Design Group (a wholly owned subsidiary of MGM Resorts which was the original party to the Perini construction agreement) and certain direct or indirect subsidiaries of the Company. Perini asserted, among other things, that CityCenter was substantially completed, but the defendants failed to pay Perini approximately $490 million allegedly due and owing under the construction agreement for labor, equipment and materials expended on CityCenter.

In April 2010, Perini served an amended complaint in this case which joined as defendants many owners of CityCenter residential condominium units (the "Condo Owner Defendants"), added a count for foreclosure of Perini's recorded master mechanic's lien against the CityCenter property in the amount of approximately $491 million, and asserted the priority of this mechanic's lien over the interests of the Company, the Condo Owner Defendants and the Company's lenders in the CityCenter property. In November 2012, Perini filed a second amended complaint which, among other things, added claims against the CityCenter defendants of breach of contract (alleging that CityCenter's Owner Controlled Insurance Program ("OCIP") failed to provide adequate project insurance for Perini with broad coverages and high limits), and tortious breach of the implied covenant of good faith and fair dealing (alleging improper administration by the Company of the OCIP and Builders Risk insurance programs). Prior to the Final Settlement, as defined below, the Company settled the claims of 219 first-tier Perini subcontractors (including the claims of any lower-tier subcontractors that might have claims through those first-tier subcontractors). As a result of these settlement agreements and the prior settlement agreements between Perini and the Company, most but not all of the components of Perini's non-Harmon-related lien claim against the Company were resolved. On February 24, 2014, Perini filed a revised lien for $174 million as the amount claimed by Perini and the remaining Harmon-related subcontractors.

During 2013, the Company reached a settlement agreement with certain professional service providers against whom it had asserted claims in this litigation for errors or omissions with respect to the CityCenter project, and relevant insurers. This settlement was approved by the court and the Company received proceeds of $38 million in 2014 related to both the Harmon and other components of the CityCenter project.

In 2014, the Company reached a settlement with builder's risk insurers of a claim relating to damage alleged at the Harmon and received proceeds of $55 million.

In December 2014, the Perini matter was concluded through a global settlement among the Company, MGM Resorts, Perini, the remaining subcontractors, including those implicated in the Harmon work (and their affiliates), and relevant insurers, which followed the previously disclosed settlement agreements and an extra-judicial program for settlement of certain project subcontractor claims. This global settlement concluded all outstanding claims in the case (the "Final Settlement"). The effectiveness of the global settlement was made contingent upon the Company's execution of certain indemnity and release agreements (which were executed in January 2015) and the Company's procurement of replacement general liability insurance covering construction of the CityCenter development (which was obtained in January 2015).

The Final Settlement, together with previous settlement agreements relating to the non-Harmon related lien claims, resolved all of Perini's and the remaining subcontractors' lien claims against the Company and MGM Resorts, certain direct and indirect subsidiaries, MGM Resorts International Design (formerly known as MGM MIRAGE Design Group), and the Condo Owner Defendants. However, the Company expressly reserved any claims for latent or hidden defects as to any portion of CityCenter's original construction (other than the Harmon) not known to the Company at the time of the agreement. The Company and MGM Resorts entered into the Final Settlement solely as a compromise and settlement and not in any way as an admission of liability or fault.

The key terms of the Final Settlement included:

With respect to its non-Harmon lien claims, Perini waived a specific portion of its lien claim against the Company, which combined with the prior non-Harmon agreement and accrued interest resulted in a total payment to Perini of $153 million, approximately $14 million of which was paid in December 2014. The total payment to Perini was funded by MGM Resorts under their completion guarantee and included the application of approximately $58 million of condominium proceeds that were previously held in escrow by the Company to fund construction lien claims upon final resolution of the Perini litigation.

The Company's recovery for its Harmon construction defect claims, when added to the Harmon-related proceeds from prior insurance settlements of $85 million, resulted in gross cash settlement proceeds to the Company of approximately $191 million (of which approximately $18 million was paid by MGM Resorts to CityCenter under the completion guarantee in February 2015).

In conjunction with the Final Settlement, MGM Resorts and an insurer participating in the OCIP resolved their arbitration dispute concerning such insurers claim for payments it made under the OCIP general liability coverage for contractor costs incurred in the Harmon litigation, premium adjustments and certain other costs and expenses. MGM Resorts settled this dispute for $38 million, and funded the majority of such amounts under the completion guarantee in January 2015.

Harmon. As discussed above, a global settlement was reached in the Perini litigation in December 2014, which finally resolved all outstanding liens, claims and counterclaims between the Company and MGM Resorts on one hand, and Perini, the remaining subcontractors and remaining insurers on the other hand. Among the matters resolved were the Company's claims against Perini and other contractors and subcontractors with respect to construction at the Harmon. Pursuant to leave of court in 2014, the Company commenced demolition of the building. The Company has completed a partial demolition of the building and is currently evaluating options for further demolition and plans for the future use of the remaining structure. The Company believes the remaining demolition of the Harmon structure if demolished to the ground level would cost approximately $15 million.

Other litigation. The Company is a party to various legal proceedings that relate to construction and development matters and operational matters incidental to its business. Management does not believe that the outcome of such proceedings will have a material adverse effect on the Company's consolidated financial statements. The Company maintained an OCIP during the construction and development process. Under the OCIP, certain insurance coverages may cover a portion of the Company's general liability, workers compensation, and other potential liabilities.

Other commitments. The Company entered into an agreement with a service provider for the initial and ongoing leasing of Crystals. Under the terms of the agreement, the Company was required to pay an annual service fee of approximately $2 million in 2011, increasing 3% each year through the initial term of the agreement, which expires in 2019. In addition to the service fee, the Company will be required to pay approximately $11 million at the termination of the agreement in 2019, which is being recorded ratably over the contract term. As of December 31, 2015, the Company recorded $8 million related to such amount within "Other long-term obligations" in the consolidated balance sheet. Additional fees may be incurred if the service provider exercises its option to renew the agreement in 2019.

Other guarantees. The Company is party to various guarantee contracts in the normal course of business, which are generally supported by letters of credit issued by financial institutions. The Company's available borrowing capacity under the senior secured credit facility is reduced by any outstanding letters of credit. At December 31, 2015, the Company had $12 million in letters of credit outstanding.

Leases where the Company is a lessee. The Company is party to various leases for real estate and equipment under operating lease arrangements. The Company's future minimum obligations under non-cancelable leases are immaterial in each of the next five years, and in total.

Leases where the Company is a lessor. The Company enters into operating leases related to retail, dining and entertainment venues primarily at Crystals. As of December 31, 2015, the Company has 62 such leases in place. Tenants are primarily responsible for tenant improvements, though the Company provides construction allowances to certain lessees. Leases include base rent, common area maintenance charges and, in some cases, percentage rent based on the sales of the lessee.

Expected fixed future minimum lease payments for leases in place as of December 31, 2015 are as follows:

For the year ending December 31,		*(In thousands)*
2016	$	41,938
2017		41,875
2018		42,460
2019		38,834
2020		23,043
Thereafter		46,275
	$	234,425

Several leases contain terms that are based on meeting certain operational criteria. Contingent rentals included in income were $14 million, $8 million and $13 million for the years ended December 31, 2015, 2014 and 2013, respectively.

Residential leases. In October of 2010, the Company began a program to lease a portion of unsold residential condominium units at Veer and Mandarin Oriental with minimum lease terms of one year. For the years ended December 31, 2015, 2014 and 2013 revenue from the real estate leasing program was $0.1 million, $1 million and $3 million, respectively, and was recorded within "Residential" revenue.

NOTE 12 — SUPPLEMENTAL CASH FLOW INFORMATION

Supplemental cash flow information consisted of the following:

	Year Ended December 31,		
	2015	2014	2013
	(In thousands)		
Supplemental cash flow disclosures:			
Interest paid	$ 68,306	$ 95,250	$ 205,928
Increase in construction payable related to capital expenditures	-	-	65,502
Increase in due to MGM Resorts International payable related to capital expenditures	4,994	-	-
Non-cash investing and financing activities:			
Reclassification of property and equipment, net to residential real estate	$ 7,293	$ 43,291	$ 16,301
Pay-in-kind interest accrued on loans from Members	-	-	31,874
Conversion of Members' notes to equity	-	-	737,511
Non-cash capital contributions	-	-	2,353
Reclassification of receipts related to MGM Resorts International completion guarantee (1)	-	-	72,618

(1) Represents amounts reclassified to equity related to condominium proceeds received and expected to be used for construction project costs. See Note 13.

NOTE 13 — MEMBER CONTRIBUTIONS AND DISTRIBUTIONS TO MEMBERS

In connection with the restated senior credit facility, MGM Resorts entered into a restated completion guarantee (as restated, the "completion guarantee") that supported the remaining construction payables from the construction of CityCenter. The terms of the completion guarantee required the Company to use $124 million of subsequent net residential sale proceeds to fund construction costs, or to reimburse MGM Resorts for construction costs previously expended. As of December 31, 2014, the Company had received net residential proceeds in excess of the $124 million and was holding $58 million in a condo proceeds account representing the remaining proceeds available to fund completion guarantee obligations or be reimbursed to MGM Resorts. The $58 million in condo proceeds was recorded within "Restricted cash" in the accompanying consolidated balance sheet and was subsequently used to fund amounts due to Perini pursuant to the settlement agreements under the Perini lawsuit. See Note 11 for further discussion of the Perini lawsuit. The completion guarantee was terminated in June 2015 and as of December 31, 2015, MGM Resorts had funded $888 million under the completion guarantee which the Company recorded as equity contributions.

In April 2015, the Company adopted an annual distribution policy and declared and paid a special dividend of $400 million. Under the annual distribution policy, the Company will distribute up to 35% of excess cash flow, subject to the approval of the Company's board of directors.

NOTE 14 — MANAGEMENT AGREEMENTS AND RELATED PARTY TRANSACTIONS

The Company and MGM Resorts have entered into agreements whereby MGM Resorts was responsible for management of the design, planning, development and construction of CityCenter and is responsible for the ongoing management of CityCenter and the Company. The LLC Agreement provides for Infinity World's right to terminate the Operations Management Agreements if MGM Resorts' ability to perform under those agreements is impacted by its financial condition. MGM Resorts was reimbursed for certain costs incurred in performing the development services and the Company is paying MGM Resorts management fees as stipulated in each of the agreements referenced below.

Operations management agreements. The Company and MGM Resorts entered into the following agreements to provide for the ongoing operations of CityCenter:

- *Hotel and Casino Operations and Hotel Assets Management Agreement* – Pursuant to this agreement, MGM Resorts manages the operations of Aria and oversees the Mandarin Oriental component of CityCenter, which is managed by a third party. The Company pays MGM Resorts a fee equal to 2% of Aria's revenue plus 5% of Aria's EBITDA (as defined in the agreement) for services under this agreement.

- *Vdara Condo-Hotel Operations Management Agreement* – Pursuant to this agreement, MGM Resorts manages the ongoing operations of Vdara Condo-Hotel. The Company pays MGM Resorts a fee equal to 2% of Vdara's revenue and 5% of Vdara's EBITDA (as defined in the agreement) for services under this agreement.

- *Retail Management Agreement* – Pursuant to this agreement, the Company pays MGM Resorts an annual fee of $3 million to manage the operations of Crystals. This fee is adjusted every five years, starting in December 2014, based on the consumer price index.

During the years ended December 31, 2015, 2014 and 2013, the Company incurred $41 million, $38 million and $38 million, respectively, related to the management fees discussed above. In addition, the Company reimburses MGM Resorts for costs, primarily employee compensation, associated with its management activities. During the years ended December 31, 2015, 2014 and 2013, the Company incurred $393 million, $380 million and $364 million, respectively, for reimbursed costs of management services provided by MGM Resorts. As of December 31, 2015 and 2014, the Company owed MGM Resorts $55 million and $46 million, respectively, for management services and reimbursable costs, at December 31, 2015 such amount included $5 million related to capitalized construction costs.

Aircraft agreement. The Company has an agreement with MGM Resorts whereby MGM Resorts provides the Company the use of its aircraft on a time sharing basis. The Company is charged a rate that is based on Federal Aviation Administration regulations, which provides for reimbursement for specific costs incurred by MGM Resorts without any profit or mark-up. The Company reimbursed MGM Resorts $2 million, $3 million and $3 million for aircraft related expenses in the years ended December 31, 2015, 2014 and 2013, respectively.