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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant ☐
Filed by a Party other than the Registrant ☒
Check the appropriate box:

☐ Preliminary Proxy Statement
☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
☐ Definitive Proxy Statement
☒ Definitive Additional Materials
☐ Soliciting Material Pursuant to §240.14a-12

Texas Pacific Land Trust

(Name of the Registrant as Specified In Its Charter)

SOFTVEST, L.P.
SOFTVEST ADVISORS, LLC
ART-FGT FAMILY PARTNERS LIMITED
TESSLER FAMILY LIMITED PARTNERSHIP
ERIC L. OLIVER
ALLAN R. TESSLER
HORIZON KINETICS LLC
MURRAY STAHL
HORIZON ASSET MANAGEMENT LLC
KINETICS ADVISERS, LLC
KINETICS ASSET MANAGEMENT LLC

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.
☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

☐ Fee paid previously with preliminary materials.
☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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IMPORTANT INFORMATION

On April 9, 2019, SoftVest, L.P. ("SoftVest LP") filed a definitive proxy statement (the "Proxy Statement") with the United States Securities and Exchange Commission (the "SEC") in connection with the solicitation of proxies for a special meeting of holders of the sub-share certificates of proprietary interests (the "Shares") for the election of a new trustee of Texas Pacific Land Trust ("TPL") to fill the vacancy created by the resignation of Maurice Meyer III (such meeting, together with any adjournments, postponements or continuations thereof, the "Special Meeting"). INVESTORS ARE STRONGLY ADVISED TO READ THE PROXY STATEMENT BECAUSE IT CONTAINS IMPORTANT INFORMATION. Investors may obtain a free copy of the Proxy Statement, any amendments or supplements thereto and other documents that SoftVest LP files with the SEC from the SEC's website at www.sec.gov, or by contacting D.F. King, SoftVest LP's proxy solicitor, by phone (212-269-5550) or e-mail (TPL@dfking.com).

SoftVest Advisors, LLC, SoftVest LP, Eric L. Oliver, ART-FGT Family Partners Limited, Tessler Family Limited Partnership, Allan R. Tessler, Horizon Kinetics LLC, Horizon Asset Management LLC, Kinetics Advisers, LLC, Kinetics Asset Management LLC and Murray Stahl may be deemed participants in the solicitation of proxies from holders of Shares in connection with the matters to be considered at the Special Meeting. Information about such participants' direct and indirect interests, by security holdings or otherwise, is contained in the Proxy Statement.

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The following is a complaint filed by TPL against Eric L. Oliver on May 21, 2019:

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

TEXAS PACIFIC LAND TRUST and, solely in their respective capacities as trustees for Texas Pacific Land Trust, DAVID E. BARRY and JOHN R. NORRIS III,	§	Case No.
Plaintiffs,	§	
– against –	§	
ERIC L. OLIVER,	§	
Defendant.	§	

ORIGINAL COMPLAINT

Plaintiffs Texas Pacific Land Trust (the "Trust") and, solely in their respective capacities as trustees for the Trust, David E. Barry and John R. Norris III (collectively, the "Trustees"), for their complaint against defendant Eric L. Oliver ("Defendant"), respectfully allege as follows:

I. NATURE OF THE ACTION

1. This is an action for declaratory, injunctive, and other relief against Defendant for disclosure abuses relating to a proxy contest, including violations of Section 13(d) and Section 14(a) of the Securities Exchange Act of 1934 (the "Exchange Act").

2. The Trust was created in 1888 and is among the largest private landowners in Texas, holding approximately 900,000 acres of land. The Trust has been a model of stability and value creation for its shareholders and has outperformed 99% of its fellow S&P 500 members for the last five years. The Trust is managed by three Trustees who serve until death, resignation, or disqualification, pursuant to the Declaration of Trust, the Trust's governing document (the

"Declaration of Trust"). This action concerns an election to fill a vacancy on the Trust's Board of Trustees due to a death.

3. Two parties—the Trust and a group of dissident shareholders—are vying to fill this trustee vacancy. Shareholders will ultimately have the opportunity to vote for their preferred candidate. The Trust is compelled to bring this action because one of those candidates—Defendant—has made misstatements and omitted from his public disclosures material information, which, if not corrected, would deprive shareholders of the opportunity to vote for a trustee on a fully informed basis.

4. Indeed, Defendant has provided virtually no meaningful information to the Trust or its shareholders despite repeated requests that he do so. Defendant ***has refused to answer even a single question*** in the Trust's form of trustee questionnaire—a questionnaire that seeks to obtain information regarding the candidate's background, business interests, and potential or actual conflicts, which two other trustee candidates filled out completely.

5. It is a fundamental principle that shareholders of public companies should receive accurate and complete information from, and regarding, candidates so that shareholders can make a fully informed vote. But Defendant has left critical, material questions unanswered, many of which address his integrity and capacity to act as a trustee and fiduciary, and all of which are detailed herein. By this action, the Trust seeks complete and accurate answers to these questions and to enjoin Defendant's candidacy until he provides answers to the satisfaction of the Trust in accordance with the Trustees' own fiduciary duties to the Trust and its shareholders.

6. Defendant and his group of dissident shareholders have also distorted the election process by issuing innumerable solicitation materials in the form of proxy statements, press releases, presentations, blog articles, videos and letters that are replete with actionable

misstatements and omissions that violate Section 14(a) of the Exchange Act and Rule 14a-9 promulgated thereunder. These statements are material to shareholders and concern, among other things, the election process, the Trust's interactions with Defendant and his group, and the structure and activities of the Trust itself.

7. Defendant and his group of dissident shareholders have also violated Section 13(d) of the Exchange Act by failing to disclose the formation of a "group" with each of Santa Monica Partners, L.P. ("Santa Monica") and Universal Guaranty Life Insurance Company ("UGLIC"), each of whom has longstanding relationships with Defendant and dissident shareholder Horizon Kinetics LLC, respectively. Both Santa Monica and UGLIC are operating as hidden participants in the Dissident Group's (as defined below) proxy solicitation.

8. The Trust seeks to enjoin Defendant's candidacy until he issues corrective disclosures with respect to his and the Dissident Group's collective misstatements and omissions.

9. Shareholders are entitled to a fully informed vote with respect to the future stewardship of the Trust. This action, and the relief sought herein, seeks to provide shareholders that opportunity.

II. THE PARTIES

10. The Trust. Plaintiff Texas Pacific Land Trust is a publicly traded entity established in 1888 with its principal place of business in Dallas, Texas. The Trust is governed by the Declaration of Trust, pursuant to which three trustees are elected until death, resignation, or disqualification. The Trust has been listed on the New York Stock Exchange since 1927 under the ticker symbol "TPL."

11. Trustee Barry. Plaintiff David E. Barry brings this suit solely in his capacity as a Trustee of the Trust. Mr. Barry is a New York citizen, who resides in New York, New York.

12. Trustee Norris. Plaintiff John R. Norris III brings this suit solely in his capacity as a Trustee of the Trust. Mr. Norris is a Texas citizen, who resides in Dallas, Texas.

13. Defendant. Mr. Oliver is the Founder and President of SoftVest, L.P., a hedge fund specializing in the ownership of oil and gas minerals and royalties with its principal place of business in Abilene, Texas. Defendant is a Texas citizen who, upon information and belief, resides at 1452 Tanglewood Road, Abilene, TX 79605. SoftVest, L.P.'s address is 400 Pine Street, #1010, Abilene, TX 79601.

III. JURISDICTION AND VENUE

14. Subject Matter Jurisdiction. This Court has jurisdiction over this matter pursuant to Section 27 of the Exchange Act, 15 U.S.C. § 78aa; Section 13(d) of the Exchange Act, 15 U.S.C. § 78m(d); Section 14(a) of the Exchange Act, 15 U.S.C. § 78n(a) (and the rules promulgated thereunder); and 28 U.S.C. § 1331.

15. Personal Jurisdiction. The Court has jurisdiction over Defendant, a Texas resident.

16. Venue. Venue is proper in this District for the Plaintiffs pursuant to Section 27 of the Exchange Act and 28 U.S.C. § 1391(b) because it is the district in which the business at issue—the Trust—resides and is subject to personal jurisdiction. The Trust's principal place of business and primary administrative offices are located in Dallas, Texas. Its mailing address, as listed by the Texas Comptroller of Public Accounts, is located in Dallas, Texas. In addition, Mr. Norris, resides and works in Dallas, Texas. Moreover, venue is proper in this District for the Defendant pursuant to 28 U.S.C. § 1391(b)(2) as the actions "may be brought" in the District because "a substantial part of the events or omissions giving rise to the claim occurred" in the Northern District of Texas. Here, Defendant is seeking to become a trustee over the Trust, which operates out of Dallas, Texas. His March 28, 2019 letter in response to the Trust's questionnaire

was delivered to the Trust's offices in Dallas, Texas. Additionally, the Trust's special meeting of holders of sub-share certificates (the "Special Meeting") is to be held in Dallas, Texas. Finally, most of the witnesses and evidence are located in Dallas, Texas, which makes it a convenient and just venue for all the parties involved.

IV. FACTUAL BACKGROUND

The Trust

17. The Trust was born out of the bankruptcy of Texas Pacific Railway Co. In 1871, Texas Pacific Railway Co. was granted 3.5 million acres of land in Texas under federal charter. After the bankruptcy of the railway enterprise, the bondholders who had financed the failed venture were awarded the land and created the Trust to receive and exploit the land to their benefit.

18. The Trust is governed by the Declaration of Trust dated February 1, 1888, and signed by its three original trustees. A copy is attached hereto as Exhibit A and is incorporated herein by reference. Under the Declaration of Trust, three trustees are elected "by a majority in the amount of the certificate holders present in person or by proxy at [a special] meeting [of certificate holders] whose names shall have been registered in the books of the trustees at least fifteen days before such meeting." (Decl. of Trust at THIRD.) Upon election, trustees serve until "death, resignation or disqualification." (*Id.*) The trustees "hold [the lands, premises and property conveyed under the Declaration of Trust] . . . and any and all income and proceeds thereof or of any part thereof, in trust . . . for the benefit of the . . . owners and holders of the . . . certificates of proprietary interest" and, in doing so, have "all the powers in respect of said property of an absolute owner." (*Id.* at FIRST)

19. The Trust currently is managed by two trustees: Mr. Barry and Mr. Norris. A third trustee, Maurice Meyer III, resigned on February 25, 2019, and passed away on March 24,

2019, creating a trustee vacancy as the Declaration of Trust requires three Trustees. This has resulted in an election.

20. To this date, the Trust remains one of the largest landowners in Texas with approximately 900,000 acres of land. Much of the Trust's land is located in the Permian Basin, which is currently at the center of the country's oil and gas exploration and production. In addition to the administration and exploitation of the land held, the Trust has recently invested in the business of providing full-service water offerings to oil and gas exploiting companies.

21. For much of its 131-year history, the Trust has outperformed its peers in earnings and regularly returns massive profits to shareholders in the form of annual dividends and share repurchases. For example, the Trust has returned about $200 million to shareholders through dividends and share repurchases since 2016. Over the 5- and 10-year periods preceding the Dissident Group's campaign, the Trust generated total shareholder returns of 475% and 3,856%, respectively, far outperforming the overall stock market and its peers.

The Trustees' Obligation To Evaluate Nominees

22. The Trustees have a fiduciary duty to ensure that trustee candidates have the experience, integrity and capabilities necessary to serve as trustee. The Trustees also have a fiduciary duty to ensure that shareholders are provided with the information necessary to enable them to vote on trustee nominees on a fully informed basis.

23. Pursuant to the Declaration of Trust, trustees are subject to "disqualification" if they are not qualified to serve as trustee. It is therefore the duty of the Trustees to ensure that trustee nominees are qualified.

24. Indeed, long before the events giving rise to this action, the Trust established the Nominating, Compensation and Governance Committee "to assist the Trustees in discharging

and performing the duties and responsibilities of the Trustees with respect to" the nomination of trustee candidates and various aspects of corporate governance, including the assessment of whether trustee nominees are sufficiently qualified. The charter for the Nominating, Compensation and Governance Committee, provides that the Trustees' "duties and responsibilities" include "[t]he identification and recommendation . . . of individuals qualified to become or continue as Trustees . . ." A copy is attached hereto as Exhibit B (amended as of February 26, 2013) and is incorporated herein by reference. In performing this function, the Trustees have "the authority to conduct any and all investigations [they] deem[] necessary or appropriate . . . ." *Id.*

The Contested Trustee Election

25. On February 25, 2019, Mr. Meyer resigned as Trustee for medical reasons. He subsequently passed away on March 24, 2019. Following Mr. Meyer's resignation, Allan Tessler, a member of Defendant's Dissident Group, suggested to Mr. Barry, one of the current Trustees, that Defendant be considered as a nominee to replace Mr. Meyer.

26. In accordance with their obligations under the charter for the Nominating, Compensation and Governance Committee, the Trustees reviewed Defendant's résumé, credentials and past interactions with the Trust in good faith. Based on their review, the Trustees determined that it would not be in the best interests of the Trust or its shareholders to nominate Defendant, and instead chose to nominate another candidate for Trustee, Preston Young. The Trust announced this in a Form 8-K filed on March 4, 2019.

27. On March 15, 2019, a group of shareholders consisting of SoftVest, L.P., ART-FGT Family Partners Limited, Mr. Tessler, the Tessler Family Limited Partnership, and Horizon Kinetics LLC (together, the "Dissident Group") filed a Schedule 13D with the Securities and

Exchange Commission (the "SEC"), disclosing that SoftVest intended to nominate Defendant for election as Trustee. The Trustees were not given advanced notice of this filing or the Dissident Group's stated intention to nominate Defendant for election as Trustee. On March 19, 2019, SoftVest delivered to the Trust a formal notice to nominate Defendant.

28. On March 18 and March 20, 2019, the Trust spoke to Murray Stahl, the CEO and Chairman of Horizon Kinetics, the largest shareholder of the Dissident Group. During the conversations, Mr. Stahl indicated that he was very pleased with the Trust's performance but wanted the Trust to review its corporate governance policies.

29. The Trust subsequently engaged Spencer Stuart, Inc., one of the world's leading global executive and board director search firms, and began a process in which the Trust considered more than 15 candidates whom Spencer Stuart identified. In addition, the Trustees asked the Trust's financial and legal advisors for recommendations, with a particular focus on candidates with extensive corporate governance experience.

30. On March 25, 2019, the Dissident Group submitted a preliminary proxy statement to the SEC with respect to Defendant's candidacy.

31. In two conversations on March 27, 2019 and April 5, 2019, in light of concerns raised about Defendant's qualifications, the Trustees discussed with Mr. Stahl the selection of a mutually agreeable, compromise candidate. Mr. Stahl stated that he was open to considering an alternative to Defendant and would give a compromise candidate prompt consideration.

32. On April 6, 2019, the Trustees received an email from the General Counsel of Horizon Kinetics stating that the Dissident Group would refuse to consider other candidates or to vote for anyone other than Defendant.

33. On April 7, 2019, following a thorough review of potential candidates, based in part on concerns expressed by the Dissident Group and other shareholders about Mr. Young, the Trustees chose to replace Mr. Young as a candidate with General Donald G. Cook, a retired four-star General of the United States Air Force. The Trustees did not know and had no prior relationship with General Cook; one of the Trust's advisors introduced General Cook to the Trustees.

34. General Cook's board experience is extensive. He currently serves on the board of Crane Corporation, where he chairs the nominating and governance committee and is also a member of the compensation and the executive committees. He also serves on the board of Cybernance, Inc. General Cook previously served on the boards of USAA Federal Savings Bank (from 2007 to 2018); U.S. Security Associates Inc., a Goldman Sachs portfolio company (from 2011 to 2018); and Beechcraft LLC, formerly known as Hawker Beechcraft Inc. (from 2007 to 2014). Moreover, General Cook served on the board of Burlington Northern Santa Fe Railroad for almost five years until it was sold to Berkshire Hathaway in 2010 in a transaction valued at $44 billion. In addition to his extensive corporate governance experience, General Cook has been the Chairman of the San Antonio chapter of the National Association of Corporate Directors (NACD), a group recognized as the authority on best practices in corporate governance.

35. To aid the Trustees' assessment of his qualifications, General Cook provided substantial disclosures and responses to the same trustee questionnaire (also completed by the prior candidate, Mr. Young). The Trustees, upon the recommendation of the Nominating, Compensation and Governance Committee, determined that General Cook meets the standards for trustee qualifications.

36. All three of the independent proxy advisory firms—ISS, Glass Lewis, and Egan-Jones—have recommended that the Trust's shareholders vote for General Cook over Defendant. To help sort through the many claims and counterclaims of a contested election like this one, institutional investors (such as mutual, pension and retirement funds) rely on the recommendations from these proxy advisory firms because they provide the perspective of a neutral, independent expert. Egan-Jones has noted, "the current Board and management are the best in class in terms of qualifications, experience, expertise and independence, ***contrary to Defendant who lacks public company experience***." A copy of the Egan-Jones Opinion is attached hereto as Exhibit C and is incorporated herein by reference. Egan-Jones advised that "General Cook brings to [the Trust] exemplary leadership and corporate governance skills and the Trust will benefit greatly from his extensive experience." *Id.* ISS advised that "[General Cook has] a public track record that seems to reflect direct efforts to improve the governance of the companies on whose boards he has served." A copy of the ISS Opinion is attached hereto as Exhibit D and is incorporated herein by reference. Glass Lewis advised that "General Cook is capable and willing to act as an agent of change on the [Trust] board, including in response to any concerns and demands expressed across [the Trust's] shareholder base—including most of those vocalized by the Dissidents during this campaign." A copy of the Glass Lewis Opinion is attached hereto as Exhibit E and is incorporated herein by reference.

37. The Special Meeting of the shareholders to vote to fill the trustee vacancy was originally scheduled for May 8, 2019. Upon receiving notice of Defendant's nomination and the commencement of an unannounced campaign by the Dissident Group, however, the Trust postponed the date of the Special Meeting until May 22, 2019, in order to be able to meet the

newly expected, longer time period for preparing and mailing proxy materials in a contested situation. The Dissident Group did not object to that postponement at the time.

38. On April 30, 2019, General Cook announced his willingness to resign as Trustee, if elected, after no more than three years following his election. He subsequently delivered a formal letter of resignation to that effect. General Cook made this commitment to address concerns by shareholders regarding the life tenure of trustees. Defendant has not made the same commitment.

39. The staff of the SEC subsequently advised the Trust that General Cook's commitment may constitute a "fundamental change" in the meaning of Note 1 to Rule 14a-6(a) of the Rules promulgated under Section 14 of the Exchange Act, which would require the filing and mailing of a supplement to the Trust's proxy statement. The staff of the SEC asked the Trust's counsel for an analysis of this legal issue. After analyzing this issue, the Trust's counsel was unable to come to a conclusive answer. Therefore, the Trust determined it would be prudent and in the best interests of shareholders to prepare, file, and mail a proxy supplement to all shareholders.

40. To provide the shareholders with sufficient time to receive by mail and review the proxy supplement in order to be able to cast their votes on a fully informed basis, the Trust publicly announced that it would convene and then adjourn, without conducting any business, the Special Meeting to be reconvened on June 6, 2019. The right to adjourn the meeting is clearly within the Trustees' powers under the Declaration of Trust, and the Trustees' decision to adjourn the meeting is consistent with their fiduciary duties to the Trust and its shareholders.

Defendant Has Refused To Provide Meaningful Disclosure
About His Background, Business Dealings And Potential or Actual Conflicts Of Interest

41. In striking contrast to General Cook, Defendant has provided virtually no meaningful disclosure to the Trust or its shareholders. On March 28, 2019, the Trustees provided Defendant with the same questionnaire provided to, and completed by, General Cook and Mr. Young. A copy is attached hereto as Exhibit F and is incorporated herein by reference. Given the potential for trustees to serve life terms and to carry with them liabilities that could expose the Trust and its shareholders to significant harm, the questionnaire sought to explore Defendant's background, business interests, and potential or actual conflicts, including questions such as: (i) "Do you hold a position with any other entity (including companies, partnerships, trusts, charitable organizations, etc.), besides the Trust in which you are a director, trustee, partner, or officer, regardless of ownership in that entity?"; (ii) "Is there any undisclosed fact about you, your past conduct or your background that, if it became public, would be embarrassing or otherwise negatively reflect upon you or any institution on whose board you are sitting?"; and (iii) "Have you ever been, formally or informally, the subject of any allegations of sexual harassment, sexual misconduct or any other unethical conduct?" That same day, Defendant ***explicitly refused to respond to even a single question within the questionnaire***.

42. The only information that Defendant provided to the Trustees was a résumé. This minimal disclosure left the Trustees (and shareholders) with more questions than answers, especially in light of information previously received concerning conflicts of interest and other issues regarding Defendant's background and business dealings. Indeed, Egan-Jones, in recommending that the Trust's shareholders vote for General Cook rather than Defendant, noted its concern that ***Defendant's "election to the Board poses potential conflict of interests, [and]***

non-independent judgment due to Mr. Oliver's undisclosed affiliations, which are detrimental to the best interests of the Company and its shareholders."

43. Notwithstanding Defendant's prior refusals to respond to the Trustee's questionnaire, on May 16, 2019, in an effort to discharge their duties as Trustees and to secure a fully informed shareholder vote, the Trustees sent a letter to Defendant stating that they wanted to "give [him] every opportunity to provide the requested disclosure" (the "May 16 Letter"). A copy of the May 16 Letter is attached hereto as Exhibit G and is incorporated herein by reference. The May 16 Letter again requested that Defendant "[p]lease respond to the questionnaire and certify the accuracy of [his] responses." The May 16 Letter asked Defendant to ensure that he addresses several concerns relating to his qualifications that were omitted from the Dissident Group's solicitation materials. The Trustees' concerns include, among other things, Defendant's background and experience and potential improper dealings relating to his business interests. The May 16 Letter told Defendant that, "[b]y providing truthful and fulsome responses to the questionnaire, [he has] the opportunity to put those concerns to rest and to provide shareholders with the information necessary for an informed vote." Specifically, in addition to a renewed request that Defendant answer the questionnaire truthfully and completely, the May 16 Letter asked Defendant to address the following concerns:

a. For several years, in the quarterly and annual reports of AMEN Properties, Inc. ("AMEN"), a company for which Defendant serves as Chairman, Defendant was described as serving on the board of the "First National Bank of Midland." Defendant has likewise touted this purported corporate governance experience to Trust shareholders. As explained in the May 16 Letter, the Trustees had been "unable to confirm that any such bank exists," a concern that also had previously been raised

by an AMEN shareholder in a letter from 2012, which was shared with the Trust a few days earlier. The May 16 Letter asked Defendant to provide "an explanation of this apparent discrepancy." Defendant has sought to justify this misstatement by reference to a "clerical error."

b. In a campaign video released on April 16, 2019, Defendant claimed that the Trust's former General Agent and Chief Executive Officer Roy Thomas entrusted Defendant over ten years ago with confidential surface maps of the Trust. The Trust considered these surface maps material nonpublic information at the time it provided this information to Defendant. Defendant was asked to address whether he had used these confidential surface maps "to acquire any assets, trade any securities (or options), or pursue any commercial or financial ventures, whether personally or through any entity under [his] direction." (Exhibit G.) Defendant has asserted that such information is publicly available, but while that may be true now, it was not true for many years after Defendant obtained such information.

c. AMEN, of which Defendant serves as Chairman, committed in its governing documents to donate ten percent of its earnings to Christian charitable organizations. The May 16 Letter expressed concern that, as early as 2015, AMEN had stopped making these donations and instead began paying a "tithing" dividend to its shareholders with no obligation to make a donation, without any shareholder vote to change the governing documents of AMEN. (Exhibit G.) This change is particularly concerning because Defendant and his family are among AMEN's largest shareholders. (*Id.*) The May 16 Letter asked Defendant for "an explanation of the apparent discrepancy with respect to the AMEN governing documents as well as an

explanation of this apparent conflict of interest." (*Id.*) Defendant has not satisfactorily responded to this inquiry.

d. Santa Monica filed a Schedule 13D in enthusiastic support of Defendant's candidacy on April 8, 2019. Schedule 13D filings are permitted only by shareholders owning 5% or more of an issuer's shares, so Santa Monica's filing generated the false impression that a major shareholder, unrelated to the Dissident Group, was supporting Defendant. In fact, Santa Monica owned only 0.2% of the shares and acquired shares shortly after the Dissident Group launched its proxy contest. Moreover, Santa Monica has a longstanding relationship with Horizon Kinetics and its co-founder Murray Stahl. The May 16 Letter expressed concern that Santa Monica is an undisclosed member of the Dissident Group and a hidden participant in the Dissident Group's proxy solicitation, in violation of Regulation 13D and Regulation 14A promulgated under the Exchange Act. The May 16 Letter requested that Defendant explain these relationships and why they were not disclosed. Defendant has not satisfactorily responded to this inquiry.

e. UGLIC, a holder of 39,000 shares of the Trust, issued a press release in "enthusiastic support" of Defendant on April 16, 2019. The press release tried to create the impression that a neutral shareholder is supporting Defendant. In fact, UGLIC has a longstanding relationship with Defendant. The May 16 Letter expressed concern that UGLIC is an undisclosed member of the Dissident Group and a hidden participant in the Dissident Group's proxy solicitation, in violation of Regulation 13D and Regulation 14A promulgated under the Exchange Act. (Exhibit G.) The May 16 Letter requested that Defendant explain these relationships and why they were not

disclosed. (*Id.*) Defendant has not satisfactorily responded to this inquiry, and instead has avoided the question.

f. During Defendant's tenure as AMEN's Chairman and CEO, SoftVest provided AMEN with a preferred promissory note that financed a royalty acquisition. The May 16 Letter requested that Defendant explain the efforts that were taken to ensure that this related party transaction was negotiated on an arms-length basis such that it did not constitute unlawful self-dealing. Defendant has not satisfactorily responded to this inquiry, vaguely stating that he "recalls" recusing himself from consideration of this transaction and providing no other details.

g. There is reason to believe that the Dissident Group has engaged in undisclosed proxy solicitation using various online sources, including forums, paid investment discussion websites and blogs. The May 16 Letter asked Defendant to explain whether the Dissident Group, or others at the Dissident Group's direction or in consultation with it, have engaged in such undisclosed proxy solicitation in connection with his candidacy. Defendant has not satisfactorily responded to this inquiry, and instead has avoided the question.

h. There is reason to believe that Defendant, directly or indirectly, owns a significant number of oil and gas interests, at least some of which are located in the Permian Basin through various entities, including AMEN, SoftVest and affiliated entities, and that Defendant's family members, including his brother and sons, own similar interests. The May 16 Letter asked Defendant to describe those interests and explain whether they do business with or compete with the Trust, or are in a position to profit from the activities of the Trust. Defendant has neither satisfactorily responded to this

inquiry, nor provided any other information concerning his potential or actual conflicts of interest.

44. On May 20, 2019, Defendant provided purported responses to the May 16 Letter but, upon information and belief, the answers were inaccurate. They were also incomplete. He also continues to refuse to complete and certify the Trust's standard questionnaire.

The Dissident Group's Material Misstatements And Omissions In Violation Of Rule 14a-9

45. Beyond the potential conflicts of interest and business dealings that were the subject of the May 16 Letter, the Dissident Group (of which Defendant is a member) has made repeated material misstatements and omissions in its proxy materials in support of Defendant's candidacy. The Dissident Group's misstatements and omissions include its definitive proxy statement (the "proxy"), as well as numerous press releases, videos, presentations, and letters, all of which have been publicly filed as proxy solicitation materials. These material misstatements and omissions violate Exchange Act Rule 14a-9 and must be corrected to ensure that all of the Trust's shareholders have the opportunity vote for a trustee at the Special Meeting on a fully informed basis.

Misstatements And/Or Omissions Concerning The Trust's Interactions With The Dissident Group

46. The Dissident Group's solicitation materials include material misstatements and omissions relating to the Trust's interactions with Defendant and his Dissident Group.

47. First, the Dissident Group omits material facts regarding discussions between Horizon Kinetics' Chairman and Chief Investment Officer, Murray Stahl, and the Trust with respect to proposals made by Mr. Stahl, which were thoroughly considered by the Trust. For instance, the Dissident Group's proxy materials portray the Trust as having not engaged in good faith with Mr. Stahl and other members of the Dissident Group, or having not fully and fairly

assessed the advantages and disadvantages of the Dissident Group's proposed measures. The Dissident Group's proxy materials omitted, however, the following material information: (i) on March 6, 2019, Mr. Stahl spoke with a representative of the Trust and suggested the formation of an advisory board of shareholders that would, among other things, propose governance, organizational and operational improvements and that the Trust signaled its willingness to consider such proposal; (ii) on March 20, 2019, Mr. Stahl spoke with a representative of the Trust again and indicated that he wanted the Trust to review certain of its corporate governance policies, which the Trustees ensured Mr. Stahl would be made a part of the Trust's continuous review of its policies and procedures; and (iii) on March 27, 2019 and then again on April 5, 2019, Mr. Stahl spoke with representatives of the Trust yet again, in which conversation the Trust and Mr. Stahl, on behalf of the Dissident Group, engaged in preliminary settlement discussions in order to avoid a contested election at the Special Meeting.

48. Second, the Dissident Group states that it repeatedly proposed that the Trust should convert into a master limited partnership ("MLP"), but the Dissident Group omitted material information concerning its reasons for abandoning this proposal. The Dissident Group falsely and misleadingly states that its position regarding a conversion into an MLP structure changed due to changes in U.S. tax laws, but in fact, the Trust considered the Dissident Group's proposals thoroughly and commissioned expert advice from both its financial advisor and two law firms (the second one at the additional request of the Dissident Group) on the advantages and disadvantages of the suggested conversion. The advisors unanimously recommended against the conversion, citing, among other things, the significant negative tax implications of conversion and the significant debt that the Trust would have to incur to pay the tax liabilities as a result of such conversion. The Trust informed the Dissident Group of these findings, but the Dissident

Group fails to disclose that it abandoned its proposals upon learning about the adverse tax consequences identified by the Trust's advisors and falsely implies that it came to the conclusion on its own.

49. Third, the Dissident Group's April 15, 2019 press release falsely accuses the Trust of being "unwilling to provide" a list of the non-objecting beneficial owners of shares of the Trust (the "NOBO List"), and instead "stonewall[ing]" Defendant in the face of his request. This is a material mischaracterization of the facts. In fact, the Trust explicitly stated that it was "willing to provide such materials, provided that the Trust has the legal authority to share such information," and requested Defendant to provide a legal basis for his demand. Sharing the NOBO List without any legal basis to do so would have breached the privacy rights of thousands of shareholders, and to characterize this reasonable request as "stonewall[ing]" is misleading and violates Rule 14a-9. The Dissident Group's later comments, in its April 22 and 23, 2019 press releases—that "[w]e trust that you already know that there is no legal impediment in providing to Mr. Oliver a NOBO list," that the "tone and content" of the Trust's communication makes "clear to us that at this time you do not intend to provide Mr. Oliver with a NOBO list," that "the Trust refuses to give us their NOBO list"—violate Rule 14a-9 for the same reason. The Dissident Group even asserted in its April 22, 2019 press release that "[y]our argument boils down to saying that [the Trust] will not provide the NOBO list unless it is legally mandated to do so," which is materially misleading because the Trust's request to Defendant pertained to understanding whether it was legally *permitted* to reveal the NOBO, not whether it was legally *mandated* to do so.[1] In response to the misrepresentations made by the Dissident Group, the

[1] Similar material misstatements are contained in the Dissident Group's publicly-filed April 23, 2019 letter. *See* Sched. 14A filed by Dissident Group on April 24, 2019 at https://www.sec.gov/Archives/edgar/data/97517/000114036119007508/s001762x16_dfan14a.htm.

Trust, in a letter to the Dissident Group dated April 23, 2019, reiterated and explained its position for a second time. Still, in a subsequent letter sent by SoftVest LP to shareholders on April 23, 2019, as well as in a press release made available by SoftVest LP on May 13, 2019, the Dissident Group kept falsely claiming that the Trust is unwilling to share the NOBO list.

50. Fourth, the Dissident Group's April 23, 2019 press release asserts that the Trust has exhibited a "total disregard for investors' views and rights, as evidenced by the conduct of incumbent trustees during this proxy campaign." This misleading statement omits that the Trust promptly changed its nominee—from Mr. Young to General Cook—in direct response to the input of shareholders, and that it also protected shareholders' personal information by not providing the NOBO list to the Dissident Group in the absence of clear legal authority to do so. Moreover, certain shareholders, including the Dissident Group, have shared their views that the Trust lacks robust modern corporate governance policies. As a result of this feedback, the Trust nominated an expert on corporate governance, a fact that the Dissident Group wrongfully omits.

51. Fifth, the Trustees reached out to the Dissident Group on May 8, 2019 in a confidential email labeled "Subject to Settlement Privilege/Confidential." In response, the Dissident Group issued a press release on the same day, in which it purported to have "reprinted" the email. The purported "reprint" is materially misleading because it omits the very first sentence of the email, which expressly states that "[t]his email is confidential and subject to settlement privilege." By omitting this sentence, the Dissident Group sought to minimize the nature and extent of its violation of ethical rules and norms governing settlement discussions. This purported "reprint" plainly violates Rule 14a-9.

Misstatements And/Or Omissions Concerning The Trust's Activities

52. The Dissident Group's solicitation materials include material misstatements and omissions relating to the Trust's business and activities.

53. First, the Dissident Group's April 9, 2019 press release asserts that "wells drilled between 2014-2018 . . . have increased the Trust's oil production over 600% and its gas production close to 1,000%." This is grossly misleading, given that the Trust does not engage in any oil and gas production whatsoever. If uncorrected, this statement could lead shareholders to misunderstand the Trust's business model, management needs and strategic decisions and actions.

54. Second, the Dissident Group's proxy sets forth misleading purported risk factors concerning the operations of the Trust's wholly-owned subsidiary, Texas Pacific Water Resources LLC ("TPWR"). The Dissident Group has argued that the Trust should consider a sale of TPWR, so it has drummed up highly speculative risk factors (including "risks related to workers compensation, leaks or rupturing of pipelines (including surface damage) and injection well casings (including potential acquifier [sic] contamination")) intended to paint an overly-precarious picture of TPWR.

55. Third, the Dissident Group's April 23, 2019 press release asserts that a presentation by the Trust highlighted several wells "in the wrong location, some by more than 20 miles, with one well listed in the wrong county." This is a materially false statement and is presented without any factual foundation that the Trust's presentation included erroneously-marked wells. This misleading statement is intended to question the competency of the Trust's current leadership, and it must be corrected.

Misstatements And/Or Omissions Concerning The Proxy Vote

56. As expressly set out under item (d) under the "notes" paragraph of Rule 14a-9, "[c]laims made prior to a meeting regarding the results of a solicitation" are considered to be examples of "misleading" information. The Dissident Group's May 8, 2019 press release contains precisely this type of prohibited, misleading information.

57. Specifically, the Dissident Group violated this prohibition through an annotation of the following sentence contained in a confidential email provided to the Dissident Group by the Trustees: "While we are pleased to receive the recommendation from ISS yesterday, we understand that this will remain a close election."[2] The Dissident Group added a footnote to that sentence and stated: "SoftVest, L.P., Horizon Kinetics LLC and ART-FGT Family Partners disagree with this statement." By adding the text in this footnote, the Dissident Group is making a claim as to the voting result of the solicitation—that the voting result will not be a close election and, by inference, the solicitation outcome will result in the Dissident Group's favor. As federal courts have stressed, claims regarding a vote outcome are strictly prohibited because such disclosures can poison the electorate through a "bandwagon effect." This "bandwagon effect" is precisely what the Dissident Group tries to generate here in order to distract shareholders from carefully considering the merits of the nominees' arguments on the basis that the result of the election is a foregone conclusion.

58. In addition, the Dissident Group has arranged for emails to shareholders with proxy voting instructions with email headings that falsely imply that brokerage firms are soliciting votes on behalf of the Dissident Group and encouraging shareholders to vote on the Dissident Group's white proxy card. These misrepresentations are materially misleading

[2] Notably, the Trust itself has not violated the cited prohibition because its email communication was intended to remain confidential and did not constitute a "solicitation" under the Proxy Rules.

because a substantial majority of shareholders are retail investors, who are generally more easily misled than sophisticated institutional investors and may thus be unduly influenced by purported endorsements of brokerage firms.

Misstatements And/Or Omissions Concerning The Trust's Structure

59. The Dissident Group's solicitation materials include material misstatements and omissions relating to the structure of the Trust itself, including the plain language of the Declaration of Trust.

60. First, the Dissident Group asserts in its proxy statement that "Meetings of holders of Shares only occur when a new trustee needs to be elected to fill a vacancy of one of the three trustee positions." This is a materially false statement regarding the Declaration of Trust. In fact, the Declaration of Trust provides that "Meetings of the certificate holders may be called by the trustees whenever said trustees shall deem it necessary, and also whenever they shall have been requested thereunto by instrument in writing specifying the object of the proposed meeting . . . ." (Decl. of Trust at SIXTH).

61. Second, the Dissident Group's April 9, 2019 press release asserts that the Trust "has only held four shareholder meetings in thirty years," and that "[t]he upcoming special meeting therefore is a unique opportunity for the [Trust] investors to participate in the future direction of [the Trust]." The Dissident Group omits that, pursuant to the Declaration of Trust, *shareholders themselves* have had the power to request shareholder meetings since 1888 – and in those 131 years, no shareholder ever requested a shareholder meeting.

62. Third, the Dissident Group's April 23, 2019 press release asserts that "there is no precedent whatsoever for a company engaged in these active business activities [in reference to activities of the Trust] to be structured as a business trust . . . ." The Dissident Group provides

no basis for this assertion, which may mislead shareholders to believe falsely that the Trust is the only entity ever to have functioned as a trust while carrying out business.

63. Fourth, the Dissident Group's April 23, 2019 press release asserts that "[t]he sole intended purpose of the formation of [the Trust] as a trust was to provide an orderly liquidation of the land that secured defaulted bonds at the T&P Railway" and, "[s]ince then, [the Trust] deviated from this long held mandate with the creation of a water operating company, followed by complex land and royalty 'trading' transactions." This is demonstrably false through a simple review of the Declaration of Trust, which states that the Trustees "shall have all the powers in respect of said property of an absolute owner, as to selling, granting, *leasing, alienating, improving, encumbering, or otherwise disposing* of the same or any part or parcel thereof, and they may, whenever they shall deem it necessary or advisable for the protection or benefit of the property, *purchase other lands and premises* . . . ." (Decl. of Trust at FIRST (emphasis added)). It could not be more plain that the Trust did not have a "sole intended purpose" of "liquidat[ion]." This material misstatement must be corrected.

64. Fifth, the Dissident Group's April 23, 2019 press release asserts that the Trust's "inside ownership level is [in] a dramatic decline and the lowest level over the past 30 years." This statement is made for the purpose of touting Defendant as a significant shareholder who would increase the Trust's inside ownership if he were elected Trustee. It is a misleading statement, however, because it omits that there are only two incumbent Trustees at this time. Comparing the total ownership of two Trustees to the same owned by three trustees is not a fair comparison. The press release also omits that one of the Trustees has only served as such for

two years and that he previously represented the Trust as its attorney and had a policy of not purchasing shares of his clients.[3]

Misstatements And/Or Omissions Concerning The Selection Of General Cook

65. The Dissident Group's solicitation materials include material misstatements and omissions relating to the selection of General Cook as a nominee. Specifically, the Dissident Group's May 7, 2019 press release asserts that General Cook "was hand-picked by the two incumbent trustees at the suggestion of their outside legal advisor . . . as seems to indicate that the incumbent trustees have decided to outsource to outside counsel . . . the role of the nominating committee." This statement is materially false and misleading because it does not accurately describe the nomination process that the Trustees undertook to identify and nominate General Cook. The use of the word "hand-picked" misleadingly implies that the Trustees selected General Cook without undergoing an unbiased formal search process. The Trustees retained Spencer Stuart, a specialist director search firm, to provide more than 15 highly-qualified candidates and additionally requested its financial and legal advisors to provide recommendations. Even though the Trustees ultimately chose General Cook, a candidate suggested by a legal advisor, the selection was only after a thorough search and review process. Moreover, the Dissident Group omits that the charter for the Nominating, Compensation and Governance Committee expressly provides that the Trustees' "duties and responsibilities" include "[t]he identification and recommendation . . . of individuals qualified to become or continue as Trustees." (Exhibit B at 1.)

[3] The Dissident Group's publicly-filed May 1, 2019 presentation contains a similar misstatement. It also misleadingly compares the shares held by SoftVest and Horizon Kinetics to those of the Trustees, which is mixing apples and oranges since the capital at an investment fund's disposal is far superior to that of these individuals.

Misstatements That Improperly Impugn The Character, Integrity And Personal Reputation Of The Trustees And Trust Management

66. Rule 14a-9 requires that solicitation materials avoid statements that directly or indirectly impugn the character, integrity or personal reputation, or that make charges of illegal, improper or immoral conduct without factual foundation. The Dissident Group's solicitation materials violate this rule numerous times.

67. First, the Dissident Group's proxy asserts that (i) "[y]our advisors appear to be confused or misinformed," without any basis to suggest that the Trust is not well-advised by its advisory team; (ii) that the Trust is trying "to re-write history" merely by sending Defendant the standard trustee questionnaire filled out by other trustee candidates; (iii) the Dissident Group "hope[s] that you make all proper disclosures regarding Mr. Young," which suggests that the Trustees and the Trust have a motive to provide less than full disclosures; (iv) the Dissident Group "question[s] the wisdom" of the Trustees in hiring a standard group of advisors for issuers facing contested elections; (v) the Trustees have "mount[ed] an attack" on the Dissident Group, when in fact they have merely retained advisors to assist in fulfilling their fiduciary duties; and (vi) the Trustees are "trying to construct a narrative" to "portray . . . members of the Dissident Group as 'activists' looking for a 'short-term profit,'" when the Trustees have done no such thing. These statements have no factual basis and needlessly and falsely impugn the integrity of the Trustees.

68. Second, the Dissident Group's April 23, 2019 press release contains additional examples of statements that improperly impugn the integrity and character of the Trustees, including assertions that the Trust has "poor governance and lack of accountability," which has resulted in "questionable business decisions," and that "[m]anagement's lack of disclosure prevents us from determining the actual returns . . . increase in salaries . . . [and] expenses related

to the formation of the company." These assertions imply improper conduct without any factual basis.

69. Third, the Dissident Group's April 23, 2019 press release asserts that "[t]he General Agents [of the Trust] are incentivized to continue to earn their annual large cash salaries and bonuses (which are tied to short-term profits); unlike shareholders, they have little to gain by way to long-term stock price appreciation." The press release further asserts that the "Trustees recently increased their own pay 52x." These statements are materially false and misleading on numerous fronts. The Dissident Group neglects to disclose that the Trust has seen unprecedented value maximization for five straight years under the General Agents' leadership but that the compensation of the General Agents was first substantially increased only in 2017. The use of "52x" is likely to mislead shareholders because it omits that the increase is solely an inflation adjustment from the Trust's long-standing compensation, which had been set at $2,000 *since 1888*. Furthermore, the compensation paid to the Trustees is still below the average retainer for S&P 500 directors.[4] Moreover, there is no basis whatsoever for the assertion that the General Agents are incentivized to earn large compensation packages without pursuing long-term value for the Trust.

70. Fourth, the Dissident Group's April 23, 2019 press release states that "[w]e believe poor governance record and lack of accountability has resulted in rampant conflicts of interest." This statement is false and misleading because no factual basis is presented for the opinion. The Dissident Group does not provide any examples where the Trust engaged in

[4] *See* 2018 U.S. Spencer Stuart Board Index at 28, available at https://www.spencerstuart.com/-/media/2018/october/ssbi-2018-final.pdf (last accessed May 21, 2019) (reporting $124,306 as the average annual retainer for S&P 500 directors).

conflicted transactions or demonstrated poor governance, and such sweeping and inflammatory accusations may improperly influence shareholders.

Misstatements And/Or Omissions Concerning
The Dissident Group's Background, Conduct And Future Plans

71. The Dissident Group's solicitation materials include material misstatements and omissions relating to the Dissident Group's background, actions, and plans for the Trust.

72. First, the Dissident Group's April 16, 2019 publicly-released video states that the Dissident Group is "spending our own money in this election and [is] trying to be frugal." This is false and misleading because it misleads investors into believing that the Dissident Group intends to fund all of its expenditures with money belonging solely to the Dissident Group when, in fact, the Dissident Group previously stated that it intends to seek reimbursement from the Trust for the costs of its solicitation if the election of Defendant is successful. The Dissident Group's April 11, 2019 press release is similarly misleading in that it criticizes Trust management for not "paying out of their own pocket," but then buries in a footnote the statement that "We note that part of your campaign highlights that we have reserved our right to seek reimbursement of our expenses if Mr. Oliver is elected by shareholders." This is intended to create an illusion that the Trust's management is wrongfully advantaged by utilizing the Trust's funds—as the Trustees and officers are required to do in the course of their duties to the Trust and all shareholders—when the Dissident Group seeks to do the same.

73. Second, the Dissident Group's April 16, 2019 publicly-released video states that Defendant is "not a dissident." This is false and misleading because it implies that the Dissident Group is not in opposition to the Trust with respect to the nomination of trustees. The use of the term "dissident" is used in the context of contested board elections to describe a shareholder of an issuer who has nominated a nominee to the board that is not supported by the issuer. The

Dissident Group has taken a course of action that fits exactly within the understanding of the term "dissident" (i.e., "a person who opposes"), and it is false and misleading to assert otherwise.

74. Third, the Dissident Group's publicly-filed May 2, 2019 presentation contains a slide that implies that it is fully committed to keeping the Trust's water business a part of its operations for the long-term future. It creates this impression by stating, among other examples, that "the water services business has the potential to be even larger than [the Trust's] existing oil royalty and land segments," and that it would "assess various types of water ventures to limit risk and maximize long term growth." The Dissident Group omits that it had previously disclosed in its proxy that Defendant would encourage the Trust to evaluate the existing water business and, with the assistance of outside consultants, determine whether it is advisable to grow operations internally, partner with a strategic partner, or *sell the water rights to a third party*. The Dissident Group omits that, in its March 15, 2019 Schedule 13D/A, it disclosed that its plans for the Trust include *a potential separation or sale of the water business to a third party with a retained royalty*. If the Dissident Group has changed its views in this regard, it has not accurately presented that information to shareholders.

Schedule 14A Misstatements And Omissions

75. Schedule 14A provides a list of items that are required to be disclosed by participants in a proxy statement pursuant to Section 14(a) of the Exchange Act. The Dissident Group's proxy contains material misstatements and omissions with respect to items required by Schedule 14A.

76. First, with regard to all Dissident Group members except for Defendant, the Dissident Preliminary Proxy Statement violates Item 5(b)(iii) under Exchange Act Rule 14a-101 by omitting to state, for every participant, whether or not, during the past ten years, the

participant has been convicted in any criminal proceeding (excluding traffic violations or similar misdemeanors) and, if so, the dates, nature of conviction, name and location of court, and penalty imposed or other disposition of the case.

77. Second, Item 4(b)(2) of Schedule 14A requires a discussion of whether "regular employees of any other participant in a solicitation have been or are to be employed to solicit security holders" and a description of "the class or classes of employees to be so employed, and the manner and nature of their employment for such purpose." The Dissident Group proxy omits this required discussion.

Schedule 13D Omissions

78. Schedule 13D requires the disclosure of any person acquiring beneficial ownership of more than 5% of the registered securities of a corporation. Section 13(d)(3) includes within the definition of "person" a "group" formed to acquire, hold, or dispose of securities. The Dissident Group filed its Schedule 13D on March 15, 2019, and identified only SoftVest LP, SoftVest Advisors LLC, Defendant, ART-FGT Family Partners Limited, the Tessler Family Limited Partnership, and Allan Tessler as members of the "group" for purposes of Section 13(d). However, it failed to disclose that Santa Monica and UGLIC had formed a "group" under Section 13(d) and were operating as hidden participants in the proxy solicitation.

79. First, Santa Monica bought shares immediately after the Dissident Group launched the proxy contest on March 15, 2019 and issued a Schedule 13D in support of Defendant's candidacy, discussed more below. Santa Monica also has a longstanding relationship with Horizon Kinetics and Murray Stahl. For example, Santa Monica's principal, Lawrence J. Goldstein, is a member of the Board of Directors of FRMO Corp., a company that trades on the OTC Market under the ticker symbol "FRMO". Horizon Kinetics' co-founders,

Murray Stahl and Steve Bregman, founded FRMO and Mr. Stahl serves as its CEO and Chairman, while Mr. Bregman is President, CFO, and Director of FRMO.

80. Second, UGLIC, which holds 39,000 shares of the Trust, issued a press release on April 16, 2019 in "enthusiastic support" of Defendant and the Dissident Group. Defendant was an 8.2% shareholder of UGLIC as recently as 2016.

81. UGLIC also has a longstanding relationship with Defendant. Jesse Correll has been the Chairman and CEO of UGLIC since 2000. Correll was a member of the Board of Directors of AMEN from December 2008 until at least September 2010 (the specific date is publicly unknown). Correll is also connected to SFF Royalty, LLC through his involvement with UGLIC, which was a member of SFF Royalty, LLC from 2010 through at least 2014. SFF Royalty, LLC is an entity through which AMEN owns oil and gas interests.

82. Consequently, UGLIC is an undisclosed member and hidden participant in the Dissident Group's proxy solicitation. Therefore, the Dissident Group should be compelled to make corrective disclosures to its Schedule 13D filing.

V. COUNT I – VIOLATION OF SECTION 14(a) OF THE EXCHANGE ACT

83. Plaintiffs repeat and incorporate the allegations in Paragraphs 1 through 82 as if fully set forth herein.

84. Section 14(a) of the Exchange Act provides, "It shall be unlawful for any person in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, to solicit or to permit the use of his name to solicit any proxy … ." 15 U.S.C. § 78n(a). Rule 14a-9, promulgated thereunder, provides that no solicitation shall be made that is "false or misleading with respect to any material fact, or which omits to state any material fact necessary in order to make the statements therein not false or misleading."

85. Defendant issued, and caused to be issued, and participated in the issuance of materially false and misleading statements to Trust shareholders.

86. Defendant had a duty in his solicitation of Trust shareholders to provide truthful disclosures.

87. Defendant knew, or in the exercise of reasonable care should have known, that the statements contained in the solicitation materials were materially false and misleading.

88. If left uncorrected, the materially misleading statements and omissions in the solicitation materials will deprive the Trust's shareholders of the opportunity to make decisions on the future of the Trust based on the full and accurate information to which they are entitled, and both the Trust and its shareholders will be irreparably harmed.

89. The Trust was damaged, and continues to be damaged, as a result of the material misrepresentations and omissions in Defendant's solicitation materials.

VI. COUNT II – VIOLATION OF SECTION 13(d) OF THE EXCHANGE ACT

90. Plaintiffs repeat and incorporate the allegations in Paragraphs 1 through 89 as if fully set forth herein.

91. Section 13(d) of the Exchange Act provides, "When two or more persons act as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of an issuer, such syndicate or group shall be deemed a 'person' for the purposes of" the "beneficial owner" inquiry. 15 U.S.C. § 78m(d)(3).

92. Defendant and the Dissident Group failed to disclose in their Schedule 13D filing that Santa Monica and UGLIC are acting as a "group" for purposes of Section 13(d) of the Exchange Act and that they are hidden participants in the Dissident Group's proxy solicitation in violation of Rule 14a-101 (Schedule 14A), Item 4.

93. Defendant had a duty in his solicitation of Trust shareholders to provide truthful disclosures.

94. Defendant knew, or in the exercise of reasonable care should have known, that the omissions in the solicitation materials would mislead Trust shareholders.

95. If left uncorrected, the materially misleading omissions in the solicitation materials will deprive Trust shareholders of the opportunity to make decisions on the future of their investment based on the full and accurate information to which they are entitled, and both the Trust and its shareholders will be irreparably harmed.

96. The Trust was damaged, and continues to be damaged, as a result of the material omissions in Defendant's solicitation materials.

VII. COUNT III – DECLARATORY JUDGMENT

97. Plaintiffs repeat and incorporate the allegations in Paragraphs 1 through 96 as if fully set forth herein.

98. Pursuant to 28 U.S.C. § 2201, this Court "may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought."

99. As set forth above, the Dissident Group's proxy solicitation violated the SEC's proxy rules.

100. In addition to the misstatements and omissions contained within Defendant's solicitation materials, Defendant has refused to provide sufficient information for the Trustees to qualify him to serve as a trustee.

101. The Trustees have fiduciary duties, and duties pursuant to the Trust's governing documents, to ensure that trustee nominees are qualified, both with respect to capabilities and personal character and integrity.

102. Defendant's refusal to provide the requested disclosures prevents the Trustees, and the shareholders, from being able to determine whether Defendant is qualified to serve as a trustee of the Trust.

103. Plaintiffs therefore seek a declaration that (i) Defendant is ineligible to be considered for election as a trustee until 60 days after he provides full and accurate disclosures requested by the Trustees, and is thereafter found by the Trustees to be qualified to serve as a trustee, and issues and mails corrective disclosures to all shareholders with respect to the misstatements and omissions contained within his solicitation materials; and (ii) the Dissident Group's proxies solicited to date by the Dissident Group are invalid, null, and void.

VIII. REQUESTED RELIEF

WHEREFORE, Plaintiffs respectfully request entry of a judgment in their favor and against Defendant as follows:

a. Ordering Defendant to issue corrective disclosures with respect to the misstatements and omissions contained within his solicitation materials;

b. Declaring that Defendant is ineligible to be considered for election as a trustee until 60 days after he provides full and accurate disclosures requested by the Trustees and is thereafter found by the Trustees to be qualified to serve as a trustee;

c. Declaring that the proxies solicited to date by the Dissident Group are invalid, null, and void;

d. Enjoining Defendant from running for election as a trustee until 60 days after he provides full and accurate disclosures requested by the Trustees and is thereafter found by the Trustees to be qualified to serve as a trustee, and Defendant issues and mails corrective disclosures to all shareholders with respect to the misstatements and omissions contained within his proxy materials;

e. Attorneys' fees, expenses, and costs of suit; and

f. Such other and further relief as may be proper.

Respectfully submitted on May 21, 2019, SIDLEY AUSTIN LLP

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