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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

**In re MGM MIRAGE SECURITIES  
LITIGATION**

**This Document Relates To:**

**ALL ACTIONS.**

) No. 2:09-cv-01558-GMN-VCF  
)  
) CLASS ACTION  
)  
) **DECLARATION OF LAYN R. PHILLIPS IN  
SUPPORT OF SETTLEMENT**  
)  
) **DATE: December 15, 2015**  
) **TIME: 9:00 a.m.**  
) **CTRM: The Honorable Gloria M. Navarro**

UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

In re MGM MIRAGE SECURITIES  
LITIGATION

This Document Relates To:

ALL ACTIONS.

) No. 2:09-cv-01558-GMN-VCF

) CLASS ACTION

) DECLARATION OF LAYN R. PHILLIPS  
) IN SUPPORT OF SETTLEMENT

) Judge: Hon. Gloria M. Navarro

I, LAYN R. PHILLIPS, declare as follows:

1. I was selected by the parties to mediate the above-entitled action and did so as an independent mediator. The formal mediation process, followed by continued negotiations with my assistance, ultimately resulted in the Settlement now before the Court for final approval.

2. While the mediation process is confidential, the parties have authorized me to inform the Court of the procedural and substantive matters set forth herein in support of final approval of the Settlement.

3. My statements and those of the parties during the mediation process are subject to a confidentiality agreement and Federal Rule of Evidence 408, and there is no intention on either my part or the parties' part to waive the agreement or the protections of Rule 408. I make this Declaration based on personal knowledge and am competent to so testify.

4. I am a former United States Attorney and former United States District Judge. I also sat by designation on the United States Court of Appeals for the Tenth Circuit in Denver, Colorado. I resigned from the federal bench in 1991. From 1991 until 2014, I was a partner in the Newport Beach office of Irell & Manella LLP, where my practice consisted of complex civil litigation, internal investigations and alternative dispute resolution. I am now the founder and lead mediator at Phillips ADR Enterprises, P.C., formed in November 2014.

5. For over 20 years, I have successfully mediated high-stakes civil disputes for Fortune 500 companies nationwide. I have also mediated hundreds of disputes referred by private parties and courts, and have been appointed a Special Master by various federal courts in complex civil proceedings. I have also served as a Fellow in the American College of Trial Lawyers. In addition, I have been nationally recognized as a mediator by the Center for Public Resources Institute for Dispute Resolution (CPR), serving on CPR's National Panel of Distinguished Neutrals.

6. Prior to the initial mediation, the parties provided to me, and exchanged amongst themselves, briefs discussing certain aspects of the factual and procedural background of this action, as well as certain of the key disputed factual and legal issues in this action, along with substantial factual and expert support.

7. It was apparent to me from the submissions and presentations made by the parties before and during the mediation process that counsel for all parties had performed a thorough examination of the facts underlying the action and, with the aid of experts, analyzed it to determine appropriate case valuations. Counsel for all parties were well informed on the current law and provided legal research and analysis of the relevant law. It was also apparent to me that considerable work was done by counsel for all parties to prepare the case for mediation.

8. On May 13, 2015, the parties participated in an all-day formal mediation session before me in Los Angeles, California. In attendance at the May mediation were representatives from the three Class Counsel firms; general counsel for Lead Plaintiff Arkansas Teacher Retirement System; counsel for MGM Resorts International (formerly known as MGM Mirage) ("MGM") and the Individual Defendants; and multiple insurance carriers for MGM and

counsel. While the mediation was productive and progress was made, a settlement was not reached at the conclusion of this session.

9. Following the formal mediation session on May 13, 2015, the parties, with my assistance, continued to negotiate a resolution of this action. At my recommendation, the parties submitted joint stipulations requesting that the Court grant a 40-day stay of all discovery pending mediation and also hold its decision on Lead Plaintiffs' Class Certification Motion until the expiration of the 40-day stay. The Court granted the parties' stipulations on May 21, 2015.

10. On June 10, 2015, the parties attended a second formal mediation session before me in Newport Beach, California. In attendance at the June mediation were representatives from the three Class Counsel firms; counsel for MGM and the Individual Defendants; and multiple insurance carriers for MGM and counsel.

11. As with the first mediation session, progress was made, but the parties were still too far apart in their respective positions to reach a resolution of the action at the conclusion of the second session. At my recommendation, the parties agreed to submit a second request that the Court extend all deadlines and hold its decision on class certification in abeyance. The Court granted this request on July 7, 2015, and the parties ultimately reached an agreement-in-principle to settle this action on July 10, 2015.

12. After presiding over the mediation process in this case, I am able to report that the parties' settlement is the product of vigorous and independent advocacy and arm's-length negotiation conducted in good faith. There was no collusion between the parties.

13. Throughout the mediation process, I developed a complete understanding of the full range of the dispute, the respective positions of the parties, and the relative strengths and

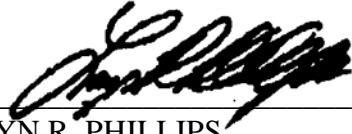
weaknesses of those positions, as well as the risks, rewards and costs of continued litigation and inevitable appeal.

14. Based on my knowledge of the issues in dispute, my review of the substantial factual and legal materials presented before and during the mediation, the rigor of the parties' negotiations, the relative strengths and weaknesses of the parties' positions, and the benefits achieved by the Settlement, I believe the \$75,000,000 Settlement represents a well-reasoned and sound resolution of highly uncertain litigation and that the result is fair, adequate, reasonable and in the best interests of the Class. Therefore, I respectfully endorse final approval of the Settlement by the Court.

15. Furthermore, it is apparent from the submissions and presentations made by Class Counsel before and during the mediation session, as well as from my numerous discussions with them, that Class Counsel performed a thorough examination of the merits of the claims in this action. It is also my opinion that Class Counsel performed substantial work and efforts in preparing their case for mediation and in presenting their claims in such a way as to produce a valuable settlement for the Class. Based upon my experience as a former federal judge and as a mediator, it is my opinion that a request by, and award to, Class Counsel for attorneys' fees in the amount of 25% of the \$75,000,000 settlement fund, plus reimbursement of actual litigation expenses, would be reasonable and appropriate given the complexity of this matter and the significant relief obtained by Class Counsel. It is also my opinion that a fee award in that range is in line with amounts approved by other courts as being fair and reasonable in contingent fee class action litigation such as this. Therefore, I respectfully endorse Class Counsel's fee request.

I state under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 30th day of October 2015, at Newport Beach, California.

A handwritten signature in black ink, appearing to read "Layn R. Phillips", written over a horizontal line.

LAYN R. PHILLIPS  
Former United States District Court Judge

**CERTIFICATE OF SERVICE**

I hereby certify that I authorized the electronic filing of the foregoing with the Clerk of the Court using the CM/ECF system, which will send email notification of such filing to all registered parties.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

DATED: November 2, 2015.

*/s/ Susan Whatley*

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Susan Whatley