



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE AMC ENTERTAINMENT)
HOLDINGS, INC. STOCKHOLDER) Consol. C.A. No. 2023-0215-MTZ
LITIGATION)

**REPORT AND RECOMMENDATION OF SPECIAL MASTER
REGARDING CERTAIN MOTIONS FILED BY A. MATHEW**

PRICKETT, JONES & ELLIOTT, P.A.
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Special Master

Dated: May 17, 2023

PRELIMINARY STATEMENT

The Court has issued two opinions in this matter. I have also issued reports and recommendations, including one in which I recommended that the Court deny A. Matthew's ("Mr. Mathew") motion to intervene.¹ I incorporate the factual recitation from my prior reports herein and presume familiarity with the general nature of this dispute.

This report and recommendation will address the following motions and other requests for relief Mr. Mathew has filed:

1. April 27, 2023 Motion for Discovery to Ascertain the Identity of the Twitter Profile Named Shlomo Zussman (the "Twitter Motion");²
2. April 28, 2023 correspondence titled "Inclusion of DTCC and Parent Company Cede Co. as Defendants in the AMC Entertainment Holdings, Inc. Stockholder Litigation" (the "DTCC Motion");³ and
3. May 10, 2023 Motion to Add a Party (the "Citigroup Motion").⁴

¹ Trans. ID 69924744; Trans. ID 70017448 (the "Mathew Intervention Report and Recommendation").

² Trans. ID 69908660.

³ Trans. ID 69915564. This correspondence is not styled as a formal motion but I will treat it as such.

⁴ Trans. ID 69995935. I refer to the Twitter Motion, the DTCC Motion, and the Citigroup Motion as the "Motions."

The Court appointed me as a Special Master in this action.⁵ Recommendations regarding all of the Motions fall within the scope of my authority. I recommend that the Court deny the Motions.

ANALYSIS AND RECOMMENDATION

A. Mr. Mathew's Motions Seeking to Add Defendants

Mr. Mathew has filed two motions seeking to add defendants—the DTCC Motion and the Citigroup Motion. I recommend that the Court deny both motions for two reasons.

First, Mr. Mathew is not a party to the action, and, therefore, he cannot add defendants. I recommended that the Court deny Mr. Mathew's motion to intervene, in part because he did not file the requisite complaint in intervention under Court of Chancery Rule 24(c).⁶ Court of Chancery Rule 15, on which Mr. Mathew relies as authority for his Citigroup Motion, governs a *party's* right to amend pleadings. Mr. Mathew has not cited any authority, and I am aware of no authority, that would permit a non-party to an action to add a defendant to that action. On that basis alone, I recommend both motions be denied.

⁵ See Order Appointing Special Master ¶ 1 (Trans. ID 69885808); Letter to Counsel & Interested Parties from Vice Chancellor Zurn, dated May 2, 2023, Regarding Special Master's Authority (Trans. ID 69935078).

⁶ Mathew Intervention Report and Recommendation at 4.

Second, Mr. Mathew has not proffered any specific allegations of wrongdoing. In the DTCC Motion, Mr. Mathew seeks to add the Depository Trust & Clearing Corporation (“DTCC”) and its parent company as defendants. Mr. Mathew indicates that “[u]pon [his] formal integration as an intervenor, [he] will furnish the Court with the pertinent documentation and evidence” of what he believes amounts to wrongdoing, including by DTCC and its parent company.⁷ Mr. Mathew has not proffered any allegations of wrongdoing against DTCC or its parent company. Rather, he posits that “DTCC would possess knowledge” of certain issues in the litigation, and that given its “integral role in the settlement system . . . it would be judicious to examine their involvement in this matter.”⁸ Mr. Mathew has not alleged a basis to join DTCC and its parent company as defendants in this action.

In the Citigroup Motion, Mr. Mathew seeks to add Citigroup as a defendant because it “may have played a significant role in the events giving rise to the claims asserted in th[e] action.”⁹ Mr. Mathew alleges that Citigroup was a prime lender, had clients that held a substantial short position in AMC Entertainment Holdings, Inc. (“AMC”) stock, and itself held a substantial short position in AMC stock.¹⁰

⁷ DTCC Motion at 2.

⁸ *Id.* at 2-3.

⁹ Citigroup Motion at 1.

¹⁰ *Id.* at 1-2.

These are not allegations of wrongdoing. Mr. Mathew further alleges that emails obtained from Derek Van Zandt indicate a “Trojan horse scheme originating from Citi.”¹¹ Mr. Mathew does not explain this scheme, attach any emails explaining this scheme, or provide a proposed complaint that includes allegations of this scheme. Mr. Mathew has not alleged a basis to join Citigroup as a defendant in this action.

For these reasons, I recommend that the Court deny the DTCC Motion and the Citigroup Motion.

B. The Twitter Motion

In the Twitter Motion, Mr. Mathew seeks discovery from Twitter, Inc.¹² to identify the user of a specific profile so that Mr. Mathew can seek what he believes is “appropriate relief” against an individual he claims is harassing, intimidating and defaming him.¹³ This discovery request does not appear to have any relationship to this action.

Even if the discovery request could be construed as somehow related to this action, at best, it would be framed as an objector’s¹⁴ request for supplemental merits discovery. “Normally, post-settlement agreement merits discovery is not allowed,

¹¹ *Id.* at 2.

¹² Twitter, Inc. is not a party and it therefore cannot be served with Rule 26 discovery.

¹³ Twitter Motion at 1.

¹⁴ Although Mr. Mathew has indicated that he has various objections to the proposed settlement, to date, he has not served a formal objection to the settlement.

except in very narrow circumstances.”¹⁵ The Twitter Motion does not provide any basis to conclude that Mr. Mathew has met the applicable standard. I therefore recommend that the Court deny the Twitter Motion.

CONCLUSION

For the reasons set forth herein, I recommend that the Court DENY the Motions.

Dated: May 17, 2023

PRICKETT, JONES & ELLIOTT, P.A.

/s/ Corinne Elise Amato

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¹⁵ *In re MAXXAM Inc.*, 1994 WL 449106, at *1 (Del. Ch. Aug. 5, 1994) (citing *In re Amsted Indus., Inc. Litig.*, 521 A.2d 1104, 1108-09 (Del. Ch. 1986) and *In re Mobile Commc’ns Corp. Consol. Litig.*, 1989 WL 122038 (Del. Ch. Oct. 16, 1989)). The Court might permit an objector to take reasonable discovery if there is a “*prima facie* showing of bad faith or conflicting interests” or a class representative “failed to properly explore through discovery or otherwise the merits of the case and defenses” before agreeing to the settlement. *Amsted*, 521 A.2d at 1108-09. In those “unusual case[s],” an objector may be entitled to seek “narrow, specific and targeted” discovery. *Id.* at 1109. Mr. Mathew has made no such showing.

CERTIFICATE OF SERVICE

I, Corinne Elise Amato, do hereby certify on this 17th day of May, 2023, that I caused a copy of the foregoing *Report and Recommendation of Special Master Regarding Certain Motions filed by A. Mathew* to be served via File & ServeXpress on the following counsel of record:

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I further certify that, on May 17, 2023, I cause and true and correct copy of the *Report and Recommendation of Special Master Regarding Certain Motions filed by A. Mathew* to be served via email upon the following Pro Se party:

Via Email by File and ServeExpress:
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/s/ Corinne Elise Amato
Corinne Elise Amato (#4982)