

December 6, 2023

**Via Federal Express and Email**

Jason Aintabi  
Blackwells Capital  
400 Park Avenue, 4th Floor  
New York, NY 10022

Mr. Aintabi:

We are in receipt of your second letter, dated December 1, 2023, addressed to the Braemar Hotels & Resorts (the “Company”) board of directors. We have shared your second letter, like your first letter dated October 21, 2023, with the Company’s board for its consideration.

In your first letter, you presented yourself as acting on behalf of all shareholders and demanded that the board investigate alleged breaches of fiduciary duties by its own members. The board, in response, is expending significant effort to conduct an appropriate review of your allegations in accordance with Maryland law. In your second letter, you present yourself as acting in your own interest, by making a proposal to acquire the entire Company and requesting that the Company enter into exclusivity with Blackwells (which would not appear to be the interests of all shareholders as your first letter was purporting).

Prior to the board and management expending further time, effort and resources to consider your most recent communication, we ask you to answer some threshold questions in order to appropriately assess the credibility of your interest. The board takes its role as fiduciaries seriously as one would expect, but we would like to make sure that the board is not being asked to divert its attention to a proposal that may have no more than a modest chance of success. We think this is particularly important in light of the Company’s limited resources and the work already being undertaken in response to your first letter, as well as the concern expressed by the Company’s advisors that Blackwells would have difficulty securing strong third party committed financing in the current lodging market environment.

Accordingly, and in order to assist the board in further assessing the credibility of your interest, we invite you to provide further information to the board by answering the following questions and/or otherwise providing relevant information:

**Shareholder Commitment: Amount Invested in the Company**

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1. In your first letter, you indicate that you own “an aggregate of 100 shares of common stock”, which would have an aggregate market value as of December 4, 2023 of \$234. Please disclose your aggregate beneficial ownership interest in the Company as of a recent date, including any derivative interests.

**Acquisition Experience**

2. Has Blackwells ever consummated the acquisition of a public company?
3. Has Blackwells ever consummated the acquisition of a lodging company?
4. Has Blackwells ever consummated the acquisition of a company?

**Financing**

5. We note that you “expect to finance a transaction with a combination of debt and equity” (including, with respect to equity, funding from “Blackwells’ internal resources, as well as LP commitments”). In this regard:

- a. Please provide any highly interested letters, highly confident letters or other commitment letters for the debt that Blackwells proposes to utilize.
- b. Please provide reasonably satisfactory evidence of Blackwells’ internal resources that you reference, including, for example, bank statements and/or LP commitments.
- c. Please provide further information with respect to your proposed equity funding – e.g., identify the providers; have their internal approvals been obtained; and any other information to help the board understand the nature and strength of your proposed equity funding.
- d. Please provide additional information with respect to the identity and domicile of any offshore financing sources in order for the board to assess if such financing sources would pose any potential political, national security or regulatory risk.
- e. Please provide any other information about your financing sources that can help the board assess Blackwells’ ability to consummate its proposal.

**Termination Fee**

6. Please provide support for your statement that “there is legal basis for Mr. Bennett and Ashford, Inc. to receive no termination fee on account of Ashford Inc.’s performance.” The board is particularly interested in understanding if your counsel, who you have identified as Vinson & Elkins LLP, has provided written or other legal advice to this effect.

**Advisors**

7. Please identify your financial advisors, accounting firm, and other advisors you have engaged to assist you with your proposal.

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8. Please identify which member of the firm of Vinson & Elkins with experience in negotiated acquisitions is the partner-in-charge of the Blackwells representation. We note, in particular, that your first letter was signed on Blackwells Capital LLC's behalf by Christopher Duffy, who appears to be a partner in the "Shareholder Litigation and Enforcement" department and who focuses his practice on "complex commercial trials, arbitrations, appeals, pre-litigation disputes, and government investigations", and your second letter was delivered via email by Austin Scieszinski, who appears to be an associate of the firm, with no other V&E personnel visibly copied.

We look forward to your response.

Very truly yours,

/s/ Richard M. Brand

Richard M. Brand

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