

Mandalay Resort Group Compensation Committee Charter

This Charter has been adopted by the Board of Directors of Mandalay Resort Group (the “Company”) to govern its Compensation Committee (the “Committee”), which shall have the authority, responsibility and specific powers described below.

Purposes

The Committee’s purposes are (a) to review and approve corporate goals and objectives relevant to the compensation of the Company’s Chief Executive Officer (“CEO”), evaluate the CEO’s performance in light of those goals and objectives and determine and approve the CEO’s compensation level based on the Committee’s evaluation, (b) to make recommendations to the Board of Directors with respect to non-CEO compensation, incentive compensation plans and equity-based plans, (c) to produce a report of the Committee on executive compensation as required by the Securities and Exchange Commission “SEC”) to be included in the Company’s annual proxy statement filed with the SEC, and (d) to provide an annual report to the Board of Directors which shall include the results of the Committee’s annual evaluation of its performance. The Committee shall perform its duties in accordance with the provisions of this Charter, and in accordance with applicable laws and regulations of governmental authorities and applicable rules of the New York Stock Exchange (“NYSE”), the Pacific Exchange (the “PE”) and/or any other stock exchanges where the Company’s securities are from time to time listed (collectively, Applicable Requirements), and subject to the approval of the Company’s stockholders in those instances where stockholder approval is required by the Applicable Requirements.

Committee Member Qualifications

Each member of the Committee shall satisfy any Applicable Requirements relating to qualification for membership on the Committee, including any “independence” requirements from time to time in effect and applicable to the Company. In addition, each member of the Committee shall be a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, and an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended.

The members of the Committee shall be appointed by the Board of Directors, and members of the Committee may be removed by the Board of Directors. A member of the Committee shall be selected by the Board of Directors to serve as the Committee chairperson. The Committee may delegate its authority to a subcommittee comprised solely of one or more of its members, provided such subcommittee has a published committee charter.

Committee Meetings and Reporting

The Committee shall conduct such meetings as may be deemed appropriate by the Committee's chairperson or a majority of its members. The Committee shall make regular reports to the Board of Directors.

Committee Authority and Responsibilities

1. The Committee shall annually review and approve corporate goals and objectives relevant to the compensation of the Company's CEO, evaluate the CEO's performance in light of those goals and objectives, and determine and approve the CEO's compensation level based on the Committee's evaluation. In determining the long term incentive component of CEO compensation, the Committee shall, in addition to such other factors as the Committee deems appropriate, consider the Company's performance and relative stockholder return, the value of similar incentive awards to CEOs of comparable companies, and the awards given to the CEO in past years. Except as otherwise expressly prohibited by any Applicable Requirements, this Charter shall not be construed as precluding discussion generally of the CEO's compensation with the Board of Directors.
2. The Committee shall make recommendations to the Board of Directors with respect to compensation for the Company's Board of Directors and the non-CEO executive officers of the Company.
3. The Committee shall make recommendations to the Board of Directors with respect to incentive compensation plans and equity-based plans. In the exercise of its authority, the Committee is not precluded by this Charter from approving awards (with or without ratification of the Board of Directors) as may be required to comply with applicable tax laws.
4. The Committee shall administer the Company's executive officers' bonus plan, and the Company's stock option and stock incentive plans, in each case, in accordance with the terms of the applicable plan and in accordance with Applicable Requirements.
5. The Committee shall be responsible for producing an annual report of the Committee on executive compensation for inclusion in the Company's proxy statement relating to its annual meeting of stockholders in accordance with the Applicable Requirements.

Advisors

The Committee shall have the sole authority to retain and terminate any compensation consultant retained to assist in the evaluation of the compensation of the Company's Directors, CEO, or other executive officers, and shall have sole authority to approve the fees and other terms applicable to the engagement of each such consultant so retained.

Annual Performance Evaluation

The Committee shall annually review and evaluate its own performance and report to the Board of Directors the conclusion of the Committee resulting from such review and evaluation.

Website

This Charter shall be posted on the Company's website, and the Company's annual report to stockholders shall include a statement to the effect that this Charter is available on the Company's website and that the information is available in print to any stockholder who requests it.