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December 28, 2023

Via E-Mail and Overnight Delivery

Richard Brand
Cadwalader, Wickersham, & Taft LLP
200 Liberty Street
New York, NY 10281
richard.brand@cwtt.com

Re: Braemar Hotels & Resorts

Dear Richard:

We represent Jason Aintabi and Blackwells Capital. Concerns have come to our attention regarding potential violations of the federal securities laws by Braemar Hotels & Resorts ("Braemar") related to articles published in *The Dallas Express* concerning Mr. Aintabi and Blackwells Capital.

Background

The Dallas Express is controlled and published by Monty Bennett, who also sits as a Board Member of the publication. The publication appears to operate as a mouthpiece for both Mr. Bennett and Braemar, with Mr. Bennett having the ability to significantly influence the management and/or operating policies of *The Dallas Express*, as well as its content. Further, Mr. Bennett's wife, Sarah Zubiate-Bennett, also serves as a Co-Founder and Board Member of *The Dallas Express*, and based on a review of the publication's website, regularly contributes content to the publication.

On November 1, 2023, *The Dallas Express* published an article titled "Vinson & Elkins Helps New York Activist Investor Invade Texas." Mr. Aintabi and Blackwells Capital have not publicly disclosed the letter at issue in that article. It therefore appears that disclosure of the letter to *The Dallas Express* can ultimately be traced back to Braemar, and perhaps Mr. Bennett himself. Mr. Bennett was undoubtedly aware of the disclosure of the letter, as he provided direct quotes to *The Dallas Express* for the November 1 article.

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Beyond the November 1, 2023 article, *The Dallas Express* has repeatedly attacked the reputation of Mr. Aintabi by spreading defamatory rumors and publishing hit pieces on Mr. Aintabi in the guise of news articles.

Federal Securities Regulations

Related Party Transactions: Because Mr. Bennett controls both Braemar and/or Ashford Inc. (“Ashford”), on the one hand, and *The Dallas Express*, on the other, it appears there may be undisclosed related party transactions between Braemar and/or Ashford, on the one hand, and *The Dallas Express*, on the other. Insofar as *The Dallas Express* functions as an undisclosed public relations arm of Braemar, this conduct could give rise to potential violations of the federal securities regulations. Therefore, to the extent that Mr. Bennett, Braemar, and/or Ashford provide compensation or things of value (including charitable donations, loans, fundraising fees, etc.) to *The Dallas Express*, and as a result may exercise control or influence over the content of the publication and/or provide exclusive interviews or comment as part of the content of the publication, this conduct may establish unrelated party transactions which could constitute violations of the federal securities regulations.

Indeed, *The Dallas Express*'s own website suggests that such a relationship exists. It states in relevant part:

The publisher of The Dallas Express has significant business interests in the hospitality industry, including serving as the chairman of three public companies. From time to time we may publish articles related to hotels, online travel agencies, vacation rental properties, booking agents, and other associated topics. Know that our publisher may have a financial interest or could benefit by reporting these topics in a certain way or at all. This is a standing disclosure and will not be additionally disclosed at the bottom of these hotel industry related articles.

Thus, *The Dallas Express* itself recognizes that the content of the information it publishes could benefit Braemar, Ashford, and/or Mr. Bennett in a manner that would violate federal securities regulations if not properly disclosed to investors.

Failure to Disclose Material Information to Investors: Upon receipt of the correspondence from Mr. Aintabi and Blackwells Capital, Braemar was required to publicize the information in that correspondence in a manner that complies with the federal securities laws if it viewed the information as material. No such disclosure was made. Yet, Braemar and/or Mr. Bennett believed that the information was material enough to disclose it to *The Dallas Express*, in an apparently clandestine manner, and grant an exclusive interview by the Chairman to the publication. Publicizing the information in this way does not comport with Braemar's disclosure obligations under the federal securities laws. This inconsistent approach to disclosure obligations, which has existed for two months, may be of concern to a reasonable investor, or potential investor, in Braemar.

To better understand the nature of these potential violations of the federal securities regulations, and in Blackwells Capitals' role as a shareholder of Braemar, Mr. Aintabi and Blackwells Capital request that you immediately disclose:

1. The nature of any relationship between Braemar and/or Ashford Inc., their Board of Directors, and their Executives (including their Chairmen) and *The Dallas Express*
2. Any monetary relationship between Braemar and/or Ashford, their Board of Directors (and their spouses), and their Executives ((including their Chairmen) and their spouses) and *The Dallas Express*
3. Any disclosure by Braemar and/or Ashford of the correspondence (including through counsel) between Mr. Aintabi and Blackwells Capital, on the one hand, and Braemar, on the other hand. This includes any disclosure by the members of the Board of Directors of either company or the Executives (including their Chairmen) of either company. Please include the nature, recipient, and date of the disclosure.

Conclusion

If we do not hear from you by Friday, January 5, 2024, we will understand that court intervention will be necessary to resolve this matter. Mr. Aintabi and Blackwells Capital expressly reserve all of their legal and equitable rights and remedies, and nothing contained in or omitted from this letter is or should be deemed to be a limitation, restriction, or waiver of any rights or remedies.

Thank you for your prompt attention to this matter.

Very truly yours,

/s/ Elinor Sutton

Elinor C. Sutton