

# NewsRelease

For Immediate Release:

## Cadwalader Advises Ashford Hospitality Trust in Successful Defense Against Cygnus Capital

**New York, NY, February 24, 2021**, A Cadwalader Litigation and Corporate team advised Ashford Hospitality Trust (the “Company”) on its successful defense against an activist campaign by Cygnus Capital, Inc. and related litigation that resulted in the withdrawal by Cygnus of all of its director nominations for election at Ashford Trust’s 2021 Annual Meeting of Stockholders.

Ashford Trust had filed a lawsuit in the United States District Court for the Northern District of Texas, Dallas Division, against Cygnus as well as certain other defendants to prevent Cygnus from conducting a proxy contest for control of the Board of Directors of Ashford Trust. In its complaint, the Company asserted that Cygnus violated federal securities laws by failing to disclose the formation of a secret stockholder group which acquired, in aggregate, over 20% of Ashford Trust shares, significantly in excess of the 9.8% ownership limit contained in Ashford Trust’s charter. In bringing this action, the Company sought to protect the Company’s REIT status, which is important to the tax position of the Company’s investors. Last week, a federal judge granted the Company’s motion for expedited discovery. Following this order, Cygnus notified the Company that it was withdrawing all of its board nominees and would not be proceeding with its campaign.

Cadwalader’s Litigation team was led by partners [Nicholas Gravante](#) and [Karen Dyer](#) and includes special counsel [Adam Magid](#), counsel [Jack Stern](#) and associates [Justin Arborn](#), [Nicholas Caros](#) and [Ailsa Chau](#). Cadwalader’s Corporate team was led by Corporate co-chair [Richard Brand](#) and includes Corporate partners [Braden McCurrach](#) and [Greg Patti](#), special counsel [Erica Hogan](#) and associates [Shawn Fateh](#) and [Eileen Gaffney](#).

### About Cadwalader, Wickersham & Taft LLP

Cadwalader, established in 1792, serves a diverse client base, including many of the world's leading financial institutions, funds and corporations. With offices in New York, London, Charlotte and Washington, Cadwalader offers legal representation in antitrust, banking, capital

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