

**UNITED STATES
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):
December 30, 2008

DiamondRock Hospitality Company

(Exact name of registrant as specified in charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

001-32514
(Commission File Number)

20-1180098
(IRS Employer
Identification No.)

**6903 Rockledge Drive, Suite 800
Bethesda, MD 20817**
(Address of Principal Executive Offices) (Zip Code)

(240) 744-1150
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- 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))

ITEM 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On December 30, 2008, DiamondRock Hospitality Company (“**DiamondRock**”) amended (the “**Amendment**”) all of its outstanding Dividend Equivalent Right Awards between DiamondRock and its five most senior executive officers. These Amendments shortened the life of the existing Dividend Equivalent Rights from 10 years from the grant date to 8 years from the grant date and it eliminated the provision that required the awards to terminate, in whole or in part, upon the exercise of the Stock Appreciation Rights that were issued simultaneously with the Dividend Equivalent Rights.

Recently an official with the Internal Revenue Service stated that a Dividend Equivalent Right which terminates upon the exercise of an option or a stock appreciation right should be characterized as deferred compensation and subject to the provisions of Section 409A of the Internal Revenue Code. The Compensation Committee of DiamondRock’s Board of Directors was advised of this risk and it concluded that it was appropriate to amend the existing Dividend Equivalent Rights to delink the termination of the Dividend Equivalent Right from the exercise of the Stock Appreciation Right and, in order to prevent any accidental windfall to the executives, to shorten the life of the awards.

DiamondRock does not expect to record any significant expense or gain related to the Amendment.

The foregoing description of the Amendment is qualified in its entirety by the full terms and conditions of the Amendment which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

ITEM 9.01. Financial Statements and Exhibits

(d) Exhibits

See Index to Exhibits attached hereto.

SIGNATURE

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

DIAMONDROCK HOSPITALITY COMPANY

Date: December 30, 2008

By: /s/ Michael D. Schechter
Michael D. Schechter
Executive Vice President, General Counsel and
Corporate Secretary

3

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Form of Amendment No. 1 to Dividend Equivalent Rights Agreement under the DiamondRock Hospitality Company 2004 Stock Option and Incentive Plan

4

AMENDMENT NO. 1
TO
DIVIDEND EQUIVALENT RIGHTS
AGREEMENT
UNDER THE
DIAMONDROCK HOSPITALITY COMPANY
2004 STOCK OPTION AND INCENTIVE PLAN

Name of Holder:

No. of Dividend Equivalent Rights:

Grant Date: March 4, 2008

Amendment Date: December 30, 2008

Original Expiration Date: March 4, 2018

Amended Expiration Date: March 4, 2016

Pursuant to the DiamondRock Hospitality Company Stock Option and Incentive Plan (the "**Plan**") as amended through the date hereof, DiamondRock Hospitality Company (the "**Company**") granted to the Holder named above certain Dividend Equivalent Rights (each, a "**DER**") described in a DER Agreement dated March 4, 2008 (the "**Award Agreement**").

The Company has been advised that the structure of the DER may have adverse tax consequences under Section 409A of the Internal Revenue Code of 1986, as amended. As a result of that advice, the Company and the Holder wish to amend the DER Agreement in order to reflect the understandings of the parties.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The introductory sentence of Section 3 of the Award Agreement shall be amended and restated as follows:
 3. **Termination.** A DER shall terminate on the date (such date shall be referred to as the "**DER Termination Date**") that is the earlier of (i) the Amended Expiration Date set forth above, or (ii) a termination event specified below.
2. Section 3(a) of the Award Agreement shall be deleted in its entirety
3. Section 3(b) of the Award Agreement shall be renumbered as Section 3(a).
4. Except as otherwise expressly amended hereby, all of the terms and provisions of the Award Agreement remain unmodified and in full force and effect.

1

DIAMONDROCK HOSPITALITY COMPANY

By: _____

Name: Michael Schecter

Title: Executive Vice President, General Counsel and Corporate Secretary

The foregoing Amendment is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned.

Date: December 30, 2008

By: _____
Name:

2
