

ASHFORD HOSPITALITY TRUST INC
Form PRE 14A
March 26, 2015
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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 (Amendment No.)

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 under §240.14a-12

Ashford Hospitality Trust, Inc.
(Name of Registrant as Specified In Its Charter)

(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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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held May 12, 2015**

To the stockholders of ASHFORD HOSPITALITY TRUST, INC.:

The annual meeting of stockholders of Ashford Hospitality Trust, Inc., a Maryland corporation, will be held at the Dallas Marriott Suites Medical/Market Center, 2493 N. Stemmons Freeway, Dallas, Texas 75207 on May 12, 2015 beginning at 9:00 a.m., Central time, for the following purposes:

- (i) to elect seven directors to hold office until the next annual meeting of stockholders and until their successors are elected and qualified;
- (ii) to amend our charter to require a majority voting standard in uncontested director elections;
- (iii) to ratify the appointment of Ernst & Young LLP, a national public accounting firm, as our independent auditors for the fiscal year ending December 31, 2015;
- (iv) to obtain advisory approval of the company's executive compensation;
- (v) to approve an amendment to our bylaws to require that only stockholders that have owned at least 1% of the outstanding common stock of the company continuously for at least one year may nominate director candidates and propose other business to be considered by the company's stockholders at an annual meeting of stockholders; and
- (vi) to transact any other business that may properly come before the annual meeting of stockholders or any adjournment of the annual meeting.

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Stockholders of record at the close of business on March 10, 2015 will be entitled to notice of and to vote at the annual meeting of stockholders. **It is important that your shares be represented at the annual meeting of stockholders regardless of the size of your holdings.** Whether or not you plan to attend the annual meeting of stockholders in person, please vote your shares by signing, dating and returning the enclosed proxy card as promptly as possible. A postage-paid envelope is enclosed if you wish to vote your shares by mail. If you hold shares in your own name as a holder of record and vote your shares by mail prior to the annual meeting of stockholders, you may revoke your proxy by any one of the methods described herein if you choose to vote in person at the annual meeting of stockholders. Voting promptly saves us the expense of a second mailing.

By order of the board of directors,

David A. Brooks
Secretary

14185 Dallas Parkway, Suite 1100
Dallas, Texas 75254
April , 2015

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2015 ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 12, 2015.

The company's Proxy Statement for the 2015 Annual Meeting of Stockholders and the Annual Report to Stockholders for the fiscal year ended December 31, 2014, which includes the company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, are available at www.ahtreit.com under the Investor link, at the Annual Meeting Material tab.

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In accordance with Rule 14a-6(d) under Regulation 14A of the Securities Exchange Act of 1934, please be advised that Ashford Hospitality Trust, Inc. intends to release definitive copies of the proxy statement to security holders on or about April 10, 2015.

**ASHFORD HOSPITALITY TRUST, INC.
14185 Dallas Parkway, Suite 1100
Dallas, Texas 75254**

PROXY STATEMENT

**ANNUAL MEETING OF STOCKHOLDERS
To Be Held May 12, 2015**

This proxy statement, together with the enclosed proxy, is solicited by and on behalf of the board of directors of Ashford Hospitality Trust, Inc., a Maryland corporation, for use at the annual meeting of stockholders to be held at the Dallas Marriott Suites Medical/Market Center, 2493 N. Stemmons Freeway, Dallas, Texas 75207 beginning at 9:00 a.m., Central time, on May 12, 2015. The board of directors is requesting that you allow your shares to be represented and voted at the annual meeting of stockholders by the proxies named on the enclosed proxy card. We, our, us, Ashford, and the company each refers to Ashford Hospitality Trust, Inc. This proxy statement and accompanying proxy will first be mailed to stockholders on or about April 10, 2015.

At the annual meeting of stockholders, action will be taken to:

- elect seven directors to hold office until the next annual meeting of stockholders and until their successors are elected and qualified;
- amend our charter to require a majority voting standard in uncontested director elections;
- ratify the appointment of Ernst & Young LLP, a national public accounting firm, as our independent auditors for the fiscal year ending December 31, 2015;
- obtain advisory approval of the company's executive compensation;

- approve an amendment to our bylaws to require that only stockholders that have owned at least 1% of our outstanding common stock continuously for at least one year may nominate director candidates and propose other business to be considered by the company's stockholders at an annual meeting of stockholders; and
- transact any other business that may properly come before the annual meeting of stockholders or any adjournment of the annual meeting.

FORWARD-LOOKING STATEMENTS

Certain statements and assumptions in this proxy statement contain or are based upon forward-looking information and are being made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties. When we use the words will likely result, may, anticipate, estimate, should, expect, believe, intend, or similar expressions, we intend to identify forward-looking statements. Such forward-looking statements include, but are not limited to, our business and investment strategy, our understanding of our competition, current market trends and opportunities, and projected capital expenditures. Such statements are subject to numerous assumptions and uncertainties, many of which are outside of our control.

These forward-looking statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated, including, without limitation: general volatility of the capital markets and the market price of our common stock; changes in our business or investment strategy;

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availability, terms and deployment of capital; availability of qualified personnel; changes in our industry and the market in which we operate, applicable law, interest rates or the general economy; the degree and nature of our competition; actual and potential conflicts of interest with our advisor, Remington Lodging & Hospitality, LLC, our executive officers and our non-independent directors; changes in governmental regulations, accounting rules, tax rates and similar matters; legislative and regulatory changes, including changes to the Internal Revenue Code of 1986, as amended, and related rules, regulations and interpretations governing the taxation of REITs; and limitations imposed on our business and our ability to satisfy complex rules in order for us to qualify as a REIT for federal income tax purposes. These and other risk factors are more fully discussed in the section entitled "Risk Factors" in our Annual Report on Form 10-K, and from time to time, in Ashford's other filings with the Securities and Exchange Commission. The forward-looking statements included in this proxy statement are only made as of the date of this proxy statement. Investors should not place undue reliance on these forward-looking statements. We are not obligated to publicly update or revise any forward-looking statements, whether as a result of new information, future events or circumstances, changes in expectations or otherwise.

GENERAL INFORMATION ABOUT VOTING

Solicitation of Proxies

The enclosed proxy is solicited by and on behalf of our board of directors. In addition to the solicitation of proxies by use of the mail, officers and other employees of Ashford may solicit the return of proxies by personal interview, telephone, e-mail or facsimile. We will not pay additional compensation to our officers and employees for their solicitation efforts, but we will reimburse them for any out-of-pocket expenses they incur in their solicitation efforts. We also intend to request persons holding shares of our common stock in their name or custody, or in the name of a nominee, to send proxy materials to their principals and request authority for the execution of the proxies, and we will reimburse such persons for their expense in doing so. We will bear the expense of soliciting proxies for the annual meeting of stockholders, including the cost of mailing.

We have retained MacKenzie Partners Inc. to aid in the solicitation of proxies and to verify records relating to the solicitation. MacKenzie will receive a base fee of \$20,000, plus out-of-pocket expenses.

Voting Securities

Our only outstanding voting equity securities are shares of our common stock. Each share of common stock entitles the holder to one vote. As of March 10, 2015 there were 100,108,168 shares of common stock outstanding and entitled to vote. Only stockholders of record at the close of business on March 10, 2015 are entitled to vote at the annual meeting of stockholders or any adjournment of the annual meeting.

Voting

If you hold your common stock in your own name as a holder of record, you may instruct the proxies to vote your common stock by signing, dating and mailing the proxy card in the postage-paid envelope provided. You may also vote your common stock in person at the annual meeting

of stockholders.

If your common stock is held on your behalf by a broker, bank or other nominee, you will receive instructions from them that you must follow to have your common stock voted at the annual meeting of stockholders.

Counting of Votes

A quorum will be present if the holders of a majority of the outstanding shares entitled to vote are present, in person or by proxy, at the annual meeting of stockholders. If you have returned valid proxy instructions or if you hold your shares in your own name as a holder of record and attend the annual meeting of stockholders in person, your shares will be counted for the purpose of determining whether there is a quorum. If a quorum is not present, the annual meeting of stockholders may be adjourned by the vote of a majority of the shares represented at the annual meeting until a quorum has been obtained.

The affirmative vote of a plurality of the outstanding shares of our common stock cast at the annual meeting will be required to elect each nominee to our board of directors (Proposal 1). If a nominee who is currently serving on the board does not receive a majority of the votes cast, our Corporate Governance Guidelines require that such nominee must promptly tender his or her resignation as a director for consideration by the nominating/corporate governance committee of the board for a recommendation to the full board regarding the tendered resignation. The

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affirmative vote of a majority of the outstanding shares of our common stock will be required for the approval of an amendment to our charter to require a majority voting standard in uncontested director elections (Proposal 2). The affirmative vote of a majority of the outstanding shares of our common stock cast at the annual meeting will be required to ratify the appointment of Ernst & Young LLP as our independent auditors for the year ending December 31, 2015 (Proposal 3). The affirmative vote of a majority of the outstanding shares of our common stock cast at the annual meeting will be required for approval, on an advisory basis, of the executive compensation proposal (Proposal 4). The affirmative vote of a majority of the outstanding shares of our common stock will be required to approve the amendment to the company's bylaws to require that only stockholders that have owned at least 1% of our outstanding common stock continuously for at least one year may nominate director candidates and propose other business to be considered by the company's stockholders at an annual meeting of stockholders (Proposal 5). For any other matter, unless otherwise required by Maryland or other applicable law, the affirmative vote of a majority of the outstanding shares of our common stock present and voting at the annual meeting is required to approve the matter.

The election of directors, the proposal to amend our charter, the advisory compensation proposal and the proposal to amend our bylaws are non-discretionary items and may not be voted by brokers, banks or other nominees who have not received specific voting instructions from the beneficial owner of the shares. It is therefore important that you provide instructions to your broker so that your shares will be counted in the election of directors, the proposal to amend our charter, the advisory compensation proposal and the proposal to amend our bylaws. The ratification of the appointment of Ernst & Young LLP as independent auditors is a discretionary item, and as such, banks, brokers and other nominees that do not receive voting instructions from beneficial owners may vote on this proposal in their discretion.

Broker non-votes occur when a broker, bank or other nominee holding shares on your behalf votes the shares on some matters but not others. Abstentions, broker non-votes and withheld votes are included in determining whether a quorum is present, but will not be included in vote totals and will not affect the outcome of the vote on Proposal 1, Proposal 2, Proposal 3, Proposal 4 or Proposal 5.

If you sign and return your proxy card without giving specific voting instructions, your shares will be voted consistent with management recommendations.

Right To Revoke Proxy

If you hold shares of common stock in your own name as a holder of record, you may revoke your proxy instructions through any of the following methods:

- notify our Secretary in writing before your shares of common stock have been voted at the annual meeting of stockholders;
- sign, date and mail a new proxy card to Broadridge; or
- attend the annual meeting of stockholders and vote your shares of common stock in person.

You must meet the same deadline when revoking your proxy as when voting your proxy. See the Voting section of this proxy statement for more information.

If shares of common stock are held on your behalf by a broker, bank or other nominee, you must contact them to receive instructions as to how you may revoke your proxy instructions.

Multiple Stockholders Sharing the Same Address

The Securities and Exchange Commission (the SEC) rules allow for the delivery of a single copy of an annual report and proxy statement to two or more stockholders who share an address, unless we have received contrary instructions from one or more of the stockholders. We will deliver promptly upon written or oral request separate copies of our annual report and proxy statement to a stockholder at a shared address to which a single copy was delivered. Requests for additional copies of the proxy materials, and requests that in the future separate proxy materials be sent to stockholders who share an address, should be directed to Ashford Hospitality Trust, Inc., Attention: Investor Relations, 14185 Dallas Parkway, Suite 1100, Dallas, Texas, 75254 or by calling (972) 490-9600. In addition, stockholders who share a single address but receive multiple copies of the proxy materials may request that in the future they receive a single copy by contacting us at the address and phone number set forth in the

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previous sentence. Depending upon the practices of your broker, bank or other nominee, you may need to contact them directly to continue duplicate mailings to your household. If you wish to revoke your consent to householding, you must contact your broker, bank or other nominee. If you hold shares of common stock in your own name as a holder of record, householding will not apply to your shares.

If you wish to request extra copies, free of charge, of any annual report, proxy statement or information statement, please send your request to Ashford Hospitality Trust, Inc., Attention: Investor Relations, 14185 Dallas Parkway, Suite 1100, Dallas, Texas, 75254 or call (972) 490-9600. You can also obtain copies from our web site at www.ahtreit.com.

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PROPOSAL NUMBER ONE ELECTION OF DIRECTORS

One of the purposes of the annual meeting of stockholders is to elect directors to hold office until the next annual meeting of stockholders and until their successors have been elected and qualified. Our board of directors is currently comprised of seven members, all of whom are being nominated for re-election. Set forth below are the names, principal occupations, committee memberships, ages, directorships held with other companies, and other biographical data for each of the seven nominees for director, as well as the month and year each nominee first began his service on our board of directors. Also set forth below is the beneficial ownership of shares of our common stock as of March 10, 2015 (the record date) for each nominee. This beneficial ownership figure does not necessarily demonstrate the nominee's individual ownership. For a discussion of beneficial ownership, see the Security Ownership of Management and Certain Beneficial Owners section of this proxy statement. If any nominee becomes unable to stand for election as a director, an event that our board of directors does not presently expect, proxies will be voted for a replacement nominee if one is designated by our board of directors.

The board of directors unanimously recommends a vote FOR all nominees.

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Nominees for Director

MONTY J. BENNETT

Chairman of the Board and Chief Executive Officer, Ashford Hospitality Trust, Inc.

Director since May 2003

Shares of common stock

beneficially owned by Mr. Bennett: 6,469,466(1)

Age: 49

Mr. Monty Bennett was elected to our board of directors in May 2003 and has served as our Chief Executive Officer since that time. Effective in January 2013, Mr. Bennett was appointed as the Chairman of our Board. Prior to January 2009, Mr. Bennett served as our president. Mr. Bennett also currently serves as Chief Executive Officer and Chairman of the Board of Directors of Ashford Inc., where he has served in such capacities since April 2014, and Ashford Hospitality Prime, Inc. (Ashford Prime), where he has served in such capacities since April 2013. Mr. Bennett serves on the Investment Committee and is the Chairman of Ashford Investment Management, LLC, an investment fund platform and an indirect subsidiary of Ashford Inc. Mr. Bennett also is currently the Chief Executive Officer of Remington Holdings, LP. Mr. Bennett joined Remington Hotel Corporation in 1992 and has served in several key positions, such as President, Executive Vice President, Director of Information Systems, General Manager and Operations Director.

Director Qualifications: Mr. Monty Bennett holds a Master's degree in Business Administration from Cornell's S.C. Johnson Graduate School of Management at Cornell University and a Bachelor of Science degree with distinction from the Cornell School of Hotel Administration. He is a life member of the Cornell Hotel Society. He has over 20 years of experience in the hotel industry and has experience in virtually all aspects of the hospitality industry, including hotel ownership, finance, operations, development, asset management and project management. He is a member of the American Hotel & Lodging Association's Industry Real Estate Finance Advisory Council (IREFAC), the Urban Land Institute's Hotel Council, and is on the Advisory Editorial Board for GlobalHotelNetwork.com. He is also a member of the CEO Fiscal Leadership Council for Fix the Debt, a non-partisan group dedicated to reducing the nation's federal debt level and on the advisory board of Texans for Education Reform. Formerly, Mr. Bennett was a member of Marriott's Owner Advisory Council and Hilton's Embassy Suites Franchise Advisory Council. Mr. Bennett is a frequent speaker and panelist for various hotel development and industry conferences, including the NYU Lodging Conference and the Americas Lodging Investment Summit conferences. Mr. Bennett received the Top-Performing CEO Award from HVS for 2011. This award is presented each year to the CEO in the hospitality industry who offers the best value to stockholders based on HVS's pay-for-performance model. The model compares financial results relative to CEO compensation, as well as a stock appreciation, company growth and increases in EBITDA.

Mr. Bennett's extensive industry experience as well as the strong and consistent leadership qualities he has displayed in his role as the chief executive officer and a director of the company since its inception are vital skills that make him uniquely qualified to serve as the chairman of the board. The Board believes that the company can more effectively execute its strategic initiatives at this time with Mr. Bennett in the role of chairman and chief executive officer.

(1) Includes 1,193,501 shares of common stock of the company, 4,547,962 common partnership units in our operating partnership, and 728,003 long-term incentive partnership units, or LTIP units, in our operating partnership. The common units are redeemable for cash or, at our option, convertible into shares of our common stock based on a conversion ratio described in the partnership agreement of our operating partnership, which ratio, as of March 10, 2015, was approximately 0.93 shares of our common stock per common unit redeemed. If and when the LTIP units achieve economic parity with the common units and subject to certain time vesting requirements, the LTIP units will be convertible, at the option of the holder, into common units.

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BENJAMIN J. ANSELL, M.D.

Founder, Director, Chairman of the Board, UCLA Executive Health Program

Chairman: Compensation Committee

Lead Director

Dr. Ansell was elected to the board of directors in May 2009 and currently serves as our lead director. Dr. Ansell is the founder of and current Director and Chairman of the Board of the UCLA Executive Health Program, where he has been responsible for marketing and selling executive health program services to more than twenty Fortune 500 companies and 4,000 individual customers. Dr. Ansell also founded and serves as the Director of UCLA Medical Hospitality, which coordinates health services, concierge and some hospitality functions within the UCLA Health System. Dr. Ansell is also a senior practice physician within the UCLA Health System specializing in cardiovascular disease prevention and early detection strategies. Over the past two decades, Dr. Ansell has acted as senior advisor to the pharmaceutical industry and financial community with respect to U.S. marketing, sales and branding strategies for cardiovascular medication.

Director since May 2009

Shares of common stock

beneficially owned by Dr. Ansell: 156,659(2)

Age: 47

Director Qualifications: Dr. Ansell has significant entrepreneurial and management experience including brand development and positioning, sales and marketing, finance and establishing strategic relationships with both corporate and individual clients and customers. Additionally, Dr. Ansell successfully completed the director certification program at the UCLA Anderson Graduate School of Management in 2009.

(2) Includes 142,700 shares of common stock of the company and 8,459 long-term incentive partnership units, or LTIP units, in our operating partnership and 5,500 common units. The LTIP units have achieved economic parity with the common units and are convertible, at the option of the holder, into common units. Upon conversion, the common units will be redeemable for cash or, at our option, convertible into shares of our common stock based on a conversion ratio described in the partnership agreement of our operating partnership, which ratio, as of March 10, 2015, was approximately 0.93 shares of our common stock per common unit redeemed.

THOMAS E. CALLAHAN

National Practice Leader,

CBRE Hotels and PKF Consulting USA

Mr. Callahan was elected to the board of directors in December 2008. Mr. Callahan is currently the National Practice Leader of CBRE Hotels and PKF Consulting USA, a CBRE Company, an international real estate advisory firm specializing in the hospitality industry, with responsibility for the overall operations and management of the company. He was previously Co-President and Chief Executive Officer of PKF Consulting USA. Prior to forming the predecessor to PKF Consulting USA, in 1992, Mr. Callahan was Deputy Managing Partner of Pannell Kerr Forster, an international public accounting firm specializing in the hospitality industry.

Chairman: Audit Committee

Member: Compensation Committee

Director since December 2008

Shares of common stock beneficially owned

by Mr. Callahan: 54,248

Age: 59

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Director Qualifications: Mr. Callahan has a wealth of knowledge and experience in the hospitality industry, involving economic, financial, operational, management and valuation experiences. In addition, Mr. Callahan has extensive experience in evaluating organizational structures, financial controls and management information systems. Mr. Callahan also has significant relationships and contacts in the hospitality industry that are beneficial in his service on the board.

AMISH GUPTA

Chief Operating Officer/Partner,

RETC, LP

Mr. Gupta was elected to the board of directors in May 2014. Mr. Gupta is currently the chief operating officer of RETC, Limited Partnership, a property tax advisory firm that has represented over \$20 billion in asset value nationally. He has led RETC since 2010, where he is responsible for overall operations and strategy. Prior to joining RETC, Mr. Gupta served as a real estate associate at The Carlyle Group, a private equity firm headquartered in Washington D.C. with more than \$189 billion in assets under management, for three years.

Member: Audit Committee and Nominating/Corporate Governance Committee

Director since March 2014

Shares of common stock beneficially

owned by Mr. Gupta: 8,459(3)

Age: 35

Director Qualifications: Mr. Gupta received his MBA from the Kellogg School of Management and his BA from Emory University. Mr. Gupta has extensive real estate experience, stemming from his experience with the RETC and the Carlyle Group, combined with his business acumen, will generate valuable insights into the economic environment of the real estate industry for the board.

(3) Includes 8,459 long-term incentive partnership units, or LTIP units, in our operating partnership. The LTIP units have achieved economic parity with the common units and are convertible, at the option of the holder, into common units. Upon conversion, the common units will be redeemable for cash or, at our option, convertible into shares of our common stock based on a conversion ratio described in the partnership agreement of our operating partnership, which ratio, as of March 10, 2015, was approximately 0.93 shares of our common stock per common unit redeemed.

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KAMAL JAFARNIA

Senior Vice President,

W.P. Carey Inc.

Chairman: Nominating/Corporate Governance Committee

Member: Compensation Committee

Director since January 2013

Shares of common stock beneficially

owned by Mr. Jafarnia: 16,794(4)

Age: 48

Mr. Jafarnia was appointed to the board of directors effective January 2013. Mr. Jafarnia serves as Senior Vice President of W.P. Carey Inc., as well as Senior Vice President and Chief Compliance Officer of Carey Credit Advisors, LLC. He is also Chief Compliance Officer and General Counsel of Carey Financial, LLC. Mr. Jafarnia joined W. P. Carey Inc. in October of 2014 and currently serves as Senior Vice President. Prior to joining W. P. Carey Inc., he served as Counsel to two American Lawyer Global 100 law firms in New York. From March 2014 to October 2014, he served as Counsel in the REIT practice group at the law firm of Greenberg Traurig, LLP. From August 2012 to March 2014, Mr. Jafarnia served as Counsel in the Financial Services & Products Group and was a member of the REIT practice group of Alston & Bird, LLP. Before his tenure at these firms, Mr. Jafarnia served as a senior executive, in-house counsel, and Chief Compliance Officer for several alternative investment program sponsors. Between 2008 and 2012, he served as counsel at American Realty Capital, a real estate investment program sponsor, and served as Chief Compliance Officer of its affiliated broker-dealer, Realty Capital Securities, LLC.

Director Qualifications: Mr. Jafarnia received his JD from Temple University School of Law and LLM from Georgetown University. Mr. Jafarnia is a licensed attorney admitted to practice law in four states and the District of Columbia and has spent a majority of his career specifically as a regulatory compliance officer. He has over 15 years of experience in the real estate and financial services industry as an attorney, owner, principal, compliance officer and executive. His experience in these multiple roles provides unique perspectives and benefits to the board, including specifically with respect to regulatory compliance. Mr. Jafarnia also has and maintains numerous relationships in the real estate industry that may be beneficial to his service on the board.

(4) Includes 2,835 shares of common stock of the company and 8,459 long-term incentive partnership units, or LTIP units, in our operating partnership and 5,500 common units. The LTIP units have achieved economic parity with the common units and are convertible, at the option of the holder, into common units. Upon conversion, the common units will be redeemable for cash or, at our option, convertible into shares of our common stock based on a conversion ratio described in the partnership agreement of our operating partnership, which ratio, as of March 10, 2015, was approximately 0.93 shares of our common stock per common unit redeemed.

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PHILIP S. PAYNE

Chief Executive Officer,

Ginkgo Residential, LLC

Member: Audit Committee

Director since August 2003

Shares of common stock

beneficially owned by Mr. Payne: 57,259

Age: 63

Mr. Payne was elected to the board of directors in August 2003 and has served on our board since that time. Mr. Payne is currently the Chief Executive Officer of Ginkgo Residential, LLC. Ginkgo Residential was formed in July 2010 to assume all of the property management activities of Babcock & Brown Residential of which Mr. Payne was the CEO. Ginkgo Residential is primarily involved in the acquisition, management and substantial rehabilitation of middle market multi-family properties in the southern United States. Prior to joining Babcock & Brown Residential, Mr. Payne was the Chairman of BNP Residential Properties Trust, a publicly traded real estate investment trust that was acquired by Babcock & Brown Ltd, a publicly traded Australian investment bank, in 2007. Mr. Payne joined BNP Residential in 1990 as Vice President Capital Market Activities and became Executive Vice President and Chief Financial Officer in January 1993. He was named Treasurer in April 1995, a director in December 1997, and was elected Chairman in 2004. From 2007 until 2009, Mr. Payne served as a director of Meruelo Maddux Properties, a publicly traded company that focused on residential, commercial and industrial development and redevelopment in southern California. Mr. Payne is a member of the Urban Land Institute, founding chairman of ULI's Responsible Property Investing Council and is former co-chairman of ULI's Climate, Land Use and Energy Group and also serves on the board of advisors for ULI's Center for Sustainability. Mr. Payne is also a member of National Multi Housing Council.

Director Qualifications: Mr. Payne has extensive knowledge and experience in real estate, finance, and the real estate financial reporting process. He has been involved in real estate and public company activities and reporting for more than 20 years. He has experience as a chairman of the board, chief financial officer, board member and chairman of the audit committee of a publicly traded company and has served in a variety of roles at various private real estate companies, including principal, chief executive officer, chairman of the board and chief executive officer.

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ALAN L. TALLIS

Principal, Alan L. Tallis & Associates

Director since January 2013

Shares of common stock beneficially

owned by Mr. Tallis: 258,045

Age: 68

Mr. Tallis has served on our board since his appointment in January 2013. Mr. Tallis is currently principal of Alan L. Tallis & Associates, a consulting firm principally engaged in serving the lodging industry. From March 2008 through February 2011, Mr. Tallis served as Executive Vice President, Asset Management for our company, and from February 2011 through January 2012, Mr. Tallis served as a consultant to our company. From June 2006 to May 2007, Mr. Tallis served as a senior advisor to Blackstone Real Estate Advisors following its acquisition of La Quinta Corporation. From July 2000 until May 2006, Mr. Tallis served in various positions with La Quinta Corporation, most recently serving as President and Chief Development Officer of LQ Management LLC and President of La Quinta Franchising LLC. Prior to joining La Quinta Corporation, Mr. Tallis held various positions with Red Roof Inns, including serving as Executive Vice President Development and General Counsel from 1994 to 1999.

Director Qualifications: Mr. Tallis has over 30 years of experience in the lodging industry. His diverse experience has included extensive transaction work, brand management and brand relations. In addition to his extensive experience in the lodging industry, Mr. Tallis' service with our company, first as our Executive Vice President, Asset Management and then as a consultant, allows him to bring a valuable perspective to the board.

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BOARD OF DIRECTORS AND COMMITTEE MEMBERSHIP

Our business is managed through the oversight and direction of our board of directors. Members of our board of directors are kept informed of our business through discussions with the chairman of the board of directors and chief executive officer, lead director and other officers, by reviewing materials provided to them and by participating in meetings of our board of directors and its committees.

During the year ended December 31, 2014, our board of directors held four regular meetings and twelve special meetings. All directors standing for re-election attended, in person or by telephone, at least 75 percent of all meetings of our board of directors and committees on which such director served, held during the period for which such person was a director.

Attendance at Annual Meeting of Stockholders

In keeping with our corporate governance principles, directors are expected to attend the annual meeting of stockholders in person. All persons who were directors at our 2014 annual meeting of stockholders attended our 2014 annual meeting, other than Mr. Martin Edelman, who did not stand for re-election and was replaced by Mr. Amish Gupta at such meeting.

Board Member Independence

The Independence Tests set forth in Section 303A.02 of the NYSE Listed Company Manual describe the requirements for a director to be deemed independent by the NYSE, including the requirement of an affirmative determination by our board of directors that the director has no material relationship with us that would impair independence. The full text of our board of director's Corporate Governance Guidelines can be found in the Investor Relations section of our website at www.ahtreit.com by clicking INVESTOR, then Governance Documents, and then Corporate Governance Guidelines. In determining whether any of our director nominees has a material relationship with us that would impair independence, our board of directors reviewed both the NYSE Listed Company Manual requirements on independence as well as our own Corporate Governance Guidelines. Our Corporate Governance Guidelines provide that if any director receives more than \$120,000 per year in compensation from the company, exclusive of director and committee fees, he or she will not be considered independent. Our board of directors has affirmatively determined that, with the exception of Mr. Monty Bennett, our chairman and chief executive officer, each nominee for director is independent of Ashford and its management under the standards set forth in our Corporate Governance Guidelines and the NYSE Listed Company Manual.

In making the independence determinations with respect to our current directors, our board of directors examined relationships between each of our directors or their affiliates and Ashford or its affiliates, including those reported below under the heading Certain Relationships and Related Party Transactions on page 51 of this proxy statement and three additional transactions that did not rise to the level of a reportable related party transaction but were taken into consideration by our board of directors in making independence determinations. Two of the additional transactions reviewed by our board of directors involved Dr. Ansell. Dr. Ansell is founder, director and chairman of the board of the UCLA Executive Health Program, which is part of the UCLA Medical Center; Regents of the University of California. The Regents of the University of California have received payments totaling \$24,310 from us for medical services provided to officers of the company from 2012 through 2014, which included payments of \$12,947, \$2,703 and \$8,660 in 2012, 2013 and 2014, respectively. Additionally, Dr. Ansell holds a 5.6% limited partnership interest in Seguin Land Investments, LP, a limited partnership in which Mr. Monty Bennett is also a limited partner. Additionally,

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the board considered Mr. Tallis' prior services as an executive officer of the company but noted that such service ended over three years ago, with no compensation for such service being paid to Mr. Tallis in the three years preceding his independence consideration. Our board of directors determined that none of these transactions impaired the independence of the directors involved. As a result of such analysis and independence determinations, our board of directors is comprised of a majority of independent directors, as required in Section 303A.01 of the NYSE Listed Company Manual. Any reference to an independent director herein means such director satisfies the independence tests set forth in the NYSE Listed Company Manual.

Board Committees and Meetings

Historically, the standing committees of our board of directors have been the audit committee, the compensation committee and the nominating/corporate governance committee. Each of these committees has a written charter approved by our board of directors. A copy of each charter can be found in the Investor section of our website at

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www.ahltreit.com by clicking INVESTOR and then Governance Documents. The committee members who currently serve on each active committee and a description of the principal responsibilities of each such committee follows:

	Audit	Compensation Chair	Nominating/ Corporate Governance
Benjamin J. Ansell, M.D.			
Monty J. Bennett			
Thomas E. Callahan	Chair	X	
Amish Gupta	X		X
Kamal Jafarnia		X	Chair
Philip S. Payne	X		
Allan L. Tallis			

The *audit committee* is, and at all times during 2014 was, composed entirely of three independent directors. From January 1, 2014 until May 13, 2014, the audit committee was composed of Messrs. Callahan, Jafarnia and Payne. On May 13, 2014, after Mr. Gupta was elected a director at the 2014 annual shareholder meeting, the board of directors appointed Mr. Gupta to replace Mr. Jafarnia on the audit committee. The audit committee met nine times during 2014. This committee's purpose is to provide assistance to our board of directors in fulfilling their oversight responsibilities relating to:

- the integrity of our financial statements;
- our compliance with legal and regulatory requirements;
- the independent auditor's qualifications and independence; and
- the performance of our internal audit function and independent auditors.

Our board of directors has determined that each of Messrs. Callahan and Payne are audit committee financial experts, as defined in the applicable rules and regulations of the Securities Exchange Act of 1934, as amended (the Exchange Act), and Mr. Gupta is financially literate under NYSE listing standards.

The *compensation committee* is, and at all times during 2014 was, composed of three independent directors. The compensation committee met seven times during 2014. This committee's purpose is to:

- discharge responsibilities of the board of directors relating to compensation of our executives;

- review and discuss with management the Compensation Discussion & Analysis and recommend to the board of directors its inclusion in our proxy statement or annual report on Form 10-K;
- produce an annual report on executive compensation for inclusion in our proxy statement; and
- oversee and advise the board of directors on the adoption of policies that govern our compensation programs, including stock and benefit plans.

The *nominating/corporate governance committee* is, and at all times during 2014 was, composed of two independent directors. From January 1, 2014 to May 13, 2014, the nominating/corporate governance committee was chaired by Mr. Martin L. Edelman, whose tenure as director ended as of the date of our 2014 annual meeting. Following the election to the board of Mr. Gupta at that meeting, Mr. Jafarnia replaced Mr. Edelman as chairman of the committee, and Mr. Gupta replaced Dr. Ansell as a committee member. The committee met two times during 2014. This committee's purpose is to:

- identify individuals qualified to become members of our board of directors;
- recommend that our board of directors select the director nominees for the next annual meeting of stockholders;
- identify and recommend candidates to fill vacancies occurring between annual stockholder meetings; and
- develop and implement our Corporate Governance Guidelines.

Table of Contents**Compensation Committee Interlocks and Insider Participation**

During 2014, Dr. Ansell and Messrs. Callahan and Jafarnia served on our compensation committee. No member of the compensation committee was at any time during 2014 or at any other time an officer or employee of the company. No executive officer of the company has served on the board of directors or compensation committee of any other entity that has had one or more executive officers who served as a member of our board of directors or the compensation committee during 2014.

No member of the compensation committee had any relationship with the company requiring disclosure as a related-party transaction in the section "Certain Relationships and Related Party Transactions" of this proxy statement.

Board Member Compensation

The table below reflects the compensation we paid to each of our non-employee directors for serving on our board of directors for the fiscal year ended December 31, 2014. Our chief executive officer, who is also the chairman of our board, did not receive additional compensation for his service as a director.

Director Compensation

Name	Fees Earned or Paid in Cash	Stock Awards/LTIP(1)	Total
Benjamin J. Ansell, M.D.	\$ 175,804	\$ 90,004	\$ 265,808
Thomas E. Callahan	119,462	90,004	209,465
Martin L. Edelman(2)	81,313		81,313
Amish Gupta	84,038	90,004	174,042
Kamal Jafarnia	102,885	90,004	192,889
Philip S. Payne	98,462	90,004	188,465
Allan L. Tallis	22,500	90,004	112,504

(1) Each independent director, with the exception of Mr. Edelman, whose tenure as a director of the company ended in May 2014, was granted 8,459 stock awards in 2014. Dr. Ansell and Messrs. Gupta and Jafarnia each elected to receive LTIPs in our operating partnership instead of shares of our common stock, which required a \$0.05 per share capital contribution to our operating partnership.

(2) Mr. Edelman's tenure as a director of the company ended effective May 13, 2014.

The current compensation of our non-employee directors consists of the following elements:

- an annual board retainer of \$90,000 for all non-employee directors;
- an additional annual board retainer of \$50,000 for the lead director;
- an additional annual board retainer of \$25,000 for the chairman of our audit committee;
- an additional annual board retainer of \$5,000 for each member of our audit committee other than the chairman;
- an additional annual board retainer of \$15,000 for the chairman of our compensation committee;
- an additional annual board retainer of \$10,000 for the chairman of our nominating/corporate governance committee;
- an annual grant to each non-management director of immediately vested equity shares having a value of \$90,000, in the form of shares of our common stock or long-term incentive partnership units in our operating partnership (LTIPs), at the election of each director.

As of May 2014, we no longer include meeting fees as part of our non-employee director compensation. We have historically reimbursed and will continue to reimburse all directors for reasonable out-of-pocket expenses incurred in connection with their services on the board of directors.

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The equity compensation policy for our non-employee directors provides that each director receives equity grants following each annual meeting. These grants will be fully vested immediately. In accordance with this policy, we granted 8,459 shares of fully vested common stock or LTIPs to each of our non-employee directors in May 2014.

When the board combined the role of chairman and chief executive officer in January 2013, we entered into a chairman emeritus agreement with our former chairman, Mr. Archie Bennett, Jr., pursuant to which he currently serves in the advisory, non-executive position of Chairman Emeritus. Mr. Archie Bennett, Jr. is not a voting member of our board nor is he an executive officer of the company. In recognition for his past service to the company and in consideration for his continued service as Chairman Emeritus, we agreed to continue to pay him a lifetime stipend of \$700,000 per year. Mr. Archie Bennett, Jr. remains eligible for all benefits that were previously available to him when he served as our chairman, including continued eligibility for equity grants, medical, dental, vision, pension, 401(k), accident, disability and life insurance as well as reimbursement for reasonable expenses incurred by him in connection with his service to the company. Pursuant to the terms of our advisory agreement, Ashford Inc. is obligated to reimburse us for all costs associated with Mr. Archie Bennett's service as our chairman emeritus, including his annual stipend and the cost of all benefits available to him.

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CORPORATE GOVERNANCE PRINCIPLES

The board is committed to good corporate governance practices that promote the long-term interest of shareholders. The board regularly reviews developments in corporate governance and updates the company's policies and guidelines as it deems necessary and appropriate. Our policies and practices reflect corporate governance initiatives that are compliant with the listing requirements of the New York Stock Exchange (the "NYSE") and the corporate governance requirements of the Sarbanes-Oxley Act of 2002. We maintain a corporate governance section on our website which includes key information about our corporate governance initiatives including our Corporate Governance Guidelines, charters for the committees of our board of directors, our Code of Business Conduct and Ethics and our Code of Ethics for the Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer. The corporate governance section can be found on our website at www.ahltreit.com by clicking INVESTOR and then Governance Documents.

Each director should perform, to the best of his ability, the duties of a director, including the duties as a member of a committee of our board of directors in good faith, in our best interests and the best interests of our stockholders, and with the care that an ordinarily prudent person in a like position would use under similar circumstances. Directors are expected to attend all meetings of our board of directors and meetings of committees on which they serve. Directors are also expected to attend the annual meeting of our stockholders.

Our nominating/corporate governance committee is responsible for seeking, considering and recommending to the board of directors qualified candidates for election as directors and recommending a slate of nominees for election as directors at the annual meeting of stockholders. It also periodically prepares and submits to the board for adoption the nominating/corporate governance committee's selection criteria for director nominees. Before recommending an incumbent, replacement or additional director, our nominating/corporate governance committee reviews his or her qualifications, including personal and professional integrity, capability, judgment, availability to serve, conflicts of interest, ability to act on behalf of stockholders and other relevant factors. While the committee does not have a specific policy concerning diversity, it does consider potential benefits that may be achieved through diversity in viewpoint, professional experience, education and skills. The committee reviews and makes recommendations on matters involving general operation of the board of directors and our corporate governance, and, at least annually, it recommends to the board of directors nominees for each committee of the board. In addition, our nominating/corporate governance committee annually facilitates the assessment of the board of directors' performance as a whole and of the individual directors and reports thereon to the board. Our nominating/corporate governance committee has the sole authority to retain and terminate any search firm to be used to identify director candidates. Stockholders wishing to recommend director candidates for consideration by the committee can do so by following the procedures set forth below in the Stockholder Procedures for Recommending Candidates for Director section of this proxy statement. The nominating/corporate governance committee evaluates a candidate using the criteria set forth above without regard to who nominated the candidate and will consider candidates recommended by stockholders provided that stockholders follow the procedure for submitting recommendations.

Our board of directors does not prohibit its members from serving on boards and/or committees of other organizations, and our board of directors has not adopted guidelines limiting such activities. The nominating/corporate governance committee and our board of directors will take into account the nature of, and time involved in, a director's service on other boards when evaluating the suitability of individual directors and when making its recommendations for inclusion in the slate of directors to be submitted to stockholders for election at the annual meeting of our stockholders.

In February 2014, our board of directors amended the corporate governance guidelines to, among other things, require incumbent directors to tender a resignation if they are not re-elected with at least a majority of the votes cast. Specifically, pursuant to such guideline, if, in any election of directors that is not a contested election, an incumbent director does not receive a majority of the votes cast, such incumbent director must promptly tender his or her resignation as a director, for consideration by the nominating/corporate governance committee of the Board and ultimate decision by our board of directors. However, on October 26, 2014, our board of directors amended our bylaws to provide that, subject

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to stockholder approval of Proposal Two, directors of the company will be elected by the affirmative vote of a majority of the votes cast at any annual or special meeting of stockholders held for the purpose of electing directors, except in the case of a contested election, which will continue to require the vote of a plurality of the votes cast. Accordingly, if Proposal Two is approved by stockholders, the corporate governance guideline requiring incumbent directors to tender a resignation if they are not re-elected with at least a majority of the votes cast will no longer have any effect.

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Additionally, upon attaining the age of 70 and annually thereafter, as well as when a director's principal occupation or business association changes substantially from the position he or she held when originally invited to join the board, a director will tender a letter of proposed retirement or resignation, as applicable, from our board of directors to the chairperson of our nominating/corporate governance committee. Our nominating/corporate governance committee will review the director's continuation on our board of directors, and recommend to the board whether, in light of all the circumstances, our board should accept such proposed resignation or request that the director continue to serve.

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OTHER GOVERNANCE INFORMATION

Stockholder Procedures for Recommending Candidates for Director

Our Bylaws permit stockholders to nominate director candidates for consideration at an annual meeting of stockholders. Stockholders wishing to nominate director candidates can do so by writing to David A. Brooks, Corporate Secretary, Ashford Hospitality Trust, Inc., 14185 Dallas Parkway, Suite 1100, Dallas, Texas 75254, giving the information required in our Bylaws, including, among other things, the candidate's name, sufficient biographical data and qualifications. Stockholder nominations must be received between December 31, 2015 and January 1, 2016 to be considered for candidacy at the 2016 annual meeting of stockholders. If the stockholders approve Proposal 5 at the annual meeting, then beginning with the 2016 annual meeting of stockholders, a stockholder must have owned at least 1% of the outstanding common stock of the Company continuously for at least one year in order to be eligible to nominate a director candidate for consideration at an annual meeting of stockholders. You may contact the Corporate Secretary at the address above to obtain a copy of the relevant bylaw provisions regarding the requirements for making stockholder nominations.

Stockholders may recommend director candidates for consideration by the nominating/corporate governance committee. Any such recommendation must include verification of the stockholder status of the person submitting the recommendation and the nominee's name and qualifications for board membership. Stockholder recommendations may be submitted by writing to David A. Brooks, Corporate Secretary, Ashford Hospitality Trust, Inc., 14185 Dallas Parkway, Suite 1100, Dallas, Texas 75254 and must be received between December 31, 2015 and January 1, 2016 to be considered for candidacy at the 2016 annual meeting of stockholders.

The nominating/corporate governance committee expects to use a similar process to evaluate candidates recommended by stockholders as the one it uses to evaluate candidates otherwise identified by the committee.

Stockholder and Interested Party Communication with our Board of Directors

Stockholders and other interested parties who wish to contact any of our directors either individually or as a group may do so by writing to them c/o David A. Brooks, Corporate Secretary, Ashford Hospitality Trust, Inc., 14185 Dallas Parkway, Suite 1100, Dallas, Texas 75254. Stockholders' and other interested parties' letters are screened by company personnel based on criteria established and maintained by our nominating/corporate governance committee, which includes filtering out improper or irrelevant topics such as solicitations.

Meetings of Non-Management Directors

Our board of directors must have at least two regularly scheduled meetings per year for the non-management directors without management present. In 2014, the non-management directors met three times. At the non-management directors' meetings, the non-management directors review strategic issues for our board of directors' consideration, including future agendas, the flow of information to directors, management progression and succession, and our corporate governance guidelines. Dr. Ansell served as lead director during 2014. The lead director presides at all meetings of the non-management directors and is responsible for advising the chief executive officer of decisions reached and suggestions

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made at these meetings. The lead director has the following duties and responsibilities:

- presides at all meetings of the board at which the chairman is not present and all executive sessions of the independent or non-management directors;
- advises the chairman and chief executive officer of decisions reached and suggestions made at meetings of independent directors/non-management directors;
- serves as liaison between the chairman and the independent directors;
- approves information sent to the board;
- approves meeting agendas for the board;
- approves meeting schedules to assure that there is sufficient time for discussion of all agenda items;
- has the authority to call meetings of the independent directors; and
- if requested by major shareholders, ensures that he or she is available for consultation and direct communication.

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Stockholders may communicate with the lead director or non-management directors as a group by utilizing the communication process identified in the Stockholder and Interested Party Communication with our Board of Directors section of this proxy statement. If non-management directors include a director that is not an independent director, then at least one of the scheduled meetings per year will include only independent directors.

Director Orientation and Continuing Education

Our board of directors and senior management conduct a comprehensive orientation process for new directors to become familiar with our vision, strategic direction, core values including ethics, financial matters, corporate governance practices and other key policies and practices through a review of background material and meetings with senior management. Our board of directors also recognizes the importance of continuing education for directors and is committed to providing education opportunities in order to improve both our board of directors and its committees performance. Senior management will assist in identifying and advising our directors about opportunities for continuing education, including conferences provided by independent third parties.

Board Leadership Structure and Role in Risk Oversight

Our board of directors has the flexibility to determine the appropriate leadership structure for our company. In making decisions related to our leadership structure, specifically when determining whether to have a joint chief executive officer and chairman or to separate these offices, the board considers many factors, including the specific needs of the company in light of its current strategic initiatives and the best interest of stockholders. In 2014, Mr. Monty Bennett served as chairman of the board as well as chief executive officer of the company. In making the determination to continue to combine the role of chairman and chief executive officer, the board considered the company's strategic initiatives, Mr. Monty Bennett's expertise in the hospitality industry, which he has developed over the last 20 years, and the company's superior performance, as evidenced by total stockholder return, during Mr. Bennett's tenure as chief executive officer.

The combined role of chairman and chief executive officer is both counterbalanced and enhanced by an independent director serving as the lead director, strong and active independent directors comprising more than two-thirds of our board, our fully-independent committees and our corporate governance policies. Our board believes that combining the roles of chairman and chief executive officer is beneficial because it allows a single person to provide clear and unambiguous leadership and serve as an effective and efficient bridge between the board and management.

The board has recognized the potential conflicts of interest that could arise by having the same person serve as chairman of the board and chief executive officer and has taken the additional steps necessary to strengthen the board leadership structure by amending the corporate governance guidelines in 2013 to, among other things, provide the lead director with the specific duties and responsibilities outlined above. To further minimize the potential for future conflicts of interests the board must maintain a two-thirds majority of independent directors at all times and must also comply with each of the following existing policies to mitigate potential conflicts of interest:

- Our board of directors must hold at least two regularly scheduled meetings per year for the non-management directors, at least one of which must include only independent directors. At these meetings, the independent/non-management directors review strategic issues for consideration by the full board of directors, including future agendas, the flow of information to directors, management progression and

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succession, and our corporate governance guidelines. These meetings also serve as the forum for the annual evaluation of the performance of the chief executive officer, the annual review of the chief executive officer's plan for management succession and the annual evaluation of the performance of the board. Dr. Ansell presides at the meetings of non-management directors as lead director.

- Our charter and advisory agreement each contain a requirement that any transaction or agreement involving us, our wholly-owned subsidiaries or our operating partnership and a director or officer or an affiliate of any director or officer will require the approval of a majority of the disinterested directors.

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- Our board adopted a policy at the time of our initial public offering that requires all approvals, consents, waivers, enforcement actions and decisions related to the management agreement with Remington Lodging & Hospitality, LLC be approved by a majority of the independent directors.

Our charter provisions, governance policies and conflicts of interest policies are designed to provide a strong and independent board that provides balance to the chief executive officer and chairman positions and ensures independent director input and control over matters involving potential conflicts of interest.

The board believes the current leadership structure of the company with Mr. Bennett serving as both chief executive officer and chairman provides a very well-functioning and effective balance between strong company leadership and appropriate safeguards and oversight by independent directors.

Board Oversight of Risk

Ultimately, the full board of directors has responsibility for risk oversight, but our committees help oversee risk in areas over which they have responsibility. The board does not view risk in isolation. Risks are considered in virtually every business decision and as part of the company's business strategy. Our board of directors receives regular updates related to various risks for both our company and our industry. The audit committee receives and discusses reports regularly from members of management who are involved in the risk assessment and risk management functions on a daily basis and reports its analysis to the full board on a quarterly basis.

Compensation Risk

On November 12, 2014, the company completed a spin-off of Ashford Inc.'s common stock, and in connection with this transaction, Ashford Inc. became the advisor to the company. Ashford Inc., through its subsidiary Ashford Hospitality Advisors LLC (Ashford LLC), manages the day-to-day operations of the company and its affiliates in exchange for an advisory fee. While the company does continue to have executive officers, it has no employees. Prior to the spin-off, the compensation committee annually reviewed, with the assistance of the chief executive officer, the overall structure of the company's compensation program and policies to ensure consistency with effective management of enterprise key risks and that they did not encourage executives to take unnecessary or excessive risks that could threaten the value of the enterprise. With respect to the compensation programs and policies that applied to our named executive officers, this review historically included:

- analysis of how different elements of compensation increased or mitigated risk-taking;
- analysis of performance metrics that served as the basis for short-term and long-term incentive programs and the relation of such incentives to the company's business objectives or the objectives related to a particular investment;

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- analysis of whether the performance measurement periods for short-term and long-term incentive compensation were appropriate;
- analysis of the overall structure of compensation programs as related to business risks; and
- an annual review of the named executive officers' share ownership levels and retention practices.

Following the spin-off, the named executive officers (as well as employees of our advisor) continue to be eligible to receive equity awards, and the compensation committee will continue to annually review the named executive officers' share ownership levels and retention practices. The compensation committee believes that management's significant stock ownership levels help minimize the likelihood of unnecessary or excessive risk-taking.

Based on this review, we believe, for the period prior to the spin-off, the company's well-balanced mix of salary and short-term and long-term incentives was appropriate and consistent with the company's risk management practices and overall strategies. We also reviewed incentive plans generally available to all employees and concluded that such plans did not encourage employees to take unnecessary or excessive risks that could threaten the value of the enterprise. Furthermore, the compensation committee has full discretion to evaluate the company's performance in the context of quantitative and qualitative risk management objectives and determine or reduce incentive awards accordingly.

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EXECUTIVE OFFICERS

The following table shows the names and ages of each of our current executive officers and the positions held by each individual. A description of the business experience of each for at least the past five years follows the table.

	Age	Title
Monty J. Bennett	49	