

**Diversity and Affirmative Marketing Program**  
**As**  
**Adopted by Blue Tarp reDevelopment LLC**

**Approved on: January 22, 2015**

This Diversity and Affirmative Marketing Program (“Program”) is adopted in accordance with G.L. c. 23K (the “Statute”), Blue Tarp reDevelopment, LLC’s Decision Awarding a License to Operate a Category 1 Gaming Establishment in Region B (“License”) and Exhibit C of the Host Community Agreement entered into by and between Blue Tarp reDevelopment, LLC (“we” or “MGM Springfield”) and the City of Springfield, Massachusetts (“City”) with an Effective Date of May 14, 2013 (the “HCA”) (the Statute, the License and the HCA are collectively hereinafter defined in Article III as the “Governing Authority”). In the event of a conflict or inconsistency between this Program and the Governing Authority, the Governing Authority shall control. This Program is for the mutual and exclusive benefit of MGM Springfield, the City, and the Massachusetts Gaming Commission (the “MGC” or the “Commission”); no third party shall claim right or entitlement under this Program. Subject to compliance with the Governing Authority, MGM Springfield reserves the right to modify the Program as it reasonably determines.

MGM Resorts International (“MGM”) has been the pioneer in diversity and inclusion in the gaming and hospitality industry since its voluntary adoption of its Diversity Initiative in 2000. MGM regards diversity as an essential business paradigm for success in the modern global economy. Hence, Diversity and Inclusion are the foundation of MGM’s culture of Integrity, Teamwork and Excellence. MGM has systematically incorporated diversity into its Company’s value system, organizational culture, and its business operations, as a matter of progressive business policy for itself, its affiliates and subsidiary companies.

MGM Springfield is committed to hiring and maintaining a diverse, multi-racial and multi-cultural workforce which is reflective of its host community and customer base. We recognize that diversity without inclusion is incomplete. We cultivate respect for the humanity and contributions of every individual employee because our employees are our lifeblood. We realize that, to achieve the highest level of performance of our teams, and to deliver genuinely superior service to our guests, we must motivate each employee to perform at his/her highest levels each and every day. We, therefore, foster an inclusive culture of excellence, enterprise-wide, aligned with our business mission – organized around universal employee engagement, individual responsibility, individual empowerment to express diverse opinions and perspectives, inspired leadership, consistent peak performance, team collaboration, innovation, accountability, and above all, positive recognition for a job well done. Diversity and Inclusion promote greater unity in our Company around a shared common vision in achieving our business mission.

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## **ARTICLE I.**

### **Purpose**

Two primary objectives of the Massachusetts Gaming Act are to provide for new employment opportunities in *all* sectors of the economy including for those who are unemployed and to promote local and small businesses and the tourism industry. In furtherance of these objectives, MGM Springfield and the City, through their HCA, have recognized that the economic development goals of establishing the MGM Springfield project in Springfield, Massachusetts (the “Project”) include: (i) creating employment opportunities for the residents of the City and surrounding communities with particular attention being paid to previously underrepresented ethnic groups (as indicated in the Commonwealth’s Executive Office for Administration and Finance Administration Bulletin Number 14 and reiterated in Exhibit C of the HCA), inclusive of Minorities, Women, and Veterans (collectively referred to as “Covered Employees”); and (ii) creating opportunities for competition by all businesses located in the City and the Greater Springfield Region with particular attention being paid to contractors, subcontractors, sub-consultants, suppliers, professional service providers and vendors who are certified as Minority Business Enterprises (“MBE”), Women Business Enterprises (“WBE”), and Veteran Business Enterprises (“VBE”) (collectively referred to as “Certified Business Entities”) having current certificates of certification in such categories by a private or governmental Certifying Agency (defined in Section II below) during the Project’s construction and operations phases.

In addition to and consistent with the requirements of the Statute and the License, the Commission, MGM Springfield and the City have agreed that adoption and implementation of this Program will provide the most appropriate means by which to monitor, document, and realize the Project’s above-stated economic development goals. MGM Springfield is committed to issuing regular and transparent reports of its compliance with this Program. MGM Springfield’s compliance objective shall be to achieve all goals for procurement and employment as stated in Exhibit C of the HCA, which is attached hereto as **Appendix A** and fully incorporated herein by this reference. This Program’s goals include specific targets for the use of Certified Business Entities in design and construction and for goods and services, as well as goals for the hiring of Covered Employees during the construction and operations phases of the Project. These goals also include specific commitments to City residents and businesses.

The goals included in Exhibit C of the HCA are based upon (i) publicly available information on minority, women, and veteran owned businesses and underrepresented populations in the Commonwealth of Massachusetts; (ii) baseline participation goals for public projects for state construction and state assisted construction contracts; and (iii) disparity studies conducted in the Commonwealth of Massachusetts which serve as the bases for the Equal Opportunity and Non-Discrimination on State and State Assisted Construction Contracts (ANF 14).

## **ARTICLE II.**

### **Definitions**

For purposes of this Program, the applicable definitions contained in G.L. c. 23K, § 2 and Exhibit C of the HCA are hereby incorporated by reference unless further defined below. Terms capitalized in this Program, but not defined herein, shall have the same meaning as given to each such term in the relevant Governing Authority.

For purposes of this Program, the term “Prohibitions Against Discrimination” shall include the prohibitions set forth in Article IV (A) (i), (ii) and (B).

For purposes of Quarterly and/or Annual Compliance Reports, Covered Employees and Certified Business Entities shall be defined in accordance with the HCA and G.L. c. 7, § 58.

“Certifying Agencies,” shall be defined to include private or governmental certifying organizations or agencies recognized by the Commission, including but not limited to: Massachusetts Supplier Diversity Office (SDO), Greater New England Minority Supplier Development Council (GNEMSDC), Women Business Enterprises National Council (WBENC) and other certifying agencies recognized by the Commission from time to time.

“Governing Authority” shall be defined as G.L. c. 23K (the “Statute”), Blue Tarp reDevelopment LLC’s Decision Awarding a License to Operate a Category 1 Gaming Establishment in Region B (“License”) and Exhibit C of the Host Community Agreement entered into by and between Blue Tarp reDevelopment, LLC (“MGM Springfield”) and the City of Springfield, Massachusetts (“City”) with an Effective Date of May 14, 2013.

### **ARTICLE III.**

#### **Compliance Program Scope and Function**

In accordance with Massachusetts General Laws Chapter 23K § 21 (20) – (24); MGM Springfield’s License conditions 9 (g) and (h), 10, 11, 12, and 15 and Exhibit C of the HCA (each hereinafter collectively or individually referred to as “Governing Authority”), MGM Springfield has adopted this Program in order to reasonably demonstrate how it intends to comply with its obligations with respect to labor participation goals for the utilization of Covered Employees and Certified Business Entities. This Program provides as follows:

A. Establishes a Design and Construction Phase Diversity Program for Equal Opportunity in employment and contracting;

B. Establishes an Operational Phase Diversity Program for Equal Opportunity in employment and contracting;

C. Establishes an Affirmative Marketing Program for goods and services during design and construction and for goods and services during operations;

D. Sets forth the form, items, and detail to be included in the quarterly statistical report on the number, gender and race of individuals hired to perform labor as part of the construction of the Gaming Establishment (the “Quarterly Compliance Report”); and

E. Sets forth the form, items, and detail to be included in the annual statistical report on the total dollar amounts contracted with and actually paid to Certified Business Entities for: (i) design and professional consultant contracts; (ii) construction contracts; and (iii) contracts for goods and services procured for operation of the Gaming Establishment.

Thus, in accordance with the Governing Authority requirements, this Program is intended to create a procedural framework for monitoring, documenting, and addressing MGM Springfield's best efforts to achieve the required goals.

## ARTICLE IV.

### Diversity Compliance Staffing and Structure

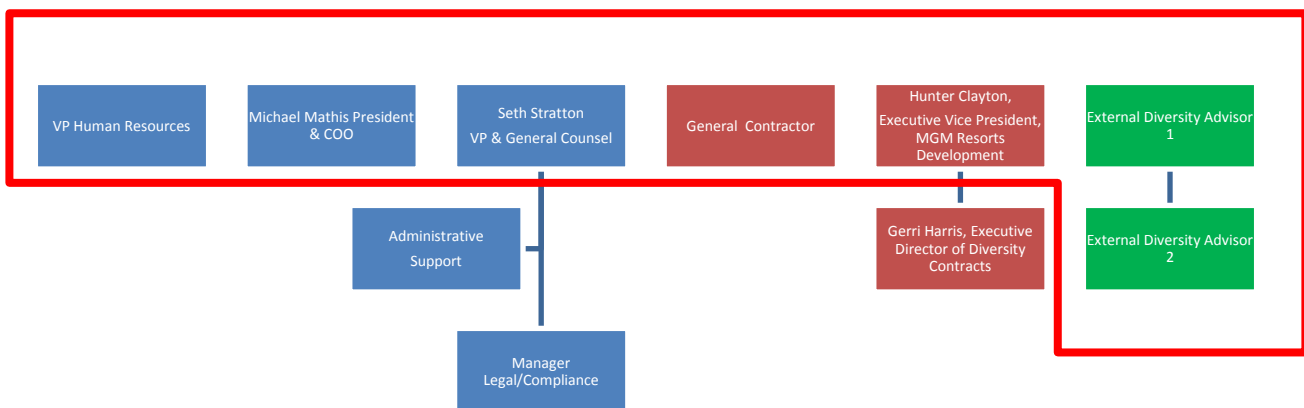
**Diversity Compliance Team.** MGM Springfield's Diversity Compliance Team will consist of the following six (6) positions: (i) the **President and COO** shall be responsible for the general oversight and supervision required to ensure MGM Springfield's compliance with the Governing Authority; (ii) the **Executive Vice President for Development** for MGM Resorts Development, LLC shall be responsible, during the Project's construction phase, for general oversight and supervision of Construction Phase Diversity Program for Equal Opportunity and Affirmative Marketing Program for design and construction as required in the Governing Authority; (iii) **Vice President and General Counsel** (with the clerical support of an administrative assistant) shall be responsible for the day-to-day tasks required to monitor and document MGM Springfield's best efforts undertaken to achieve compliance with this Program and shall serve, personally or through his/her designee, as MGM Springfield's representative on the various community committees which might be established or endorsed by the Commission's Director of Workforce, Supplier and Diversity Development. Additionally, the Vice President and General Counsel shall act as MGM Springfield's liaison with the Massachusetts Gaming Commission Access and Opportunity Committee and the Massachusetts Gaming Vendor Advisory Team; (iv) the **Vice President of Human Resources** shall be responsible for the training and tracking related to workforce development; (v) the **Executive Director of Diversity and Contracts** for MGM Resorts Development, LLC shall, during the construction phase only, be responsible for compliance with HCA obligations and for the day-to-day tasks required to monitor and document MGM Springfield's best efforts for design and construction obligations and take proactive steps and appropriate intervention with contractors and vendors to ensure such their compliance; and (vi) MGM Springfield's **Manager Legal/Compliance**, or such other person appointed by the Vice President and General Counsel, shall be responsible for procedural review and factual verification of the reports required in accordance with this Program and coordination of the workforce development requirements of this Program. The Manager Legal/Compliance shall be responsible for actually submitting the Quarterly Compliance Reports. The individuals who hold the positions described above shall be collectively referred to as the "Diversity Compliance Team." The MGM Springfield President and COO shall have the right, upon notice to the Commission, to change the composition of the Diversity Compliance Team from time to time in his or her reasonable discretion, and to add supplemental resources.

**General Contractor.** MGM Springfield's General Contractor(s) will be contractually required to have a representative coordinate with the Diversity Compliance Team to: (i) ensure accurate reporting of all expenditures with Certified Business Entities with whom the General Contractor subcontracts; (ii) ensure that the General Contractor actively participates in workshops, seminars, vendor fairs and other activities designed to solicit additional participation of Certified Business Entities; and (iii) ensure that the General Contractor and its Subcontractors, sub-consultants, suppliers, professional service providers and Vendors use commercially reasonable efforts to make outreach to and engage with Certified Business Entities and employ qualified Covered Employees as staff members when possible and appropriate. In general, the General Contractor shall also be called upon to use commercially reasonable efforts to help MGM Springfield achieve its diversity participation goals. For avoidance of doubt, MGM will work directly with its Architect of Record and other design professionals to ensure that Certified Business Entities who are qualified design professionals are also engaged.

**External Diversity Advisors (1&2).** MGM Springfield shall engage two (2) independent external diversity advisors to participate in the monitoring of its compliance with the obligations set forth in this Program. **External Diversity Advisor 1** shall be a resident of the Commonwealth of Massachusetts familiar with minority businesses and minority business advocacy organizations based in the Commonwealth, as well as diversity in either general business practices and/or large scale construction contracts. **External Diversity Advisor 2** shall be an individual who is familiar with national minority business advocacy organizations as well as national best practices for minority/disadvantaged workforce development. External Diversity Advisor 2 may or may not be a resident of the Commonwealth. The MGM Springfield President and COO shall have the right, upon notice to the Commission, to change the External Diversity Advisors from time to time in his or her reasonable discretion.

**MGM Springfield Diversity Committee.** MGM Springfield’s Diversity Committee (the “Diversity Committee”) shall be comprised of the following: (i) MGM Springfield’s President and COO; (ii) External Diversity Advisors 1 and 2; and (iii) MGM Springfield’s Vice President and General Counsel. During the construction phase of the Project, MGM Resorts Development, LLC’s Executive Vice President of Development, and a representative from MGM Springfield’s General Contractor shall also serve as members of the Diversity Committee. The MGM Springfield Diversity Committee shall meet no less than bimonthly to: (i) review overall compliance with the obligations of this Program; (ii) monitor effectiveness of the various training programs and community outreach efforts; and (iii) make recommendations regarding Program improvement to the Diversity Compliance Team. For avoidance of doubt, the MGM Springfield Diversity Committee serves in an advisory role at the pleasure of MGM Springfield’s President and COO and has no legal authority to bind or otherwise act on behalf of or direct MGM Springfield. The MGM Springfield President and COO shall have the right, upon notice to the Commission, to change the composition of the Diversity Committee from time to time in his or her reasonable discretion.

The chart below represents the positions, known individuals, and reporting relationships of the Diversity Compliance Team, the General Contractor, and External Diversity Advisors (1&2). Members of the MGM Springfield Diversity Committee are edged in red.



The Diversity Compliance Team shall have the collective responsibility of (i) ensuring the timely collection of data required to submit the Quarterly Compliance Reports in accordance with the requirements of the HCA; (ii) interfacing with Certified Business Entities; (iii) ensuring general compliance with this Program within MGM Springfield; (iv) interfacing with governmental agencies with regard to diversity issues; (v) producing an annual performance improvement plan to the Diversity Committee; and (vi) implementing recommendations from the Diversity Committee.

**ARTICLE V.**

**Design and Construction Phase Diversity Program for Equal Opportunity**

The requirements of this Article V shall be monitored and enforced by the members of the Diversity Compliance Team.

- A. *MGM Springfield’s Diversity Program for Equal Opportunity for Design and Construction Jobs pursuant to G.L. c. 23K, § 21(22); License Condition 12; and HCA Exhibit C.***

<b>Benchmarking For Success</b>	
In accordance with Executive Office for Administration and Finance Administration Bulletin Number 14 of the Commonwealth of Massachusetts, during the construction phase of the Project, MGM Springfield shall use best efforts to promote achievement of labor participation percentages of Covered Employees equal to or greater than the following:	
15.3%	Minority, including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic.
6.9%	Women
8%	Veterans

**NOTE:** A single individual may satisfy multiple Covered Employee categories and in such cases shall be recorded and counted by MGM Springfield in each of the applicable categories. However, regardless of how many Covered Employee categories an individual may satisfy, no single individual shall be counted more than once in the accumulation of totals for reportage of utilization of Covered Employees.

**Prohibitions Against Discrimination in Design and Construction Jobs.** During the design and construction phase of the Project, MGM Springfield shall require the inclusion of contractual provisions in each of its construction and design agreements which expressly prohibit discrimination against any employee or applicant for employment because of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability.

**Notice of Labor Utilization Goals.** All contractors shall be made aware of MGM Springfield’s labor participation goals for Covered Employees and shall be contractually required to use commercially reasonable efforts to consider those goals when performing any scope of work for MGM Springfield. The Project’s General Contractor shall be required to post, in a conspicuous place on the construction site, a notice against discrimination which incorporates the above Prohibitions Against Discrimination.

**Monthly Diversity Jobs Reports.** No less frequently than monthly, the Project’s General Contractor and/or design professionals shall provide MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the number of Minorities; (ii) the number of Women; and (iii) the



number of Veterans employed on the Project directly or by subcontractors, suppliers, vendors consultants, and/or design professionals (collectively referred to as “Subcontractors”).

**Subcontractor Weekly Diversity Jobs Reports.** No less frequently than weekly, the Project’s subcontractors shall provide the General Contractor and MGM Springfield with a Diversity Participation Report, setting forth the following information: (i) the number of Minorities; (ii) the number of Women; and (iii) the number of Veterans employed on the Project directly or by subcontractors, suppliers, vendors consultants, and/or design professionals (collectively referred to as “Subcontractors”).

**Apprenticeships.** MGM Springfield will use its best efforts to promote the utilization of apprenticeship programs for construction employees (including Covered Employees) who wish to expand their skills and knowledge in applicable building trades. MGM Springfield shall request that the General Contractor provide apprenticeship programs for Covered Employee community college students and recent college/university graduates (including Covered Employees) during the construction phase of the Project.

***B. Best Efforts to include Certified Business Entities in the award of design and construction contracts pursuant to G.L. c. 23K, § 21(21)(i),(ii); License Conditions 9 (g) and 10; and HCA Exhibit C.***

<b>Benchmarking For Success</b>	
In accordance with HCA Exhibit C, during the design and construction phase of the Project, MGM Springfield shall use best efforts to award contracts for the design and construction of the Project utilizing the following minimum percentages of Certified Business Entities as applied to both dollars spent on design and dollars spent on construction located in the City:	
5%	MBE
10%	WBE
2%	VBE

**NOTE:** With regard to Certified Business Entities that hold more than one of the following certifications: MBE, WBE, and/or VBE (“Subject Certified Business Entity”), MGM Springfield shall, at the outset of the engagement (to be applicable for the duration thereof), identify to which of the corresponding procurement goals to apply the total sum of its expenditures with the Subject Certified Business Entity. However, in any instance where, during the course of the engagement, the identified certification lapses, expires or for any reason is no longer in good standing, MGM Springfield shall be entitled to credit any additional expenditure with the Subject Certified Business Entity against the corresponding procurement goals of a different (valid) certification held by the Subject Certified Business Entity.

For avoidance of doubt, the aggregate sum of expenditures with a Subject Certified Business Entity shall only be included once during any reporting period.

Notwithstanding, while MGM Springfield will ensure that its total procurement amounts from Subject Certified Business Entities are reported accurately, MGM Springfield reserves the right to track and submit ancillary reports on its progress in procurement in each of those subcategories (MBE, WBE, and VBE), as MGM Springfield believes a business owner who has obtained a valid certification in each of those categories is entitled to equal recognition in each of those categories.

**Prohibitions Against Discrimination.** In connection with the design and construction phase of the Project, MGM Springfield shall require the inclusion of contractual provisions in each of its construction and design agreements which: (i) expressly prohibit discrimination in the selection or retention of Subcontractors; and (ii) expressly prohibit discrimination in the procurement of materials and rentals of equipment. The Project’s General Contractor shall be required to post, in a conspicuous place on the

construction site, a notice against discrimination which incorporates the above Prohibitions Against Discrimination.

**Notice of Contract Award Goals.** All contractors shall be made aware of MGM Springfield’s utilization goals for Certified Business Entities and shall be contractually required to use commercially reasonable efforts to consider those goals when performing any scope of work or awarding any package/scope of work as part of the Project. Additionally, the General Contractor shall: (i) require its Subcontractors to comply with all applicable requirements of this Article V; and (ii) to use commercially reasonable efforts to track and report the same to MGM Springfield on a monthly basis as required below.

**Monthly Diversity Contracts Reports.** No less frequently than monthly, the Project’s General Contractor shall provide MGM Springfield with a Diversity Participation Report tracked separately for design and construction, setting forth the following information: (i) the Certified Business Entities that General Contractor has engaged and utilized during the reporting period to provide goods or services in connection with the Project; (ii) the type of Certified Business Entities, the identification of the entity providing the entity’s certification, its certification number or identifier, and expiration date of the relevant certification for each Certified Business Entity; (iii) the nature of the good or services provided by such Certified Business Entities; and (iv) the payments made by or through the General Contractor to such Certified Business Entities. The General Contractor shall monitor the certification status for each of its Certified Business Entities and ensure that each certification is, at all times, current and valid, and that MGM Springfield is in receipt of such certification. The General Contractor shall provide MGM Springfield with written confirmation of the certification status for each of its Certified Business Entities as part of each and every payment application. The General Contractor shall advise MGM Springfield, immediately in writing, as soon as any change in certification status is determined for any of the Certified Business Entities for which it has previously reported.

## **ARTICLE VI.**

### **Operational Phase Diversity Program for Equal Opportunity**

The requirements of this Article VI shall be monitored and enforced by the members of the Diversity Compliance Team.

- A. *MGM Springfield’s Diversity Program for Equal Opportunity for Employment of Covered Employees During Operations of the Gaming Establishment pursuant to G.L. c. 23K, §21 (20); License Condition 12; and HCA Exhibit C*

<b>Benchmarking For Success</b>	
In accordance with HCA, during the operations phase of the Gaming Establishment, MGM Springfield shall use best efforts to achieve labor participation percentages of Covered Employees at levels equal to or greater than the following:	
35%	City Residents
50%	Minority, including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic.
50%	Women
2%	Veterans

**NOTE:** A single individual may satisfy multiple categories of Covered Employee and in such cases shall be recorded and counted by MGM Springfield in each of the applicable categories. However, regardless

of how many categories of Covered Employees which an individual may satisfy, no single individual shall be counted more than once in the accumulation of totals for reportage of utilization of Covered Employees.

***Tactical Steps For Identifying, Training, and Employing Covered Employees.*** In addition to the steps outlined in the HCA Exhibit C, which shall be fully incorporated herein by reference, MGM Springfield shall use best efforts to consider and implement the following tactical steps for its recruitment of Covered Employees:

1. **Advertisement and Promotion of Employment Opportunities.** MGM Springfield shall advertise and promote employment opportunities by: (i) posting all opportunities on its mgmspringfield.com and related workforce development site and Massachusetts JobQuest; (ii) periodically using traditional media and social networking tools to assist MGM Springfield in advertising employment opportunities; and (iii) partnering with key community stakeholders including but not limited to local educational institutions and career centers to hold job fairs, advertise employment opportunities and otherwise to make outreach to the local labor pool.
2. **Training and Assistance for Frontline Staff**
  - (a) **Front-Line Training (Career Progression Programs).** Career Progression Programs will be provided for Covered Employees, enabling them to be competitive for promotion into key management and executive positions throughout the integrated MGM Springfield resort. As skills and experience levels increase, employees will find a variety of opportunities for career growth within the Company. Comprehensive jobs skills training and opportunities to continue their education also will be provided by MGM Springfield, and through educational partnerships, which shall include: (i) on-the-job training programs; (ii) either classroom or online training opportunities designed to improve core skill sets required for consideration for promotions and new opportunities within MGM Springfield; (iii) specifically designed programs aimed at helping U.S. Veterans leverage their military leadership skills while transitioning into management or other positions within MGM Springfield; (iv) professional development programs designed specifically for experienced supervisors and assistant managers to broaden their skills, abilities and knowledge base; (v) mandatory Diversity Workshops for all supervisory employees; and (vi) offering apprenticeship and internships programs in order to provide real life training to local students from community colleges and recent college and university graduates. The MGM Springfield Human Resources Department will track the number of Covered Employees who have jobs in executive, finance, information technology and administrative positions and report this information to the Diversity Compliance Team. While all positions will be filled by qualified candidates, MGM Springfield shall use its best efforts to train Covered Employees to qualify for all positions and have the opportunity to advance their careers through its Career Progression Programs.
  - (b) **English as a Second Language.** MGM Springfield will offer English as a Second Language Classes to project Covered Employees as part of its obligations under Exhibit C of the HCA.
  - (c) **Basic Skills Training (Job Readiness).** MGM Springfield acknowledges that a significant number of potential employees in the City and surrounding area will need to attain a high school equivalency in order to qualify to apply for jobs at the Project. Thus, MGM Springfield will use its best efforts to ensure that potential employees are able to participate in programming offered by local outreach organizations, including FutureWorks, CareerPOINT, the regional employment boards, BerkshireWorks, Westover Job Corp Center and Staffing Solutions, as well as local educational and training institutions, such as Holyoke Community

College, Springfield Technical Community College and the Massachusetts Casino Careers Training Institute. MGM Springfield will make best efforts to collaborate with and support the above listed organizations (as well as others) to form educational partnerships with the stated goal of significantly reducing the number of unemployed persons with less than a high school education prior to the time when jobs become available at MGM Springfield.

Each of the educational partnerships to be formed by MGM Springfield will focus on providing basic core skills to City residents as well as residents of the surrounding area, including: (i) basic math and literacy skills; (ii) vocational training for hospitality and non-hospitality related careers; and (iii) job preparation skills such as interviewing, resume writing, and effective work habits

- (d) **Hospitality Career Information Workshops (Job-Readiness Training).** Job-Readiness Training will be designed to introduce local residents to the hospitality industry and foster interest in these types of jobs. Career information workshops will be conducted prior to and during the mass recruiting phase of MGM Springfield. The goal will be to introduce local residents to the wide range of occupations that are available in the hospitality industry, including hotel front desk representatives, computer operators, facilities engineers, financial analysts, culinary arts positions, guest service ambassadors, marketing professionals, human resource representatives, table games dealers, slot technicians and representatives, cage clerks and many more. Local residents will be able to attend career information workshops to learn about the wide range of occupations available and the skills and qualifications that would be required to work in such positions. MGM Springfield will hold career information workshops throughout the greater Springfield area. While attending the career information workshops, participants will have the opportunity to provide information on job interests and sign up to receive first notice on training and job announcements.
- (e) **Apprenticeships.** MGM Springfield will cooperate with local organizations including but not limited to Holyoke Community College and Springfield Technical Community College to develop and implement apprenticeship programs for employees (including Covered Employees) who wish to expand their skills and knowledge, and develop their career. The apprenticeship programs will be designed to provide a structured, on-the-job training process from basic mechanical skill requirements to advanced techniques required for the specified trade or service.
- (f) **Coordination with Career Centers.** MGM Springfield will work with local career centers to promote job opportunities at the Project and coordinate resources for Springfield area residents to improve workforce skills.

3. **Affirmative Marketing for the Unemployed pursuant to License Condition 15.** In addition to those steps outlined above and consistent with License Condition 15, MGM Springfield will develop, in consultation with the Executive Office of Labor Workforce Development and related state and local agencies, a plan to identify and market employment opportunities at the Gaming Establishment to unemployed residents of Massachusetts. This plan will be integrated into the Program requirements outlined in Exhibit C of the HCA, to be filed with the Commission by December 31, 2015, and, upon approval, to be incorporated herein as **Appendix B**.

***B. Best Efforts to include Certified Business Entities in the award of goods and services contracts for the project's operations pursuant to G.L. c. 23K, § 21(21)(iii); License Condition 11; and HCA Exhibit C***

**Benchmarking For Success**

In accordance with the HCA, during the operations phase of the Gaming Establishment, MGM Springfield shall use best efforts to contract with Certified Business Entities for the provision of goods and services for the Project’s operations at levels equal to or greater than the following:

10%	MBE
15%	Women
2%	Veterans

**NOTE:** With regard to Certified Business Entities that hold more than one of the following certifications: MBE, WBE, and/or VBE (“Subject Certified Business Entity”), MGM Springfield shall, at the outset of the engagement (to be applicable for the duration thereof), identify to which of the corresponding procurement goals to apply the total sum of its expenditures with the Subject Certified Business Entity. However, in any instance where, during the course of the engagement, the identified certification lapses, expires or for any reason is no longer in good standing, MGM Springfield shall be entitled to credit any additional expenditure with the Subject Certified Business Entity against the corresponding procurement goals of a different (valid) certification held by the Subject Certified Business Entity.

For avoidance of doubt, the aggregate sum of expenditures with a Subject Certified Business Entity shall only be included once during any reporting period.

Notwithstanding, while MGM Springfield will ensure that its total procurement amounts from Subject Certified Business Entities are reported accurately, MGM Springfield reserves the right to track and submit ancillary reports on its progress in procurement in each of those subcategories (MBE, WBE, and VBE), as we believe a business owner who has obtained a valid certification in each of those categories is entitled to equal recognition in each of those categories.

In addition to the steps outlined below in Article VII, which shall be fully incorporated herein by reference, MGM Springfield shall use best efforts to consider and implement the following tactical steps for its identification and engagement of Certified Business Entities during its operational phase:

**1. Minority / Women and Veteran Database.** MGM Springfield will leverage all secondary databases of active Certified Business Entities known to provide services in the Commonwealth and those specifically registered or licensed to work for gaming licensees, including those maintained by governmental and non-governmental entities.

**2. Vendor Packets.** MGM Springfield will maintain a vendor packet for each Certified Business Entity that includes: (a) a certificate of good standing from the jurisdiction of formation provided by the vendor; (b) agreements with the vendor entity as set forth in draft 205 CMR 138.06 (3); (c) proof of applicable certifications provided by the vendor; and (d) a running tally of the total amount of the transactions that MGM Springfield has with each individual vendor.

**3. Coordination with Advisory Groups.** MGM Springfield will coordinate with advisory groups, including but not limited to, the Massachusetts Supplier Diversity Office (SDO), the Massachusetts Gaming Commission Vendor Advisory Group and other state and regional supplier and industry organizations with a focus on diversity to: (a) assist in the identification and engagement of Certified Business Entities during its operational phase; (b) formally introduce the Program; and (c) review frequently asked questions with regard to supplier diversity and those procurement processes that are unique to MGM Springfield.

## **ARTICLE VII.**

### **Affirmative Marketing Program for Goods and Services During Design and Construction and Goods and Services During Operations**

In addition to the steps outlined in the HCA, which shall be fully incorporated herein by reference, MGM Springfield shall use best efforts to consider and implement the following tactical steps for its recruitment and procurement efforts of Certified Business Entities during both its construction and operational phases:

#### ***A. Advertisement and Promotion of Business Opportunities***

MGM Springfield shall advertise and promote design and construction and operations related business opportunities, including: (i) advertising vendor and construction opportunities on its [mgmspringfield.com](http://mgmspringfield.com) and related vendor outreach website(s); (ii) promoting supplier diversity on its [mgmspringfield.com](http://mgmspringfield.com) website and requesting that companies register with MGM Springfield in its [mgmspringfield.com](http://mgmspringfield.com) and related diversity vendor website(s); (iii) participating in diversity contractor vendor fairs; and (iv) periodically using traditional media and social networking tools to assist the MGM Springfield procurement team in locating suppliers for future bid opportunities.

#### ***B. Training and Assistance for Certified Business Entities***

MGM Springfield shall offer training and business assistance to all businesses selected to work on the Project, including Certified Business Entities. With regard to the training of Project business participants, including Certified Business Entities, MGM Springfield will: (i) co-host outreach sessions with its General Contractor throughout the City and region to introduce upcoming contracting opportunities; (ii) provide information with regard to best business practices; (iii) train potential Certified Business Entities on how to compile documentation to prequalify and tender for the project; and (iv) consider commercially reasonable proposals for financial support strategies on a case-by-case basis.

#### ***C. Registration Certification Assistance for Business Entities***

MGM Springfield and its General Contractor shall coordinate to provide assistance to minority; women and veteran contractors and Subcontractors who are not certified or registered/licensed with the Commission. The goal of the assistance given will be to increase the overall number of Certified Business Entities who can participate in the business opportunities during both the construction and operations phases. The Diversity Compliance Team will be responsible for tracking the total number of Certified Business Entities newly certified as a result of the assistance provided as contemplated herein.

## **ARTICLE VIII.**

### **Composition of Compliance Reports**

MGM Springfield shall collect and maintain all records and documents required to verify data and information contained in the required Quarterly Compliance Reports and the Annual Compliance Reports. All reports shall be completed and submitted in a timely fashion as required by the Commission and HCA commencing on April 30, 2015 covering the first quarter of 2015 (January 1 – March 30, 2015). . The

last Quarterly Compliance Report will be filed for the quarter immediately following the commencement of operations as approved by the Commission.

***A. Methodology for Design and Construction Quarterly Compliance Reports***

Subject to permitted exclusions, all expenditures with a Certified Business Entity in Construction-related Business Opportunities shall be documented and compared with MGM Springfield's Total Construction Purchase Value, taking into account exclusions for furniture, fixtures and equipment ("FFE") and operating, supplies, and equipment ("OSE"), in addition to those exclusions included in AGA list below). Once calculated the information shall be included in the Quarterly Compliance Reports. Included as part of the report or in a supplemental report and using the same methodology, MGM Springfield shall track and report on dollars spent on design and dollars spent on construction with a Certified Business Entity separately compared with the Total Purchase Value applied to each category.

The Quarterly Compliance Reports shall incorporate tables showing: (i) the percentage of Covered Employees employed during the subject period of time; and (ii) the percentage of spend with each of the Certified Business Entities and the goal for spend for each individual category for the current period of each subject report. Additionally, in close proximity to each table will be a description of the best efforts exerted to achieve the agreed upon goal. The Quarterly Compliance Reports shall follow in substantial part the form attached hereto as **Appendix C**.

***B. American Gaming Association (AGA) Exclusions***

In accordance with Section 23K § 21 of the Massachusetts General Laws, the actual calculation of the percentage of expenditure with Certified Business Entities shall be based on the availability of such Certified Business Entities to engage in the type of work to be conducted by MGM Springfield. MGM Springfield's calculations shall recognize exclusions as defined by the AGA (attached hereto as **Appendix D**) and take into consideration the availability of Certified Business Entities who are able to provide goods and services of the type required by MGM Springfield. If MGM Springfield shall determine that additional exclusions shall be included in its calculation, MGM Springfield shall not consider the additional exclusions unless: (i) it has provided at least thirty (30) days advanced notice to the Commission's Director of Workforce, Supplier and Diversity Development; and (ii) after a commercially reasonable search, no Certified Business Entity has been identified as experienced and capable of performing the specific type of work contemplated in the new exclusion during the 30-day notice period.

***C. Business Opportunity Design and Construction Spend Reporting***

The statistical data provided under this Article shall be properly documented and verified in accordance with MGM Springfield's established business policies inclusive of: (i) vendor background checks; (ii) confirmation of regulatory compliance with Massachusetts Gaming Regulations regarding vendor registration requirements; (iii) verification that work has been performed prior to payment (in accordance with standard procedure for processing pay applications); (iv) vendor office and field visits; and (v) review of any lien waivers, invoices, and evidence of payment, as applicable.

***D. Design and Construction Employment Reporting***

The Quarterly Compliance Reports shall track all employment held by Covered Employees as compared with MGM Springfield's overall Design and Construction-related Employment for the project. Each subject report will be based upon an industry standard "FTE" calculation which is defined as the total number of hours worked which is divided by the maximum number of compensable hours in a full-time schedule. For example, when any report refers to one (1) FTE it will mean one (1) individual that is a full-time employee, while a reference to 0.5 FTE would mean an individual who is a half-time employee during construction.

#### ***E. Annual Statistical Reporting***

Pursuant to G.L. c. 23K, § 21(24) and subject to permitted exclusions, MGM Springfield shall collect and annually provide to the Commission (commencing on December 31, 2015) a detailed statistical report on the total dollar amounts contracted with and actually paid to minority business enterprises, women business enterprises and veteran business enterprises in: (i) design contracts; (ii) construction contracts; and (iii) contracts for every good and service procured by the gaming establishment; provided, however, that such statistical report shall also identify the amounts so contracted as a percentage of the total dollar amounts contracted with and actually paid to all firms.

#### ***F. Continuous Review Process***

In furtherance of their responsibilities, the Diversity Compliance Team shall engage in a process of continuous review of both process and work product associated with the compilation of the Quarterly Compliance Reports. The Diversity Compliance Team shall designate a subgroup who shall, prior to the submission of any Quarterly and/or Annual Compliance Report, conduct a joint review of process and work product and confirm to MGM Springfield's President and COO and MGM Resorts Development, LLC's Executive Vice President that the subject report is accurate and complete.<sup>1</sup> MGM Springfield will also continue to consider and assess software applications and nationally recognized protocols, systems, and manuals that could help MGM Springfield achieve its goals.

#### ***G. Cooperation / Books and Records***

MGM Springfield will document its engagement of Certified Business Entities and its employment of Covered Employees in a transparent manner. MGM Springfield shall keep full and complete records of its efforts to comply with its obligations under this Program. All records will be kept in accordance with MGM Springfield's record retention policies and applicable law.

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<sup>1</sup> Once the construction phase is complete, the (i) Executive Director of Diversity and Contracts, (ii) Executive Vice President, MGM Resorts Development, LLC, and (iii) the General Contractor shall be relieved of their active participation in this Program.



**APPENDIX A**

**Exhibit C to Springfield Host Community Agreement**

**EXHIBIT C**

**EMPLOYMENT, WORKFORCE DEVELOPMENT AND OPPORTUNITIES  
FOR LOCAL BUSINESS OWNERS**

1. General

With respect to all employment decisions of the Developer whether for construction jobs or operations jobs, Developer shall, and shall cause its contractors and subcontractors, to:

(a) comply with all applicable equal employment opportunity, non-discrimination and affirmative action requirements, including, but not limited to, the provisions of Chapter 151B of the Massachusetts General Laws, as amended, and all other applicable anti-discrimination and equal opportunity laws;

(b) not discriminate against any employee or applicant for employment because of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability;

(c) undertake, in good faith, affirmative action measures to eliminate discriminatory barriers in the terms and conditions of employment on the grounds of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability. Such affirmative action measures shall entail positive and aggressive measures to ensure non-discrimination and to promote the equal opportunities in the areas of hiring, upgrading, demotion or transfer, recruitment, layoff or termination, rate of compensation, apprenticeship and on the job training programs. A list of positive and aggressive measures shall include, but not be limited to, advertising employment opportunities in minority and other community news media; notifying Minority, women, Veteran and other community-based organizations of employment opportunities; validating all job specifications, selection requirements, and tests; maintaining a file of names and addresses of each worker referred to Developer or its contractor and what action was taken concerning such worker; and notifying the administering agency in writing when a union with whom the Developer or its contractor has a collective bargaining agreement has failed to refer a Minority, woman or Veteran worker. These and other affirmative action measures shall include all actions required to guarantee equal employment opportunity for all persons, regardless of race, color, religious creed, national origin, sex, sexual orientation, genetic information, military service, age, ancestry or disability; and

(d) establish a tracking system that tracks all of the employees that are working on or at the Project and such records and system shall be subject to inspection by the City.

2. Construction Jobs

During construction of the Project:

(a) Developer shall use its best efforts to create and maintain no fewer than Two Thousand (2,000) construction jobs at the Project; and

(b) Developer shall abide by an affirmative action program of equal opportunity as approved by the Commission whereby Developer shall strive to achieve labor participation goals for the utilization of Minorities, women and Veterans on the construction of the Project; *provided however*, that such goals for women and minorities shall be equal to or greater than the goals contained in the Commonwealth's Executive Office for Administration and Finance Administration Bulletin Number 14 which goals currently are set at 15.3% Minorities and 6.9% women and such goal for Veterans is set at 8%. The participation goals as set forth herein shall not be construed as quotas or set asides; rather such participation goals will be used to measure the progress of the Developer's equal opportunity, non-discrimination and affirmative action program.

3. Operations Jobs

(a) Developer will use its best efforts to employ as of the Operations Commencement Date no fewer than Three Thousand (3,000) persons, of which no fewer than Two Thousand Two Hundred (2,200) persons shall be employed on a full-time equivalent basis at the Project and/or any work of the Developer's at any facility at Union Station.

(b) Beginning on the Operations Commencement and continuing throughout the Term:

(i) Developer shall use its best efforts to strive to achieve labor participation goals for the utilization of City Residents so that (a) no fewer than Thirty-Five Percent (35%) of persons employed by the Developer at the Project and any related Union Station facility will be City Residents; and (b) no more than Ten Percent (10%) of its workforce will be residents from outside the City and its surrounding area.

(ii) Developer shall use its best efforts to strive to achieve labor participation goals for the utilization of Minority persons, women and Veterans so that: (a) no less than Fifty Percent (50%) of its workforce will be Minority persons, (b) no less than Fifty Percent (50%) of its workforce will be women and (c) no less than Two Percent (2%) of its workforce will be Veterans. The participation goals as set forth herein shall not be construed as quotas or set asides; rather such participation goals will be used to measure the progress of the Developer's equal opportunity, non-discrimination and affirmative action program.

(c) The Developer will provide a "First Choice" recruitment program in partnership with the Massachusetts Casino Careers Training Institute to provide City Residents the first opportunity to learn about and apply for positions at the Project. The First Choice program also will provide outreach services to economically isolated residents, those on disability benefits and residents in disadvantaged areas in the City, with a focus on the unemployed and underemployed, as well as Minority, women and Veteran recruitment, to encourage City residents to apply for jobs available at the Project.

4. Workforce Development

(a) The Developer will organize and maintain a training program to offer workforce skills development courses to City Residents in addition to training for all Project employees.

(b) The Developer will offer English as a Second Language Classes at no charge to Project employees.

(c) Developer shall otherwise comply with Section 18(17) of the Act in establishing and implementing a workforce development plan.

5. MBE/WBE/VBE Commitment

For purposes of this section, MBE shall mean Minority-owned Business, WBE shall mean Women-owned Business and VBE shall mean Veteran-owned Business, as defined in section 7 hereof.

(a) Developer shall use its best efforts to:

(i) award contracts for the design and construction of the Project, utilizing the following minimum percentages of MBE, WBE and VBE located in the City, measured by the total dollar amount of such contracts:

MBE: Five Percent (5%);

WBE: Ten Percent (10%); and

VBE: Two Percent (2%).

(ii) utilize the following percentages of MBE, WBE and VBE located in the City for the provision of goods and services for the Project following Operations Commencement, measured by the total dollar amount of such contracts:

MBE: Ten Percent (10%);

WBE: Fifteen Percent (15%); and

VBE: Two Percent (2%).

In furtherance of such best efforts obligations, Developer will implement a marketing program to achieve such goals and alert MBE, WBE and VBE of supplier opportunities.

(b) On a periodic basis, the Developer will hold day-long training and seminar sessions, free of charge and open to City businesses, to educate and assist them in applying for certification as an MBE, WBE and/or VBE.

6. Opportunities for Local Business Owners

Developer shall exercise its best efforts to ensure that at least Fifty Million Dollars (\$50,000,000) of its annual biddable goods and services are prioritized for local procurement,

meaning principally Springfield, but including the immediately surrounding Greater Springfield Area. Such local businesses shall not be guaranteed any awards but shall be given preferential consideration if all other aspects of the respective bid responses are competitive with non-local businesses.

Further, Developer shall use best efforts to work with local business associations such as, the Affiliated Chambers of Commerce of Greater Springfield and the Massachusetts Latino Chamber of Commerce (Springfield office) to educate local businesses on the opportunities provided by Developer's commitment to source such goods and services locally.

7. Definitions. For purposes of this Exhibit C, the following terms shall have the following meanings:

(a) "City Resident" means any person for whom the principal place of residence is within the City as of the date of such person's hire, unless such person's residency occurred within three (3) months of the date of such hire as a result Developer's prior express agreement to hire. Proof of residence may include, but is not limited to, the following: a valid Massachusetts driver's license indicating a City permanent residence, utility bills, proof of voter registration within the City or such other proof indicating a permanent residence within the City.

(b) "Minority" means a person who meets one or more of the following definitions:

(i) American Indian or Native American means: all persons having origins in any of the original peoples of North America and who are recognized as an Indian by a tribe or tribal organization.

(ii) Asian means: all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian sub-continent, or the Pacific Islands, including, but not limited to China, Japan, Korea, Samoa, India, and the Philippine Islands.

(iii) Black means: all persons having origins in any of the Black racial groups of Africa, including, but not limited to, African-Americans, and all persons having origins in any of the original peoples of the Cape Verdean Islands.

(iv) Eskimo or Aleut means: All persons having origins in any of the peoples of Northern Canada, Greenland, Alaska, and Eastern Siberia.

(v) Hispanic means: All persons having their origins in any of the Spanish-speaking peoples of Mexico, Puerto Rico, Cuba, Central or South America, or the Caribbean Islands.

(c) "Minority-owned Business" means a business that is beneficially owned by one or more Minority persons as follows:

(i) the business must be at least 51% owned by Minority persons; in the case of a corporation or other entity having more than one class of

stockholders or equity interests, the ownership requirement must be met as to each class of stock or equity interest;

(ii) the Minority owners shall demonstrate that they have dominant control over management;

(iii) the business has not been established solely for the purpose of taking advantage of a special program which has been developed to assist minority businesses; and

(iv) in the case of a joint venture between a minority business meeting the requirements of 1. through 3. above, inclusive, and a non-minority business, the joint venture shall be found to be a minority business if the minority business meeting the requirements of said clauses 1. to 3. above, inclusive, shall have more than one-half control over management of the project and shall have the right to receive more than one-half of the profits deriving from that project.

(d) **“Veteran”** shall have the meaning ascribed to such term as provided in Massachusetts General Law Chapter 4, Section 7.

(e) **“Veteran-owned Business”** means a business that is meeting the requirements set forth in clauses 1. to 4., inclusive, of the definition of a “Minority-owned Business” except that the terms “veterans”, “veteran owners” and “veteran-owned business” shall be substituted for the terms “minority”, “minority persons”, “minority owners” and “minority business” appearing in the definition.

(f) **“Women-owned Business”** means a business that meets the requirements set forth in clauses 1. to 4., inclusive, of the definition of a “Minority-owned Business” except that the terms “women”, “women owners” and “women-owned business” shall be substituted for the terms “minority”, “minority persons”, “minority owners” and “minority business” appearing in the definition.

**APPENDIX B**

**MGM Springfield Affirmative Marketing Plan for the Unemployed**

**[TO BE INSERTED UPON SUBMISSION AND APPROVAL by  
12-31-15]**

## **APPENDIX C**

### **Sample Quarterly Design and Construction Compliance Report**



# Quarterly Design and Construction Compliance

## Appendix C Diversity Program for Equal Opportunity and Affirmative Marketing Program

### Methodology

All data and statistical analysis included in this report has been computed in accordance with the requirements agreed in the Article VIII (*Composition of Compliance Reports*) of the [INSERT DATE] Diversity Program for Equal Opportunity and Affirmative Marketing Program Inclusive of the Governing Authority incorporated therein Terms capitalized in this Report, but not defined herein, shall have the same meaning as given to each such term in the Program.

### Time Period of Report

This Report constitutes MGM’s compliance with its obligation in accordance with [INSERT CITE] to submit a Quarterly Compliance Report for the period constituting the [X] Quarter of 201[X]. It is made up of the data and statistical analysis

### Dash Board Report for Quarter Ending [XXX 2015]

<b>DESIGN and CONSTRUCTION</b>		<b>Percent Goal</b>	<b>Percent Actual</b>	<b>Percent Change</b>
<b>Employment</b>	<b>[Raw Number XXX] FTE</b>	<b>[XX%]</b>		<b>+ [X%]</b>
	Minority, including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic.	15.3%		
	Women	6.9%		
	Veterans	8%		
<b>Contracting</b>				
	MBE	5%		
	WBE	10%		
	VBE	2%		

## Design and Construction

<b>Design and Construction Employment</b>				
	Percentage Goal	Percentage of Construction Employees	Total Employees	Percent Change
City Residents				
Minority, (including: (i) American Indian or Native American; (ii) Asian; (iii) Black; (iv) Eskimo or Aleut; and (v) Hispanic)	15%			
Women	6.9%			
Veterans	8%			

During the reporting period, in addition to advertising for all open positions for Covered Employees at MGM’s Website: [INSERT WEBSITE] MGM used the following best efforts to conduct Employment and Outreach Efforts in compliance with [INSERT CITATION] as follows:

- a. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- b. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- c. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- d. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- e. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]

## Design and Construction

<b>Design and Construction Contracting</b>				
	Percentage Goal	Percentage of Construction Spend	Total Construction Expenditure	Percent Change
MBE	5%			
WBE	10%			
VBE	2%			

During the reporting period, MGM used the following best efforts to contract with Certified Business Entities inclusive of outreach efforts in compliance with [INSERT Cite] as follows:

- a. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- b. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- c. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- d. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]
- e. [insert event name] [Insert Date] [insert activity/event Description] [insert attendance circulation]

## **APPENDIX D**

### **American Gaming Association Diversity Spending Exclusions List**

## **Hard Exclusions**

### Definition:

- Monopoly in a particular market or industry;
- Government regulated; and/or
- Is not and never will be a biddable option for the gaming industry

### Spend Categories in this area

- Aircraft Fuel
- Customer Comps
- Customer Refunds
- Employee-related Expenses
- Payroll
- Reimbursements
- Directors Fees
  - Fees to Parent Companies
  - Fines
  - Gaming Fees (ex. participation games, table game leases)
  - Garnishments
  - Government Agencies
  - Inter-company (internal) payments
  - Licenses
  - Litigations/Risk Settlements
  - Mail Pay (Sports Book)
  - Permits
  - Petty Cash
  - Postage
  - Regulatory Fees
  - Settlements
  - Taxes
  - Travel Agency Commissions

## **Hard/Soft Exclusions (hard today but potential exists for the inclusion of diversity in the future)**

### Definition:

- Not biddable today due to current market conditions (i.e. lack of maturation in supplier base)
- Long term area for exploration – fertile area for collaboration with a mature company

### Spend Categories in this area

- Credit card fees
- Accounting fees
- Alcoholic Beverages
- Bank fees
- Employee Benefits
- Express Mail

- Gaming Equipment companies
- Gasoline
- Insurance and Claims
- Loans/Interest
- Utilities
- Workman's Compensation

**Soft Exclusions**

Definition:

- Not biddable because decisions purely based on market conditions and/or factors

Spend Categories in this area

- Rent – what the facility sits on (i.e. land, boat/barge)
- Entertainment – entertainers selected based on anticipated draw of customers to casino
- Independent Agents – junket operators
- Inter-casino payments (ex. Caesar's purchases show tickets to an event at MGM)
- Leased retail enterprises

**Excluded from Purchasing denominator only**

Definition:

- Purchasing has no effect and/or control over how dollars are allocated so exclude from Purchasing denominator
- Able to include spend and diversity requirements in a separate area of the business

Spend Categories in this area

- **Philanthropy**
  - Donations
  - Non-profit
- **Construction**
  - Industry specific sourcing – Purchasing organization's don't specialize and attract specialists in this area
  - Pertains to architectural costs of building the building

**Spend Categories currently excluded but now need to be included:**

- Busses
- Drug Tests and Physicals
- Dues and Subscriptions
- Freight
- Gasses (ex. sterno, pyrotechnic, etc.)
- Legal Fees
- Lobbyists
- Non-goods and services

- Out of country vendors
- Seminars and Training
- Shipping or Courier
- For-profit sponsorships
- Temporary Services
- External Travel Agencies

### Inclusions

#### Definition:

- Non-monopoly in a market or industry;
- non-government regulated; and/or
- the commodity is a biddable option.

### Sample Products & Services

- **Food**  
Meat, Poultry, Seafood, Dairy Products, Dry Goods, Produce, Frozen Products, Bakery Items, Canned Goods, Condiments, Ethnic Foods, Specialty Items.
- **Beverage**  
Tea, Liquor, Domestic & Imported Wines, Beer, Water, Coffee.
- **General Equipment & Supplies**  
Housekeeping Equipment & Supplies, Office Supplies & Equipment, Audio Visual Equipment, Banquet Equipment, Computer Equipment, Cleaning Equipment, Security/Surveillance Equipment, Cell Phones/Radios/Beeepers, Marina Equipment, Signage, Food & Beverage Equipment.
- **Gaming Equipment & Supplies**  
Casino Equipment, Casino Supplies, Slot Signage
- **FF&E**  
Artwork, Carpet, Drapery, Furniture, Glass/Mirror, Upholstery, Wall Coverings, Wood Flooring, Tile.
- **Operating Inventories**  
China, Glassware, Flatware/Holloware, Linen, Uniforms, Cleaning Chemicals, Guest Room Amenities, Food & Beverage Disposables, Hotel Supplies, Kitchen Supplies.
- **Engineering/Facilities**  
Facilities/Engineering Supplies, General Maintenance Supplies, Repairs & Maintenance.
- **Retail**  
Accessories, Apparel, Art, Cosmetics/Fragrances, Gifts, Jewelry, Lingerie, Logo Apparel, Men's Wear, Toys & Games, Shoes, Souvenirs, Swimwear, Gifts/Specialty Items.

- **Construction / Contracting**  
Concrete, Demolition, Drywall, Electrical, Landscaping, Life Safety, Mechanical, Millwork, Painting, Reinforced Steel, Structural Steel, Construction Equipment.
- **General Services**  
Consulting, Staffing, Decorating, Advertising, Printing, Repairs & Maintenance, Freight, Janitorial.

**Supplier Selection Criteria**

- Ability to meet specifications and standards
- Product and service quality
- Competitive prices
- Dependable delivery
- Quality control methods and practices
- Technical abilities and leadership
- Financial reliability
- Compatibility with existing products
- Adequate facilities and resources
- Spare parts availability
- Warranty, insurance, and bonding provisions
- Proven performance and experience