

ASHFORD HOSPITALITY TRUST INC

Form 8-K

April 03, 2006

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (date of earliest event reported): March 28, 2006

ASHFORD HOSPITALITY TRUST, INC.

(Exact name of registrant as specified in its charter)

MARYLAND

(State of Incorporation)

001-31775

(Commission File Number)

86-1062192

(I.R.S. Employer
Identification Number)

14185 Dallas Parkway, Suite 1100

Dallas, Texas

(Address of principal executive offices)

75254

(Zip code)

Registrant's telephone number, including area code: (972) 490-9600

Check the appropriate box if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On March 28, 2006, the Compensation Committee of the Board of Directors for Ashford Hospitality Trust, Inc. (the Company) approved a) increases to annual base salaries, retroactively effective January 1, 2006, and annual bonuses related to its executive officers and b) issuances of restricted common stock, which vest 1/3 annually over three years, to its executive officers and Chairman of its Board of Directors as follows:

| | Restricted Stock Awards (1) | Former Base Salary | Adjusted Base Salary | Bonus |
|--|-----------------------------------|--------------------------|----------------------------|------------|
| Archie Bennett, Jr. Chairman of the Board of Directors | \$ 997,600 | | | |
| Montgomery J. Bennett President and Chief Executive Officer | \$ 2,244,600 | \$ 467,500 | \$ 650,000 | \$ 584,375 |
| Douglas A. Kessler Chief Operating Officer | \$ 1,870,500 | \$ 360,000 | \$ 500,000 | \$ 360,000 |
| David J. Kimichik Chief Financial Officer | \$ 872,900 | \$ 286,000 | \$ 325,000 | \$ 257,400 |
| David A. Brooks Chief Legal Officer | \$ 872,900 | \$ 286,000 | \$ 325,000 | \$ 257,400 |
| Mark L. Nunneley Chief Accounting Officer | \$ 374,100 | \$ 181,500 | \$ 220,000 | \$ 108,900 |

(1) Represents shares of restricted common stock issued March 28, 2006, valued at \$12.47 per share, the closing price of the Company's common stock on the date of issuance.

In addition, employment agreements with Messrs. Montgomery J. Bennett, Douglas A. Kessler, David J. Kimichik, David A. Brooks, and Mark L. Nunneley were modified, effective March 29, 2006, to eliminate fixed bonus ranges and establish targeted bonus ranges as follows:

Montgomery J. Bennett 75% to 125% of Base Salary

Douglas A. Kessler 50% to 100% of Base Salary

David J. Kimichik 30% to 90% of Base Salary

David A. Brooks 30% to 90% of Base Salary

Mark L. Nunneley 20% to 60% of Base Salary

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ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

Exhibit
Number

- 10.5.7 Amended Employment Agreement Between the Registrant and Douglas A. Kessler
 - 10.5.8 Amended Employment Agreement Between the Registrant and David J. Kimichik
 - 10.5.9 Amended Employment Agreement Between the Registrant and David A. Brooks
 - 10.5.10 Amended Employment Agreement Between the Registrant and Mark L. Nunneley
 - 10.5.11 Amended Employment Agreement Between the Registrant and Montgomery J. Bennett
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SIGNATURE

Pursuant to the requirements of Section 12 of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: April 3, 2006

ASHFORD HOSPITALITY TRUST,
INC.

By: /s/ DAVID A. BROOKS

David A. Brooks
Chief Legal Officer