

**AMENDED AND RESTATED
CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS OF
MGM MIRAGE**

OVERALL MISSION

The Audit Committee (the “Committee”) is appointed by the Board of Directors of MGM MIRAGE (the “Company”) to (a) assist the Board of Directors in monitoring (i) the integrity of the Company’s financial statements, (ii) the Company’s compliance with legal and regulatory requirements, (iii) the outside auditors’ qualifications and independence and (iv) the performance of the Company’s internal audit function and outside auditors; and (b) prepare the annual report required by the rules of the Securities and Exchange Commission (the “SEC”) to be included in the Company’s annual proxy statement. In fulfilling its responsibilities, the Committee shall oversee, among other things, the financial reporting process, the system of internal controls, the audit process and the Company’s policies and procedures respecting compliance with governmental laws, rules and regulations and the Company’s Code of Business Conduct and Ethics and Conflict of Interest Policy.

EFFECTIVE DATE

This Amended and Restated Charter shall become effective upon adoption by the Board of Directors or Executive Committee (unless otherwise noted herein).

COMPOSITION AND ORGANIZATION

The Audit Committee shall be comprised of at least three (3) directors appointed by the Board of Directors, each to serve until the next succeeding annual organizational meeting of the Board (following the Annual Meeting of Stockholders) or until his or her earlier death, resignation, disqualification or removal. One of its members shall be appointed to serve as chair and shall preside at Committee meetings and make regular reports to the Board of Directors.

MEETINGS OF THE AUDIT COMMITTEE

The Committee shall meet as frequently as necessary to properly carry out its responsibilities, but not less than once every fiscal quarter. Such meetings, at the Committee’s discretion, may be in person, by telephone or by unanimous written consent. The Committee shall keep written minutes of its meetings, which shall be retained in the minute books of the Company.

QUALIFICATIONS FOR MEMBERSHIP

Each member of the Audit Committee shall be “financially literate” (or will become so within a reasonable time after his or her appointment to the Audit Committee), and at least one member shall be an Audit Committee Financial Expert (as defined by Item 401(h)(2) of Regulation S-K), such designation being based upon having accounting or related financial management expertise, as the Company’s Board interprets such qualification in its business judgment. Upon appointing a director

to the Audit Committee, the Board will affirmatively determine whether such director is an Audit Committee Financial Expert based on the Board of Directors' judgment, and taking into account the relevant professional experience and education of the directors, and any other factors deemed relevant by the Board of Directors. Each member shall be "independent" under both the rules of the NYSE and Rule 10A-3(b) promulgated under the Securities Act of 1934, as amended (the "Act") and free of any relationship that, in the business judgment of the Board, would interfere with the exercise of independent judgment with respect to the Company and its management. No director shall qualify as "independent" for purposes of serving on the Audit Committee unless the Board of Directors determines that the director (i) has no material relationship with the Company either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company and (ii) meets the independence requirement set forth in Rule 10A-3(b)(ii) under the Act.

No director may serve as a member of the Audit Committee if such director serves on the audit committees of more than two other public companies unless the Board of Directors determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee.

DUTIES AND RESPONSIBILITIES

The Audit Committee shall have the following duties and responsibilities and such other responsibilities as the Board of Directors, the SEC or the NYSE shall require from time to time:

A. FINANCIAL REPORTING

1. Review with management and the outside auditors the Company's annual audited financial statements, the Company's Annual Report on Form 10-K and the Company's quarterly financial statements, including the related disclosures required by the SEC and by generally accepted accounting principles ("GAAP"). This review shall also include the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," including the disclosures regarding "Critical Accounting Policies." Review and discuss any major issues concerning, or significant changes in, the accounting policies, principles or practices of the Company.
2. Require the outside auditors to review the financial information included in the Company's interim financial statements before the Company files its Quarterly Report on Form 10-Q with the SEC and report the results of such review to the Committee.
3. Review with management and the outside auditors significant accounting, tax and reporting issues, including recent professional and regulatory pronouncements, to determine their impact, if any, on the Company's financial statements.
4. Discuss guidelines and policies governing the process by which senior management of the Company and the relevant departments of the Company assess and manage the Company's exposure to risk, and review any significant financial risk exposures facing the Company and management's plans to monitor, control and/or minimize such exposures.

5. Discuss with management and the outside auditors, as appropriate: (a) analyses prepared by management and/or the outside auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements and (b) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.
6. Discuss with management earnings press releases as well as financial information and earnings guidance provided to analysts and rating agencies.

B. INTERNAL CONTROLS

1. Discuss with the outside auditors the adequacy of the Company's system of internal controls (including the controls, security and breakdown contingency plans for computerized systems and applications) and whether prior recommendations concerning internal controls made by internal and outside auditors have been implemented by management. Review and consider any disclosures made to the Audit Committee by the Chief Executive Officer and/or the Chief Financial Officer pursuant to Section 302(a)(5) of the Act.
2. Review the activities, organizational structure, independence and effectiveness of the internal audit function, including the scope of its responsibilities and the adequacy of its staffing and budget. Review the annual internal audit plan, completed audit reports, recommendations and follow-up. Review the significant reports to management prepared by the internal auditors and management's responses thereto.
3. Meet at least quarterly with the outside auditors, members of the internal audit department, the chief financial officer and/or any other members of management in separate executive sessions to discuss any matters the Committee or any of the foregoing persons believe should be discussed privately or warrant Committee attention. The Committee may investigate any matters brought to its attention within the scope of its duties and may, in its discretion and without Board approval, retain outside legal counsel or independent financial or other advisors for such purpose.
4. Consider any reports or communications (and management's and/or the internal audit department's responses thereto) submitted to the Audit Committee by the outside auditors required by or referred to in Statement on Auditing Standards No. 61, as it may be modified or supplemented, including reports and communications related to any restriction on audit scope or significant issues discussed with the outside auditors' national office.

C. AUDIT PROCESS

1. Retain and terminate the outside auditors. The Committee shall have the sole authority to approve all audit engagement proposals, including the planning, staffing and scope of the audit and fees to be charged as well as non-audit engagements with the outside auditors not otherwise prohibited by Section 201 of the Act or other applicable laws, rules or regulations. The Committee may not delegate this duty to the management, but may

obtain the input of management. The Committee, in its discretion, may delegate to one or more of its members the authority to pre-approve non-audit engagements, provided any such pre-approval is presented to the Committee at its next scheduled meeting.

2. Prior to the audit, meet with the outside auditors to review the scope, planning and staffing of the audit.
3. Following the completion of the audit, review with the outside auditors (a) any significant changes in the audit plan; (b) any difficulties or significant disagreements with management encountered in the course of the audit, including any restrictions on the scope of activities or access to required information; (c) the nature and extent of any material proposed adjustments that were “passed” (as immaterial or otherwise); (d) the management or internal control letter issued, or proposed to be issued, by the outside auditors to the Company and the Company’s response thereto and (e) any other matters required under generally accepted auditing standards to be communicated to the Audit Committee or the Board of Directors, obtain from the outside auditors assurance that Section 10A of the Act has not been implicated.
4. Obtain and review, at least annually, a formal written statement from the outside auditors (the “Auditors’ Statement”) describing, to the extent permitted under applicable auditing standards: the auditors’ internal quality-control procedures; any material issues raised by the most recent internal quality-control review or peer review of the auditors, or by any inquiry or investigation by governmental or professional authorities within the preceding five years, respecting one or more independent audits carried out by the auditors, and any steps taken to deal with any such issues; and, for the purpose of assessing the outside auditors’ independence, all relationships between the outside auditors and the Company, including each non-audit service provided to the Company and at least the matters set forth in Independence Standards Board No. 1 (Independence Discussions with Audit Committees).
5. Discuss with the outside auditors at least annually their Auditors’ Statement. Engage in an active dialogue with the outside auditors concerning any disclosed relationships or services that may affect the quality of the audit services or the objectivity and independence of the outside auditors. Recommend that the Board of Directors, in response to the Auditors’ Statement, take such steps as it may deem appropriate to oversee the independence of the outside auditors.
6. Prepare an evaluation of the outside auditor’s qualifications based on a review and evaluation of the Auditor’s Statement.
7. Review and evaluate the qualifications, performance and independence of the outside auditor, including the lead partner. This review should take into account the opinions of management and the Company’s internal auditors.
8. Determine whether, in order to assure continuing auditor independence and to comply with Section 10A(j) of the Act, there should be a rotation of the then current lead or

coordinating audit partner, or even of the audit firm itself.

9. Present conclusions with respect to the outside auditor to the full Board of Directors.

D. POLICIES AND PROCEDURES

1. Ascertain from management, legal counsel, the outside auditors and/or the senior internal audit executive whether the Company and its controlled affiliates are in compliance with governmental laws, rules and regulations and whether there are any legal or regulatory compliance matters that could have a material impact on the Company's financial statements.
2. Review the results of any investigation and follow-up (including any disciplinary action) with respect to fraudulent or illegal acts or accounting irregularities.
3. Endeavor to maintain effective working relationships with, and provide an open channel of communication to, management, the Board, the internal audit department and the outside auditors.
4. Establish clear hiring policies for employees or former employees of the outside auditors.
5. Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
6. Engage and retain outside counsel, experts and other advisors as the Audit Committee may deem appropriate in its sole discretion and approve related fees and retention terms in connection with such engagement and retention.

E. GENERAL

1. Review and reassess at least annually the adequacy of this Charter and recommend any proposed changes to the Board of Directors for approval. Direct that a copy of this Charter be included as an appendix to the Company's proxy statement commencing in 2004 and thereafter at least once every three years.
2. Prepare the Audit Committee Report required by the SEC to be included in the Company's annual proxy statement commencing in 2004, disclosing, among other things, whether the Audit Committee (i) has reviewed and discussed the audited financial statements with management; (ii) has discussed with the outside auditors the matters required by Statement on Auditing Standards No. 61; (iii) has received from, and discussed with, the outside auditors the required written disclosures regarding their independence and (iv) based on such review and discussion, has recommended to the Board that the Company's audited financial statements be filed with the SEC on Form 10-K. The report shall also disclose whether the Audit Committee has a written charter.

3. Prepare and review with the Board an annual performance evaluation of the Audit Committee, which evaluation must compare the performance of the Audit Committee with the requirements of this Amended and Restated Charter, and set forth the goals and objectives of the Audit Committee for the upcoming year. The performance evaluation by the Audit Committee shall be conducted in such manner as the Audit Committee deems appropriate. The report to the Board may take the form of an oral report by the chair of the Audit Committee or any other member of the Audit Committee designated by the Audit Committee to make such report.
4. Engage independent counsel and other advisors, to the extent the Committee determines such engagement necessary to carry out its duties.
5. In its capacity as a committee of the Board of Directors, determine appropriate funding for payment of: (i) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (ii) compensation to any advisors employed by the Audit Committee; and (iii) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

LIMITATION ON DUTIES

While the Audit Committee has the duties, responsibilities and authority set forth in this Amended and Restated Charter, nothing contained herein shall be deemed to impose on the Committee any duty, in the ordinary course, to plan or conduct audits or to make any determination that the Company's financial statements are accurate and in accordance with generally accepted accounting principles. Such duties are the responsibility of management.