

Ashford Inc.
Form S-3
October 05, 2018

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As filed with the Securities and Exchange Commission on October 5, 2018

Registration No. 333-

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

Form S-3

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

ASHFORD INC.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction
of incorporation or organization)

**14185 Dallas Parkway, Suite 1100
Dallas, Texas 75254
(972) 490-9600**

(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)

82-5237353

(I.R.S. Employer
Identification Number)

**Robert G. Haiman
14185 Dallas Parkway, Suite 1100
Dallas, Texas 75254
(972) 490-9600**

(Name, address, including zip code, and
telephone number, including area code, of agent for service)

Copy to:

**Richard M. Brand
Cadwalader, Wickersham & Taft LLP
One World Financial
New York, New York 10281
(212) 504-6000**

**Approximate date of commencement of proposed sale to the public:
From time to time after the effective date of this registration statement.**

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
 Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)(2)(3)	Proposed Maximum Offering Price Per Share(1)(2)(3)	Proposed Maximum Aggregate Offering Price(1)(2)(3)	Amount of Registration Fee(3)
Primary Offering:				
Common Stock, \$0.01 par value per share				
Preferred Stock				
Depository Shares				
Debt Securities				
Warrants				
Rights				

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Units(4)

Total Primary Offering			\$150,000,000	\$18,180
Secondary Offering:				
Series B Convertible Preferred Stock, \$25.00 par value per share	8,120,000	\$25.00(5)	\$203,000,000	\$24,604
Common Stock, \$0.01 par value per share	1,450,000		(6)	
Total (Primary and Secondary)			\$353,000,000	\$42,784(7)

- (1) Pursuant to Rule 457(i) under the Securities Act of 1933, as amended (the "Securities Act"), the securities registered hereunder include such indeterminate (a) number of shares of common stock, including shares of common stock sold by selling stockholders, (b) number of shares of preferred stock, (c) number of depository shares, (d) debt securities, (e) warrants to purchase common stock, preferred stock or debt securities of the registrant, (f) subscription rights to purchase common stock, preferred stock or debt securities of the registrant, and (g) units, consisting of some or all of these securities, as may be sold from time to time by the registrant.
- (2) Pursuant to Rule 416 under the Securities Act, this registration statement shall also cover such indeterminate number of shares of common stock, debt securities convertible into common stock, warrants to purchase shares of common stock, warrants to purchase shares of preferred stock, shares issuable upon exercise of such warrants and such shares of common stock or preferred stock as may be issuable with respect to the shares being registered hereunder as a result of stock splits, stock dividends or similar transactions.
- (3) The proposed maximum aggregate offering price has been estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act.
- (4) Securities registered hereunder may be sold separately or as units with other securities registered hereby, with such units consisting of some or all of the securities listed above, in any combination, including common stock, preferred stock, depository shares, debt securities, warrants and subscription rights.
- (5) Represents the estimated book value of the securities as of October 4, 2018 for purposes of calculating the registration fee pursuant to Rule 457(f)(2).
- (6) Pursuant to Rule 457(i) under the Securities Act, no registration fee is required since no separate consideration will be received for the shares of common stock initially issuable upon conversion of the Series B Preferred Stock.
- (7) Pursuant to Rule 457(p) under the Securities Act, the registrant is applying the registration fee of \$1,550 paid previously in connection with the Ashford Inc. Registration Statement (333-221993) representing the aggregate total amount of the filing fee associated with the unsold securities in an aggregate amount of \$25,000,000 registered on such Registration Statement to offset \$42,784 of the registration fee due hereunder.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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EXPLANATORY NOTE

This registration statement contains a base prospectus which covers:

the offering, issuance and sale of such indeterminate number of shares of the registrant's shares of common stock and preferred stock, such indeterminate principal amount of senior and subordinated debt securities, such indeterminate amount of depositary shares, such indeterminate number of warrants, such indeterminate number of subscription rights, such indeterminate number of purchase contracts and/or such indeterminate amount of purchase units, which together shall have an initial aggregate offering price not to exceed \$150,000,000; and

the offering and sale of up to 8,120,000 shares of the registrant's shares of Series B Convertible Preferred Stock, par value \$25.00 per share ("Series B Preferred Stock"), by the selling stockholders named therein and the offering and sale of up to 1,450,000 shares of the registrant's shares of common stock initially issuable upon the conversion of the Series B Preferred Stock by the selling stockholders named therein.

The base prospectus immediately follows this explanatory note. The specific terms of any securities to be offered pursuant to the base prospectus will be specified in a prospectus supplement to the base prospectus. The common stock that may be offered and sold under the applicable prospectus supplement may include the 1,450,000 shares of the registrant's common stock that may be offered and sold by the selling stockholders under the base prospectus. The preferred stock that may be offered and sold under the applicable prospectus supplement may include the 8,120,000 shares of the registrant's Series B Preferred Stock that may be offered and sold by the selling stockholders under the base prospectus.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated October 5, 2018

PROSPECTUS

**\$150,000,000
COMMON STOCK
PREFERRED STOCK
DEPOSITARY SHARES
DEBT SECURITIES
WARRANTS
RIGHTS
UNITS**

1,450,000 Shares of Common Stock and 8,120,000 Shares of Series B Convertible Preferred Stock Offered by the Selling Stockholders

This prospectus relates to common stock, preferred stock, depositary shares, debt securities, warrants, rights and units that we may sell from time to time in one or more offerings up to a total dollar amount of \$150,000,000 on terms to be determined at the time of sale. We will provide specific terms of these securities in prospectus supplements to this prospectus. The securities may be offered and sold to or through underwriters, brokers or dealers, directly to purchasers, through block trades, through agents, in "at the market" offerings or otherwise through a combination of any of these methods of sale. For general information about the distribution of securities offered, please see "Plan of Distribution" in this prospectus.

In addition, selling stockholders named in this prospectus may also offer and sell, from time to time, shares of our common stock and Series B Preferred Stock. To the extent that any selling stockholder resells any securities, the selling stockholder may be required to provide you with this prospectus and a prospectus supplement identifying and containing specific information about the selling stockholder and the amount and terms of the securities being offered. Information on the selling stockholders and the times and manners in which they may offer and sell shares of our common stock and Series B Preferred Stock is described under the sections entitled "Selling Stockholders" and "Plan of Distribution" in this prospectus. We will not receive any proceeds from the sale of our common stock or Series B Preferred Stock by selling stockholders.

Our common stock is listed on the NYSE American LLC (the "NYSE American") under the symbol "AINC." On October 4, 2018, the closing price of our common stock as reported on the NYSE American was \$78.50 per share. The Series B Preferred Stock is not listed on an exchange and we do not currently intend to list the Series B Preferred Stock on any exchange.

You should read this prospectus and any prospectus supplement carefully before you invest.

The specific terms of each series or class of the securities will be set forth in the applicable prospectus supplement and may include limitations on actual or constructive ownership and restrictions on transfer of the securities. The applicable prospectus supplement may also contain information, where applicable, about certain federal income tax consequences relating to, and any listing on a securities exchange of, the

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securities covered by such prospectus supplement.

These securities may be sold directly by us, through brokers, dealers or agents designated from time to time, to or through underwriters or through a combination of these methods. See "Plan of Distribution" in this prospectus for more information. We may also describe the plan of distribution for any particular offering of these securities in any applicable prospectus supplement. If any brokers, agents, underwriters or dealers are involved in the sale of any securities in respect of which this prospectus is being delivered, we will disclose their names and the nature of our arrangements with them in a prospectus supplement. The net proceeds we expect to receive from any such sale by us will also be included in a prospectus supplement. We will not receive any proceeds from sales of shares of our common stock or Series B Preferred Stock by the selling stockholders. See "Use of Proceeds" in this prospectus for more information. No securities may be sold without delivery of this prospectus and the applicable prospectus supplement describing the method and terms of the offering of such series of securities.

Investing in our securities involves risks. See "Risk Factors" on page 2 for information regarding risks associated with an investment in our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is October , 2018.

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ABOUT THIS PROSPECTUS

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone else to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. An offer to sell these securities will not be made in any jurisdiction where the offer and sale is not permitted. You should assume that the information appearing in this prospectus, as well as information we previously filed with the Securities and Exchange Commission ("SEC") and incorporated by reference, is accurate as of the date on the front cover of this prospectus only. Our business, financial condition, results of operations and prospects may have changed since that date.

To understand the terms of the securities offered by this prospectus, you should carefully read this prospectus. You should also read the documents referred to under the heading "Where You Can Find More Information" for information on us and the business conducted by us.

This prospectus is part of a registration statement on Form S-3 that Ashford Inc., a Maryland corporation, which is also referred to herein as "the Company," "our company," "we," "us," and "our," has filed with the SEC, using the "shelf" registration process. Under this process, we may offer and sell from time to time any of the following, with an aggregate offering price of up to \$150,000,000, in one or more series, which we refer to in this prospectus as the "securities":

Common stock;

Preferred stock;

Debt securities;

Depositary shares;

Warrants;

Rights; and

Units.

In addition, under this process, the selling stockholders named herein may offer and sell, from time to time in one or more offerings, up to an aggregate of 8,120,000 shares of the Series B Preferred Stock and up to an aggregate of 1,450,000 shares of common stock initially issuable upon conversion of the Series B Preferred Stock.

This prospectus provides you with a general description of the securities we may offer. Each time we offer securities or the selling stockholders offer and sell shares of common stock or Series B Preferred Stock, we will provide you with a prospectus supplement that will describe the specific amounts, prices and terms of the securities being offered. The prospectus supplement may also add, update or change information contained or incorporated by reference in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in the prospectus supplement.

The prospectus supplement may also contain information about any material U.S. federal income tax considerations relating to the securities covered by the prospectus supplement.

We and the selling stockholders may sell securities to underwriters who will sell the securities to the public on terms fixed at the time of sale. In addition, the securities may be sold by us or the selling stockholders directly or through underwriters brokers, dealers or agents designated from time to time. If we or the selling stockholders, directly or through agents, solicit offers to purchase the securities, we, the selling stockholders and our and their agents, respectively, reserve the sole right to accept and to reject, in whole or in part, any offer.

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The prospectus supplement will also contain, with respect to the securities being sold, the names of any underwriters, dealers or agents, together with the terms of the offering, the compensation of any underwriters, brokers, dealers or agents and the net proceeds to us or the selling stockholders, as applicable. See "Plan of Distribution" in this prospectus for more information.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

We have not authorized anyone to provide you with information or to make any representations about anything not contained in this prospectus or the documents incorporated by reference in this prospectus. You must not rely on any unauthorized information or representations.

The distribution of this prospectus and the offering and sale of the securities in certain jurisdictions may be restricted by law. We require persons into whose possession this prospectus comes to inform themselves about and to observe any such restrictions. This prospectus does not constitute an offer of, or an invitation to purchase, any of the securities in any jurisdiction in which such offer or invitation would be unlawful.

FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated herein and therein by reference, together with other statements and information publicly disseminated by us, contain certain forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are subject to risks and uncertainties. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and include this statement for purposes of complying with these safe harbor provisions. These forward-looking statements include information about possible, estimated or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may," "will," "should," "potential," "intend," "expect," "anticipate," "estimate," "approximately," "believe," "could," "project," "predict," or other similar words or expressions. Additionally, statements regarding the following subjects are forward-looking by their nature:

our business and investment strategy;

our projected operating results;

our ability to obtain future financing arrangements;

our understanding of our competition;

market trends;

the future success of recent acquisitions, including the project management business formerly conducted by certain affiliates of Remington Holdings, L.P. ("Remington"), and new business initiatives, including the Enhanced Return Funding Program ("ERFP") with Ashford Hospitality Trust, Inc. ("Ashford Trust");

projected capital expenditures; and

the impact of technology on our operations and business.

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Such forward-looking statements are based on our beliefs, assumptions, and expectations of our future performance taking into account all information currently known to us. These beliefs, assumptions, and expectations can change as a result of many potential events or factors, not all of which are known to us. If a change occurs, our business, financial condition, liquidity, results of operations, plans, and other objectives may vary materially from those expressed in our forward-looking statements. You should carefully consider this risk when you make an investment decision concerning our securities. Additionally, the following factors could cause actual results to vary from our forward-looking statements:

general volatility of the capital markets, the general economy or the hospitality industry, whether the result of market events or otherwise, and the market price of our common stock;

availability, terms, and deployment of capital;

changes in our industry and the market in which we operate, interest rates, or the general economy;

the degree and nature of our competition;

actual and potential conflicts of interest with or between Remington, Braemar Hotels & Resorts Inc. ("Braemar"), Ashford Trust, our executive officers and our non-independent directors;

availability of qualified personnel;

changes in governmental regulations, accounting rules, tax rates and similar matters;

legislative and regulatory changes;

the possibility that we may not realize any or all of the anticipated benefits from transactions to acquire businesses, including the acquisition of the project management business of Remington, and from new business initiatives, including the ERFPP with Ashford Trust;

disruptions relating to the acquisition or integration of the project management business of Remington or any other business we invest in or acquire, which may harm relationships with customers, employees and regulators;

unexpected costs relating to the acquisition or integration of the project management business of Remington or any other business we invest in or acquire; and

the factors discussed in this prospectus, and in the information incorporated by reference, including those set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 under the sections titled "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations," as updated by our Quarterly Reports on Form 10-Q and other filings under the Exchange Act.

When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements in this prospectus and the documents incorporated by reference. The matters summarized under "Risk Factors" and elsewhere in this prospectus and the documents incorporated by reference could cause our actual results and performance to differ significantly from those contained in our forward-looking statements. Accordingly, we cannot guarantee future results or performance. Readers are cautioned not to place undue reliance on any of these forward-looking statements, which reflect our views as of the date of this prospectus. Furthermore, any update of our forward-looking statements

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after the date of this prospectus to conform these statements to actual results and performance will be made in the applicable prospectus supplement, to the extent required by applicable law.

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OUR COMPANY

Overview

Ashford Inc. is a Maryland corporation formed on April 2, 2014, that provides asset management, advisory and other products and services primarily to clients in the hospitality industry. We became a public company on November 12, 2014, when Ashford Trust completed the spin-off of our company through the distribution of approximately 70% of our outstanding common stock to the Ashford Trust stockholders and unitholders in Ashford Trust's operating partnership, collectively. Our common stock is listed on the NYSE American. As of September 30, 2018, Ashford Trust held approximately 598,000 shares of our common stock, which represented an approximate 25.1% ownership interest in our company, and Braemar held approximately 195,000 shares of our common stock, which represented an approximate 8.2% ownership interest in our company.

Our principal business objective is to provide asset management, advisory services and other products and services to other entities. We seek to grow in three primary areas: (i) expanding our existing platforms accretively and accelerating performance to earn incentive fees; (ii) creating new platforms for additional base and incentive fees; and (iii) investing in or incubating strategic businesses that may achieve accelerated growth by providing their products and services to our existing platforms and third parties and by leveraging our deep knowledge and extensive relationships within the hospitality sector.

In our capacity as the advisor to Ashford Trust and Braemar, we are responsible for implementing the investment strategies and managing the day-to-day operations of Ashford Trust and Braemar, in each case subject to the supervision and oversight of the respective board of directors of such entity. We provide the personnel and services that we believe are necessary to assist each of Ashford Trust and Braemar in conducting its respective business. We are not responsible for managing the day-to-day operations of the individual hotel properties owned by either Ashford Trust or Braemar, which duties are, and will continue to be, the responsibility of the hotel management companies that operate the hotel properties owned by Ashford Trust and Braemar.

We conduct our advisory business primarily through an operating entity, Ashford Hospitality Advisors LLC ("Ashford LLC"), our hospitality products and services business primarily through an operating entity, Ashford Hospitality Services LLC ("Ashford Services"), and our project management business through an operating entity, Premier Project Management LLC ("Premier Project Management"). We own substantially all of our assets and conduct substantially all of our business through Ashford LLC, Ashford Services and Premier Project Management.

Acquisition of Premier Project Management and Reorganization

On August 8, 2018, we completed the acquisition of Premier Project Management, the project management business formerly conducted by certain affiliates of Remington, including construction management, interior design, architectural oversight, and the purchasing, expediting, warehousing coordination, freight management, and supervision of installation of furniture, fixtures, and equipment, and related services (the "Project Management Business"), for a total transaction value of \$203 million. The purchase price was paid by issuing 8,120,000 shares of a newly created series of the Series B Preferred Stock to the sellers of the Project Management Business (the "Remington Sellers"), primarily Monty J. Bennett, our Chief Executive Officer and Chairman of our board of directors, and his father Archie Bennett, Jr., the Chairman Emeritus of Ashford Trust (together, the "Bennetts"). The Series B Preferred Stock has a conversion price of \$140 per share and, if converted immediately after the consummation of the transaction, would convert into 1,450,000 shares of our common stock. Dividends on the Series B Preferred Stock are payable at an annual rate of 5.5% in the first year, 6.0% in the second year, and 6.5% in the third year and each year thereafter. In addition to certain separate class voting rights, the holders of the Series B Preferred Stock vote on an as-converted basis with the holders

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of the common stock and the holders of any outstanding Series A Cumulative Preferred Stock ("Series A Preferred Stock") or Series C Preferred Stock on all matters submitted for approval by the holders of our capital stock possessing general voting rights. However, for five years following the closing of the acquisition of the Project Management Business, the selling stockholders and their transferees will generally be subject to certain voting restrictions with respect to shares in excess of 25% of the combined voting power of our outstanding capital stock. See "Certain Relationships and Related Party Transactions."

In connection with the acquisition of the Project Management Business, we effected a holding company reorganization. The change in holding company organizational structure was effected by a merger, pursuant to which each issued and outstanding share of common stock, par value \$0.01 per share, of our predecessor publicly-traded parent Ashford OAINC Inc. (formerly named Ashford Inc.) ("Old Ashford") was converted into one share of common stock, par value \$0.01 per share, of the Company having the same rights, powers and preferences and the same qualifications, limitations and restrictions as a share of common stock of Old Ashford, and Old Ashford became our subsidiary. As a result of the foregoing, we became the successor issuer of Old Ashford under Rule 12g-3 of the Exchange Act. Our common stock is listed on the NYSE American under the symbol "AINC."

Executive Offices

Our principal executive offices are located at 14185 Dallas Parkway, Suite 1100, Dallas, Texas 75254. Our telephone number is (972) 490-9600. Our website is www.ashfordinc.com. The information found on or accessible through our website is not incorporated into, and does not form a part of, this prospectus or any prospectus supplement that we may file or any other report or document that we file with or furnish to the SEC. We have included our website address in this prospectus as an inactive textual reference and do not intend it to be an active link to our website.

RISK FACTORS

An investment in our securities involves various risks. You should carefully consider the risk factors incorporated by reference from our most recent Annual Report on Form 10-K and the other information contained in this prospectus, as updated by our Quarterly Reports on Form 10-Q and other filings under the Exchange Act and the risk factors and other information contained in the applicable prospectus supplement before acquiring any of our securities.

USE OF PROCEEDS

Unless otherwise indicated in a prospectus supplement, we expect to use the net proceeds from the sale of these securities for general corporate purposes, which may include the repayment of outstanding indebtedness, the repurchase of our outstanding equity securities, capital expenditures, investments and acquisitions to grow our business, payment obligations under the ERF with Ashford Trust and working capital. Further details regarding the use of the net proceeds of a specific series or class of the securities will be set forth in the applicable prospectus supplement. We will not receive any proceeds from sales of shares of our common stock or Series B Preferred Stock by the selling stockholders.

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The following table sets forth information as of September 30, 2018 with respect to the ownership of shares of our common stock and Series B Preferred Stock by the selling stockholders listed therein.

The amounts and percentages of shares beneficially owned are reported on the basis of rules and regulations of the SEC governing the determination of beneficial ownership of securities. Under rules of the SEC, a person is deemed to be a "beneficial owner" of a security if that person has or shares voting power or investment power, which includes the power to dispose of or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which that person has a right to acquire beneficial ownership within 60 days. Securities that can be so acquired are deemed to be outstanding for purposes of computing such person's ownership percentage, but not for purposes of computing any other person's percentage. Under these rules, more than one person may be deemed to be a beneficial owner of the same securities, and a person may be deemed to be a beneficial owner of securities as to which such person has no economic interest.

Percentage computations are based on 2,380,705 shares of our common stock outstanding as of September 30, 2018 and the shares of common stock issuable to each selling stockholder upon conversion of the Series B Preferred Stock, the exercise of options or conversion of Units (as defined below) into common stock.

The following table also provides the maximum number of shares of our common stock and Series B Preferred Stock that may be offered by the selling stockholders pursuant to this prospectus and the number of shares of our common stock and Series B Preferred Stock that will be beneficially owned by the selling stockholders after such an offering, assuming the sale of all of the offered shares. The selling stockholders reserve the right to accept or reject, in whole or in part, any proposed sale of shares of common stock or Series B Preferred Stock. The selling stockholders may also offer and sell less than the number of shares of common stock or Series B Preferred Stock indicated. The selling stockholders are not making any representation that any shares of common stock or Series B Preferred Stock covered by this prospectus will or will not be offered for sale. Information about each selling stockholder may change over time. The address for the beneficial owner is set forth in the footnotes to the table.

	Common Stock Beneficially Owned Before the Offering	Percent	Total Shares of Common Stock Offered Hereby	Total Shares of Preferred Stock Offered Hereby	Common Stock Beneficially Owned After the Offering	Percent
	Number	Number	Number	Number	Number	Percent
Monty J. Bennett(1)	1,308,719	37.7%	714,286	4,000,000		%
Archie Bennett, Jr.(2)	805,946	26.0%	714,286	4,000,000		%
Mark A. Sharkey(3)	22,691	0.9%	21,429	120,000		%

(1)

The address of Monty J. Bennett is 14185 Dallas Parkway, Suite 1150, Dallas, Texas 75254. Monty J. Bennett is deemed to beneficially own an aggregate of 1,308,719 shares of common stock consisting of: (x) 372,206 shares of common stock issuable upon the exercise of stock options granted to him under the Company's 2014 Incentive Plan ("Options"); (y) 1,054.82 common units in Ashford Hospitality Holdings LLC, the operating subsidiary of the Company, which are, upon redemption at the request of Monty J. Bennett, redeemable for cash or, at the option of the Company, convertible into shares of common stock (on a 1-for-1 basis) (the "Units"); and (z) 714,286 shares of common stock issuable upon the conversion of the Series B Preferred Stock.

The securities are held directly by Monty J. Bennett except as follows: (i) 14,154 shares of common stock, 245,000 shares of common stock issuable upon exercise of Options and 143.04 Units are

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held indirectly through MJB Operating, LP; (ii) 53,726 shares of common Stock and 501.60 Units are held indirectly through Dartmore LP; (iii) 4,000,000 shares of Series B Preferred Stock, 829,763 shares of common stock (including the 714,286 shares of common stock issuable upon the conversion of the Series B Preferred Stock) and 35.91 Units are held indirectly through MJB Investments, LP ("MJB Investments"); (iv) 11,602 shares of common stock and 109.24 Units are held indirectly through Reserve, LP IV; (v) 18,450 shares of common stock and 186.36 Units are held indirectly through Ashford Financial Corporation (Monty J. Bennett has a pecuniary interest in 50% of the 18,450 shares of Common Stock and 186.36 Units held by Ashford Financial Corporation); and (vi) 7,763 shares of common stock and 78.67 Units are held indirectly through Reserve, LP III.

(2)

The address of Archie Bennett, Jr. is 14185 Dallas Parkway, Suite 1150, Dallas, Texas 75254. Archie Bennett, Jr. is deemed to beneficially own an aggregate of 805,946 shares of common stock consisting of (x) 654.3 Units and (y) 714,286 shares of common stock issuable upon conversion of the Series B Preferred Stock.

The securities are held as follows: (i) 751,566 shares of common stock (including the 714,286 shares of common stock issuable upon the conversion of the Series B Preferred Stock), 152.7 Units and 4,000,000 Series B Preferred Stock are held directly by Archie Bennett, Jr.; and (ii) 53,726 shares of common stock and 501.6 Units are held indirectly by Archie Bennett, Jr. through 1080 Partners, LP.

(3)

The address of Mark A. Sharkey is 14185 Dallas Parkway, Suite 1150, Dallas, Texas 75254.

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CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Investor Rights Agreement

On August 8, 2018, we entered into the Investor Rights Agreement with the Remington Sellers that provide for, among other items, governing rights, operating agreements, non-competes, transfer restrictions, and put and call rights and obligations of the parties with respect to us and our subsidiaries, including the Project Management Business.

Board Designation Rights

The Investor Rights Agreement provides that for so long as the Bennetts, MJB Investments and Mark A. Sharkey (together with each person that succeeds to their respective interests as the result of a transfer permitted under the Investor Rights Agreement, the "Covered Investors") beneficially own no less than 20% of the issued and outstanding shares of our common stock (taking into account the Series B Preferred Stock on an as-converted basis), each of Mr. Archie Bennett, Jr., during his lifetime, and thereafter those Covered Investors holding in the aggregate 55% of the total number of shares of our common stock (taking into account the Series B Preferred Stock on an as-converted basis) held by all Covered Investors (a "Majority in Interest"), and Mr. Monty J. Bennett, during his lifetime, and a Majority in Interest of the Covered Investors thereafter, will each be entitled to nominate one individual (other than Archie Bennett, Jr.) for election as a member of our board of directors (each a "Seller Nominee"). The Investor Rights Agreement requires us, with respect to each Seller Nominee, (i) to assure that the size of the board of directors will accommodate the Seller Nominee, (ii) at each annual meeting of our stockholders, to cause the slate of nominees standing for election, and recommended by the board of directors, at each such meeting to include each Seller Nominee, (iii) to nominate and reflect in the proxy statement on Schedule 14A for each annual meeting the nomination of each Seller Nominee for election as a director of Ashford Inc. at each such meeting and (iv) to the extent permitted under applicable law and stock exchange rules, cause all proxies for which a vote is not specified to be voted for each Seller Nominee.

Preemptive Rights

The Investor Rights Agreement provides that, except for issuances in connection with the conversion of the Series B Preferred Stock as provided in the Articles Supplementary establishing the Series B Preferred Stock or the exercise of the Change of Control Put Option or Call Option (each as defined below), we will not issue any equity securities, rights to acquire equity securities of Ashford Inc. or debt convertible into equity securities of Ashford Inc. ("New Securities") unless we give each of Monty J. Bennett, Archie Bennett, Jr., and MJB Investments (together with each person that succeeds to the interests as an immediate family member or controlled entity transferee (the "Holder Group Investors") notice of its respective intention to issue New Securities and the right to acquire such Holder Group Investor's *pro rata* share of the New Securities.

Transfer Restrictions

The Investor Rights Agreement provides that, until the fifth anniversary of the closing of the acquisition of the Project Management Business, each of the Covered Investors are prohibited from transferring our common stock or Series B Preferred Stock to any person (subject to certain specified exceptions) that is or would become, together with such person's affiliates and associates, a beneficial owner of 10% or more of our shares of common stock, taking the Series B Preferred Stock into account on an as-converted basis, except (i) to family members and in connection with estate planning, (ii) as a result of any voting agreement between the Bennetts, (iii) transfers in which no transferee (or group of affiliated or associated transferees) would purchase or receive 2% or more of our outstanding voting shares, (iv) in connection with any widespread public distribution of our shares of common stock

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or Series B Preferred Stock registered under the Securities Act or (v) a transfer to any transferee that would beneficially own more than 50% of our outstanding shares of common stock and Series B Preferred Stock without any transfer from a Covered Investor, unless such transfer restrictions have been waived by the affirmative vote of the majority of our stockholders that are not affiliates or associates of the Covered Investors. For the purposes of such transfer restriction, any person is deemed to beneficially own the securities of any other person if such person knowingly acts (whether or not pursuant to an express agreement, arrangement or understanding) in concert or in parallel, or towards a common goal with such other person, related to acquiring, holding, voting or disposing of our voting securities or changing or influencing control of Ashford Inc., other than in connection with the solicitation of, or granting or receiving, revocable proxies or consents given in response to a public proxy or consent solicitation or being solicited for, or tendering or receiving tenders of securities in a public tender or exchange offer. Any permitted transferee from a Covered Investor must, as a condition to such transfer, become a party to the Investor Rights Agreement by joinder and agree to be bound by all of the terms and conditions set forth therein as a Covered Investor.

Put and Call Options

Call Option. Pursuant to the Investor Rights Agreement, after the seventh anniversary of the closing of the acquisition of the Project Management Business, we have the option to redeem all or any portion of the Series B Preferred Stock in \$25,000,000 increments on a *pro rata* basis among all Covered Investors unless, no less than 15 days before the closing of the purchase transaction, the participating Covered Investors specify an alternative allocation of the Series B Preferred Stock subject to the redemption (the "Call Option"), at a price per share equal to the sum of (i) \$25.125 (as adjusted for any applicable stock splits or similar transactions) (the "Base Strike Price") plus (ii) all accrued but unpaid dividends. The purchase price is payable only in cash. The notice of exercise of the Call Option does not limit or restrict any Covered Investor's right to convert the Series B Preferred Stock into shares of our common stock prior to the closing of the Call Option.

Change of Control Put Option. The Investor Rights Agreements provides each Covered Investor with the option, exercisable on one occasion, to sell to the Company all of the Series B Preferred Stock then owned by such Covered Investor (the "Change of Control Put Option") at any time at or during the ten business day period following the consummation of a Change of Control. In the event that a Covered Investor exercises the Change of Control Put Option, the price to be paid to such exercising Covered Investor will be an amount equal to (1) not more than the Base Strike Price, plus (2) all accrued and unpaid dividends, plus (3) if prior to the fifth anniversary of the closing of the Transactions, an additional amount per share which shall initially be 15% of the Base Strike Price, and reduced by 3% of the Base Strike Price for each year, inclusive of the year in which the Change of Control Put Option is exercised, until the fifth anniversary of the Effective Date. Such price shall be payable at each Covered Investor's election in any combination of cash or a number of shares of our common stock determined by dividing the cash amount to be paid by a \$140 conversion price. The \$140 conversion price is subject to adjustment in the event of stock dividends on our common stock or any subdivision or combination of our common stock.

A "Change of Control" means, with respect to any Covered Investor, any of the following, in each case that was not voted for or consented to by such Covered Investor solely in its capacity as a stockholder of Ashford Inc.: (i) any person (other than Archie Bennett, Jr., Monty J. Bennett, MJB Investments, their controlled affiliates, trusts or estates in which any of them has a substantial interest or as to which any of them serves as trustee or a similar capacity, any immediate family member of Archie Bennett, Jr. or Monty J. Bennett or any group of which they are a member) acquires beneficial ownership of securities of Ashford Inc. that, together with the securities of Ashford Inc. previously beneficially owned by the first such person, constitutes more than 50% of the total voting power of Ashford Inc.'s outstanding securities, or (ii) the sale, lease, transfer or other disposition (other than as

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collateral) of all or a majority of our (taken as a whole) assets or income or revenue generating capacity, other than to any of our direct or indirect majority-owned and controlled affiliates.

Noncompetition and Non-Solicitation Agreements

Subject to the exclusions described below, the Investor Rights Agreement provides that for a period of the later of (i) three years following the closing of the acquisition of the Project Management Business, or (ii) three years following the date Monty J. Bennett is not our principal executive officer (the "Restricted Period"), each of Archie Bennett, Jr., Monty J. Bennett, and MJB Investments will not, directly or indirectly:

- (a) engage in, or have an interest in a person that engages in, the Project Management Business anywhere in the United States (excluding certain passive investments and existing relationships) (the "Restricted Business"); or
- (b) intentionally interfere in any material respect with the business relationships (whether formed prior to or after the date of the Investor Rights Agreement) between the Project Management Business and customers, clients or vendors of the Project Management Business.

In addition to, among other exclusions, exclusions related to service with entities related to us and passive investments in publicly traded securities on unaffiliated entities, each of Archie Bennett, Jr., Monty J. Bennett, and MJB Investments may freely pursue any opportunity to acquire ownership, directly or indirectly, in any interest in real property in the lodging industry if such person has presented such opportunity to our board or directors (based on a determination by a majority of its independent directors) declines to pursue or participate in such opportunity, provided such person and its controlled affiliates do not engage in the Restricted Business for such opportunity.

The Investor Rights Agreement also provides that, during the Restricted Period, none of Archie Bennett, Jr., Monty J. Bennett, or MJB Investments will, or permit any of their controlled affiliates to, hire or solicit the executive officers of the Project Management Business, and any independent contractors or consultants spending a majority of their respective time on the Property Management Business (collectively, the "Service Providers"), except pursuant to a general solicitation that is not directed specifically to such Service Providers. Archie Bennett, Jr., Monty J. Bennett, and MJB Investments, either directly or through any of their controlled affiliates, may hire any Service Providers (i) whose employment has been terminated by the Project Management Business or us, (ii) after 180 days, whose employment has been terminated by the Service Provider or (iii) who will work on a shared basis between the Project Management Business and Remington.

Voting Limitations

The Investor Rights Agreement provides that on matters submitted to a vote of the holders of our voting securities, the Covered Investors will have the right to vote or direct or cause the vote of the shares as to which they hold sole voting power or are held by immediate family members (or a trust for the benefit of such person) ("Sole Voting Shares") as the Covered Investors determine, in their sole discretion, except if, prior to the fifth anniversary of the closing of the Transactions, the combined voting power of our Reference Shares (as defined below) exceeds 25.0% (plus the combined voting power of any of our common stock acquired by any Covered Investor in an arm's length transaction after the closing of the transaction from a person other than Ashford Inc. or its subsidiary, including through open market purchases, or privately negotiated transactions or any distributions of our common stock by either of Ashford Trust or Braemar to its respective stockholders *pro rata*) of the combined voting power of all of our outstanding voting securities entitled to vote on any given matter, then our Reference Shares representing voting power equal to such excess will be deemed to be "Company Cleansed Shares" under the Investor Rights Agreement. The Covered Investors will vote, or cause to be voted, out of the Covered Investors' Sole Voting Shares, shares constituting voting power

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equal to the voting power of the Company Cleansed Shares in the same proportion as the holders of such class or our series of voting securities vote their shares with respect to such matters, inclusive of our Reference Shares voted by the Covered Investors. These voting restrictions may be waived by a majority vote or consent of our independent directors, as applicable, that have no personal interest in the matter to be voted upon.

"*Reference Shares*" means all voting securities of Ashford Inc. that are (a) beneficially owned by any Covered Investor, including any such voting securities as to which any Covered Investor has sole or shared voting power; (b) beneficially owned by any member of a group of which any Covered Investor is a member; or (c) subject to or referenced in any derivative or synthetic interest that (i) conveys any voting right in our common stock or (ii) is required to be, or is capable of being, settled through delivery of our common stock, in either case, that is held or beneficially owned by any Covered Investor or any controlled affiliate or any Covered Investor.

The Covered Investors, among themselves, provide that the total number of votes attributable to Reference Shares that are not Cleansed Shares will be proportionately allocated among the Covered Investors based on a percentage, the numerator of which is the number of Reference Shares held by such Covered Investor, and the denominator of which is the total number of Reference Shares held by all Covered Investors in the aggregate.

Termination

The Investor Rights Agreement terminates by its terms on the earliest of (i) the written agreement of Ashford Inc. and a Majority in Interest of the Covered Investors and (ii) the date on which the Covered Investors no longer own any of our common stock or Series B Preferred Stock; provided the noncompetition agreement, the transfer restrictions, board nomination rights and voting restrictions will last for the time periods provided by their terms and the Call Option and Change of Control Put Option will last indefinitely. A Covered Investor will automatically cease to be bound by the Investor Rights Agreement at such time as such Covered Investor no longer owns any of our common stock or Series B Preferred Stock.

The foregoing description of the Investor Rights Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Investor Rights Agreement, which is filed herewith as Exhibit 10.01, and is incorporated herein by reference.

Merger and Registration Rights Agreement

Concurrently with entry into the Investor Rights Agreement, we entered into a Merger and Registration Rights Agreement with the Remington Sellers (the "Registration Rights Agreement"), pursuant to which we agreed to provide to the Remington Sellers certain customary registration rights with respect to the shares of Series B Preferred Stock and any shares of common stock issued upon conversion of the Series B Preferred Stock. We filed this registration statement pursuant to the terms of the Registration Rights Agreement. The Registration Rights Agreement contains customary terms and conditions, including certain customary indemnification obligations.

The foregoing description of the Registration Rights Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Registration Rights Agreement, which is filed herewith as Exhibit 10.02, and is incorporated herein by reference.

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DESCRIPTION OF OUR CAPITAL STOCK

General

Old Ashford was formed under the laws of the State of Delaware on April 2, 2014 and was subsequently reincorporated in Maryland effective October 31, 2016. In connection with the acquisition of the Project Management Business, we effected a holding company reorganization. The change in holding company organizational structure was effected by a merger, pursuant to which each issued and outstanding share of common stock, par value \$0.01 per share, of Old Ashford was converted into one share of common stock, par value \$0.01 per share, of the Company having the same rights, powers and preferences and the same qualifications, limitations and restrictions as a share of common stock of Old Ashford, and Old Ashford became our subsidiary. At the effective time of the holding company reorganization and as required by the Maryland statute pursuant to which the reorganization was effected, our charter and the charter of Old Ashford were identical in all material respects, and subsequent to the effectiveness of the holding company reorgan