

To Representative

NAME OF YOUR CONGRESS REP

ADRESS

From:

YOUR NAME

YOUR ADDRESS

August 25, 2023

THE SCAM OF ADAM ARON (CEO OF AMC THEATERS) THAT DESTROYED THE LIFE SAVINGS OF NEARLY 3.8 MILLION RETAIL SHAREHOLDERS WORLDWIDE

Dear Rep. NAME,

How is it even possible, that a SCAM and CRIME of such magnitude, can happen in plain sight and with the help of the judicial system of the United States? I am outraged, about all the corruption of Wallstreet, Executives and Judges.

The unredacted Version of the Munoz Complaint 2023-0215-MTZ shows severe breaches of fiduciary duties of the Board of AMC. It also shows the involvement of Citigroup in the creation and implementation of a special derivative share (“APE units”) to retail shareholders of AMC to steal voting power of retail investors. The discovery in this case unraveled a conspiracy, insider trading, and securities fraud. AMC Executives, especially Adam Aron, Antara Capital LLP and Citigroup operated an insidious scheme to steal money from retail investors (evidently proven through discovery documents). The actions of the involved parties have caused significant financial harm to AMC shareholders.

The Delaware General Corporation Law establishes the importance of protecting the stockholder franchise, stating that corporate fiduciaries should not undermine the voting rights of stockholders. This mission is flaw and worth less than a piece of toilet paper. In this case, AMC's Board misused its fiduciary powers to bypass the voting rights of current stockholders by giving control to a new group of investors (including Antara Capital) to push through charter amendments that allowed to significantly increase the number of shares of AMC Class A common stock available for issuance, a draconian unnecessary 10:1 Reverse Stock Split and Conversion of APE units in AMC common. In the background, AMC has conspired with Citigroup since November 2021 and later with Antara Capital, to implement these charter amendments in a plot called “Project Poporn”, causing in billions of lost market capitalization of

AMC Common stockholders. Citigroup holds a massive put position (as disclosed of May 11, 2023) on AMC common Stock and has material interest in a declining stock price.

2023-05-11	13F	Citigroup Inc	Put	37,779,400
2023-05-11	13F	Citigroup Inc	Call	11,648,500

Citigroup Positioning of AMC Common Stock (as of May 11, 2023; Source: Fintel.io)

Antara Capitals monetary interest is aligned with the APE shares, by buying them for pennies (66 cents) exploiting market rallies in undisclosed price rigging with the AMC board and Citigroup and constantly dumping millions of shares on shareholders with significant profits. Antara has an even bigger put position on AMC Common than Citigroup – betting high on the APE conversion and its draining effect on AMC Common shares.

Datei Datum	Quelle	Anleger	Typ	Durchschnittlicher Preis (Est)	Aktien
2023-05-12	13F	Antara Capital LP	Put	55,328,700	
2023-05-11	13F	Citigroup Inc	Put	37,779,400	

Antara Capital Positioning of AMC Common Stock (as of May 12, 2023; Source: Fintel.io)

The AMC common stockholders have rejected share increase proposals of the Board in 2021 twice. Not accepting the will of their shareholders, the Board used a "blank check" preferred stock and manipulated the voting outcome on these charter amendments, which undermines the stockholder franchise and goes against the desires of current common stockholders. While they worked hard on “Project Popcorn” a significant sell-off of the Board members self-granted AMC stock followed and resulted in approx. \$83 million.

Insider trading is regulated by the Securities and Exchange Commission (SEC) under Rule 10b-5 of the Securities Exchange Act of 1934. This rule prohibits individuals with **access to non-public, material information** about a publicly traded company from trading securities based on that information or from disclosing that information to others who may trade on it. Insider trading is considered illegal because it undermines the fairness and integrity of the securities markets and gives individuals an unfair advantage over other investors.

Current available information evidently proves that the board was actively engaged in insider trading and the requirements and their causation are met:

1. Material Non-Public Information: “Project Popcorn”, Dilution of AMC common
2. Breach of Fiduciary Duty or Duty of Trust or Confidence: Manipulation of a shareholder vote for necessary charter amendments
3. Trading: Selling-off their own stock since the initiation of “Project Popcorn”
4. Intent: Several steps with clear intention to maximize their own and the conspirators gain, while ultimately diluting their stockholders (to the maximum possible).

This all was known by the Chancery Court in Delaware, and it was IGNORED! The court also received over 3,500 Objections letters from shareholders and totally ignored these to rubberstamp the NON-OPT OUT settlement to allow the reverse stock split and conversion on a FRAUDULENT VOTE. The actions of the board show a clear pattern and behavior, which cannot be justified under legal precedents such as the Blasius case. The Board has manipulated and approved a stockholder vote on March 14, 2023, which caused significant financial harm to AMC common stockholders with the HELP of the Delaware Chancery Court. In addition to that, the Delaware Chancery Court has released the AMC defendants from FEDERAL claims, they have NO JURISDICTION over. In Addition, hundreds of shareholders also reached out to the SEC and Compliance Department of the NYSE to stop the Reverse Stock Split Conversion under NYSE rules.

Adam Aron deliberately manipulated and misled his "APE-Shareholders," creating a false impression that he would prioritize creating and protecting shareholder value. This manipulation allowed the defendants to exploit the shareholders' misguided beliefs in the integrity of the AMC leadership for their personal gains. They initially diluted AMC common shareholders by approximately 390%. Furthermore, the Board devised a clever scheme to bypass shareholder wishes, flooding the market with new shares and transferring a significant portion of market capitalization (about 40%) to a new share class and new shareholders. The defendants took advantage of their 80% ownership of primarily retail shareholders by selling their shares at inflated prices, resulting in increased supply and price declines as per basic economic principles.

The AMC Board failed to implement a sustainable business strategy prior to the Covid-19 pandemic. They also neglected to genuinely address and investigate their shareholders' concerns regarding market and price manipulation. They failed to recognize the advantages brought by their new shareholders and best customers, and neglected to explore new ways of raising capital through their shareholders without diluting AMC common stock. Instead, their focus remained on raising cash through ownership dilution, thereby destroying shareholder value, while disregarding the potential positive impact and support from shareholders who became stock owners during the "Meme Stock Frenzy."

As of August 24, 2023 the Stockprice of AMC reached an all time low of \$14.30 (split adjusted \$1.43) that wiped out nearly completely the portfolios of hard working American people who have bought the Stock in 2021, to rescue the company from bankruptcy after COVID-19 lockdowns. As

PLEASE ADD HERE YOUR PERSONAL STORY – HOW MUCH YOU LOST; HOW ADAM LIED TO YOU

That is why, "WE THE PEOPLE" DEMAND for legal PROSECUTION of Adam Aron and all Conspirators involved in this crimes.

Thank you for your time. Please share this letter with other congressmen.

Best wishes and God bless,

YOUR NAME