Dear Landlord:

This letter is to formally advise you that AMC temporarily suspended operation of all of its theatres in the United States (including the theatre referenced above) on March 17, 2020 in response to circumstances beyond AMC’s control and specifically the COVID-19 pandemic and the national state of emergency declared by the President of the United States on March 13, 2020, and in compliance with various federal, state and local government mandates and directives (including those that now limit public gatherings to no more than 10 people and emphasize social distancing). All other major theatre operators in the United States have also closed their theatres.

As the crisis unfolded and movie studios pulled major new releases (significantly reducing film product), AMC took steps to adapt and remain open. AMC proactively reduced capacity by 50% per the initial CDC guidelines, and then to 50 persons per auditorium per revised CDC guidelines. However, President Trump’s directive to limit public gatherings to no more than 10 people and other public health directives and mandates on social distancing ultimately made it impossible to remain open.

AMC is now focused on maintaining its management and associate teams so that when the crisis is over AMC can quickly reopen its theatres. Some of the steps AMC has implemented are: (a) making the very difficult decision to furlough over 25,000 employees in the United States, (b) instituting a reduced pay program for theatre General Managers, (c) placing a hold on discretionary capital expenditures, and (d) making significant cost and personnel cuts at AMC’s corporate offices.

The final step AMC is currently taking directly impacts you. Without revenue from its theatres, AMC will cease paying rent and charges under the lease effective as of April 1, 2020.

AMC asks for your patience and understanding during this difficult time. AMC intends to reopen its theatres as soon as possible after it is safe to do so. AMC looks forward to getting back to business as usual.
AMC intends to advocate at the federal level for appropriate relief for the theatre exhibition and real estate industries. AMC is willing to discuss with you any suggestions you may have for getting through this crisis and planning for when AMC can reopen and pay rent.

Sincerely,

AMERICAN MULTI-CINEMA, INC.

By: [Signature]
Daniel E. Ellis
Senior Vice-President, Development & International