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July 22, 2023

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The Honorable Morgan T. Zurn
Court of Chancery
Leonard L. Williams Justice Center
500 North King Street
Wilmington, DE 19801

RE: *In re AMC Entertainment Holdings, Inc. Stockholder Litigation,*
C.A. No. 2023-0215-MTZ

Dear Vice Chancellor Zurn:

Plaintiffs Allegheny County Employees' Retirement System and Anthony Franchi (collectively, "Plaintiffs") jointly submit this correspondence with Defendants AMC Entertainment Holdings, Inc., Adam M. Aron, Denise Clark, Howard W. Koch, Jr., Philip Lader, Gary F. Locke, Kathleen M. Pawlus, Keri Putnam, Anthony J. Saich, Adam J. Sussman, and Lee Wittlinger (collectively, "Defendants") to advise the Court that the parties have agreed to a revised release in connection with the parties' proposed settlement (as reflected in the Stipulation of Settlement, Trans. ID 69906464 (the "Stipulation")). In Your Honor's July 21, 2023 Opinion, the Court advised that "[i]t is up to the parties to decide if the risk of

unreleased APE claims is worth rejection of a settlement that might pave the way for the Conversion, which the parties have intimated is necessary to save the Company from financial ruin.” Opinion at 60-61. With this guidance from the Court, the parties agreed to revise the terms of the Stipulation such that “Released Plaintiffs’ Claims” no longer release any claims that:

Plaintiffs or any other Settlement Class Member: (i) asserted in the *Allegheny* Complaint or the *Munoz* Complaint; or (ii) ever had, now have, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity that, in full or part, concern, relate to, arise out of, or are in any way connected to or based upon the allegations, transactions, facts, matters, occurrences, representations, or omissions involved, set forth, or referred to in the Complaints and that relate to the ownership of . . . ***AMC Preferred Equity Units*** during the Class Period.

Stip. ¶ A.1(r) (emphasis added). The enclosed Addendum to the Stipulation of Settlement and Proposed Revised Final Judgment (clean and redlined) set forth these revisions to the release.

Given that the parties have agreed to revised settlement terms that are identical in all other respects to the settlement previously submitted for approval, as to which notice has been provided to all potential Class members, and given that this revision to the Settlement Agreement provides more favorable terms to Class members by way of a narrowed release, additional notice need not be provided prior to settlement

approval.¹ Accordingly, the parties respectfully request that the Court approve the settlement on the revised terms and pursuant to the enclosed Proposed Final Judgment for the reasons set forth in the parties' papers regarding settlement. *See Firefighters' Pension Sys. of the City of Kansas City, Missouri Trust v. Presidio, Inc.*, C.A. No. 2019-0839-JTL (Nov. 7, 2022) (TRANSCRIPT) (Trans. ID 68406957) at 50-52 (requesting revisions to the settlement release and instructing the parties to submit a revised stipulation of settlement and final judgment).

The Opinion requested that the parties submit a consolidated complaint and submit an agreed schedule for the remainder of the litigation. In light of the parties' agreement to an amended stipulation that revises the terms of the settlement in accordance with the Court's guidance, we respectfully request that the Court stay that order pending Your Honor's consideration of the amended stipulation.

¹ "The pertinent question here is whether the changes *adversely* affect class members. When the modification makes the settlement less desirable, notice may be required because courts cannot be sure whether more class members would have chosen to object to the settlement or exclude themselves from the class. In contrast, when the modification makes the settlement more valuable to the class, courts have routinely concluded that notice is unnecessary." *In re Anthem, Inc. Data Breach Litig.*, 327 F.R.D. 299, 330 (N.D. Cal. 2018). Courts have specifically found that re-notice is unnecessary where a settlement release was amended to narrow the scope of the release after class members received notice. *See Shaffer v. Continental Casualty Co.*, 362 Fed. App'x 627, 631 (9th Cir. 2010) ("Although changes were made to the release after potential class members received the notice, the changes did not render the notice inadequate because they narrowed the scope of the release.").

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The parties are available at the Court's convenience should Your Honor have any questions or concerns.

Sincerely,

/s/ *Thomas Curry*

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