

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

FORM S-3  
REGISTRATION STATEMENT  
UNDER THE SECURITIES ACT OF 1933

CENDANT CORPORATION  
(exact name of registrant as specified in its charter)

06-0918165

(I.R.S. Employer Identification Number)

DELAWARE

(State or other Jurisdiction  
of Incorporation or Organization)

9 WEST 57TH STREET  
NEW YORK, NY 10019  
(212) 413-1800  
FAX: (212) 413-1922

(Address, including zip code, and telephone number,  
including area code, of registrant's principal  
executive offices)

JAMES E. BUCKMAN, ESQ.  
VICE CHAIRMAN AND GENERAL COUNSEL  
CENDANT CORPORATION  
9 WEST 57TH STREET  
NEW YORK, NY 10019  
(212) 413-1800  
FAX: (212) 413-1923

(Name, address, including zip code, and telephone number  
including area code, of agent for service)

-----  
Copies to:

VINCENT J. PISANO, ESQ.  
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
4 TIMES SQUARE  
NEW YORK, NEW YORK 10036  
(212) 735-3000  
FAX: (212) 735-2000

ERIC J. BOCK, ESQ.  
SENIOR VICE PRESIDENT,  
LAW AND SECRETARY  
CENDANT CORPORATION  
9 WEST 57TH STREET  
NEW YORK, NY 10019  
(212) 413-1800  
FAX: (212) 413-1922

Approximate date of commencement of proposed sale to the public: From  
time to time after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be  
offered on a delayed or continuous basis pursuant to Rule 415 under the  
Securities Act of 1933, other than securities offered only in connection  
with dividend or interest reinvestment plans, check the following box.  
 [X]

If this Form is filed to register additional securities for an  
offering pursuant to Rule 462(b) under the Securities Act, check the  
following box and list the Securities Act registration statement number of  
the earlier effective registration statement for the same offering. [ ]

If this form is a post-effective amendment filed pursuant to Rule  
462(c) under the Securities Act, check the following box and list the  
Securities Act registration statement number of the earlier effective  
registration statement for the same offering. [ ]

If delivery of the prospectus is expected to be made pursuant to Rule  
434, please check the following box. [ ]

CALCULATION OF REGISTRATION FEE

TITLE OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER SECURITY(1)	PROPOSED MAXIMUM AGGREGATE	AMOUNT OF REGISTRATION FEE
--------------------------------------------	----------------------------	-------------------------------------------------------	----------------------------------	----------------------------------

CD Common Stock, \$0.01 par value	2,346,515	\$9.3125	\$21,851,921	\$5,769
--------------------------------------	-----------	----------	--------------	---------

- (1) Pursuant to Rule 457(c), the registration fee is calculated based on the average of the high and low prices for the common stock, as reported on the New York Stock Exchange on December 6, 2000.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

SUBJECT TO COMPLETION, DATED DECEMBER 11, 2000

PROSPECTUS

2,346,515 SHARES

CENDANT CORPORATION

CD COMMON STOCK

This prospectus relates to the sale by a selling stockholder, including its transferees, donees, pledgees or successors, of up to 2,346,515 shares of Cendant CD common stock.

The shares are being registered to permit the selling stockholder to sell the shares from time to time in the public market. The selling stockholder may sell the shares thorough ordinary brokerage transactions or through any other means described in the section "Plan of Distribution." We cannot assure you that the selling stockholder will sell all or a portion of our CD common stock offered under this prospectus.

For a description of our CD common stock, please refer to the description of common stock in "Summary Comparison of Terms of Existing Common Stock with Terms of CD Stock and Move.com Stock" in our Proxy Statement, dated February 10, 2000, which is incorporated herein by reference.

Our CD common stock is listed on the New York Stock Exchange under the trading symbol "CD." The last reported sale price of our CD common stock on the NYSE on December 8, 2000 was \$9.3125.

INVESTING IN OUR SECURITIES INVOLVES RISKS. SEE "RISK FACTORS" BEGINNING ON PAGE 4.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is \_\_\_\_\_, 2000

Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. The selling stockholder may not sell these securities until the registration statement filed with the Securities and Exchange Commission is declared effective. This preliminary prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

ABOUT THIS PROSPECTUS.....	3
FORWARD-LOOKING INFORMATION.....	3
RISK FACTORS.....	4
THE COMPANY.....	5
DIVIDEND POLICY.....	8
USE OF PROCEEDS.....	8
SELLING STOCKHOLDER.....	8
PLAN OF DISTRIBUTION.....	10
LEGAL OPINIONS.....	11
EXPERTS.....	12
WHERE YOU CAN FIND MORE INFORMATION.....	12

## 2

## ABOUT THIS PROSPECTUS

This prospectus relates to the sale by a selling stockholder of up to 2,346,515 shares of our CD common stock. The selling stockholder may sell the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities the selling stockholder may offer. Each time the selling stockholder sells shares of our CD common stock, a prospectus supplement will be provided that will contain specific information about the terms of that offering to the extent required. You should read this prospectus and any accompanying prospectus supplement together with the additional information contained under the heading "Where You Can Find More Information."

## FORWARD-LOOKING INFORMATION

Some of the matters discussed in this prospectus and in the documents incorporated by reference contain forward-looking statements within the meaning of the securities laws. Forward-looking statements include terms such as "may," "will," "expect," "believe," "plan" and other similar terms. We caution that, while we believe those statements to be based on reasonable assumptions and make those statements in good faith, there can be no assurance that the actual results will not differ materially from these assumptions or that the expectations provided in the forward-looking statements derived from these assumptions will be realized.

You should be aware of important factors that could have a material impact on future results. These factors include, but are not limited to:

- o the resolution or outcome of the unresolved pending litigation relating to the previously announced accounting irregularities and other related litigation;
- o uncertainty as to our future profitability;
- o our ability to develop and implement operational and financial systems to manage rapidly growing operations;
- o competition in our existing and potential future lines of business;
- o our ability to integrate and operate successfully acquired and merged businesses and the risks associated with such businesses, including the acquisitions of Avis Group Holdings, Inc. and Fairfield Communities, Inc.;
- o uncertainty relating to the timing and impact of the proposed disposition of certain businesses within the Move.com Group and

## 3

Welcome Wagon International, Inc. and the spin-off of our individual membership segment and loyalty business;

- o our ability to obtain financing on acceptable terms to finance our growth strategy and to operate within the limitations imposed by financing arrangements; and
- o the effect of changes in current interest rates, particularly on our mortgage and real estate franchise segments.

## RISK FACTORS

Investing in our common stock involves risks. You should carefully consider the following discussion of risks as well as other information contained in this prospectus and any accompanying prospectus supplement.

#### DISCOVERY OF ACCOUNTING IRREGULARITIES AND RELATED LITIGATION AND GOVERNMENTAL INVESTIGATIONS

Cendant was created in December 1997, through the merger of HFS Incorporated ("HFS") into CUC International ("CUC") with CUC surviving and changing its name to Cendant Corporation. On April 15, 1998, Cendant announced that in the course of transferring responsibility for Cendant's accounting functions from Cendant personnel associated with CUC prior to the merger to Cendant personnel associated with HFS before the merger and preparing for the reporting of first quarter 1998 financial results, Cendant discovered accounting irregularities in some of the CUC business units. As a result, Cendant, together with its counsel and assisted by auditors, immediately began an intensive investigation.

As a result of the findings of the investigations, Cendant restated its previously reported financial results for 1997, 1996 and 1995 and the six months ended June 30, 1998.

Since the April 15, 1998 announcement of the discovery of accounting irregularities in the former business units of CUC, approximately 70 lawsuits claiming to be class actions, three lawsuits claiming to be brought derivatively on Cendant's behalf and several individual lawsuits and arbitration proceedings have commenced in various courts and other forums against Cendant and other defendants by or on behalf of persons claiming to be stockholders of Cendant and persons claiming to have purchased or otherwise acquired securities or options issued by CUC or Cendant between May 1995 and August 1998.

The Securities and Exchange Commission and the United States Attorney for the District of New Jersey are also conducting investigations relating to the matters referenced above. As a result of the findings from Cendant's internal investigations, Cendant made all adjustments considered necessary by Cendant, which are reflected in its previously filed restated financial statements for the years ended December 31, 1997, 1996 and 1995 and for the six months ended June 30, 1998. On June 14, 2000, pursuant to an offer of settlement made by Cendant, the SEC issued an Order Instituting Public Administrative Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings and Imposing a Cease and Desist Order. In such Order, the SEC found that Cendant had violated certain financial reporting provisions of the Securities Exchange Act of 1934 and ordered Cendant to cease and desist from committing any future violations of such provisions. No financial penalties were imposed against Cendant.

4

On December 7, 1999, Cendant announced that it reached a preliminary agreement to settle the principal securities class action pending against Cendant in the U.S. District Court in Newark, New Jersey, brought on behalf of purchasers of all Cendant and CUC publicly traded securities, other than PRIDES, between May 1995 and August 1998. Under the settlement agreement, Cendant would pay the class members approximately \$2.85 billion in cash. The definitive settlement document was approved by the U.S. District Court by order dated August 14, 2000. Certain persons who objected to various aspects of the settlement have appealed the District Court's orders approving the settlement, the plan of allocation of the settlement fund and awarding of attorneys' fees and expenses to counsel for the lead plaintiffs. No appeals challenging the fairness of the \$2.85 billion settlement amount were filed. The U.S. Court of Appeals for the Third Circuit recently issued a briefing schedule for the appeals. No date for oral arguments of the appeals has been fixed. Accordingly, Cendant will not be required to fund the settlement amount of \$2.85 billion for some time. However, as Cendant has previously stated in its public filings, the settlement agreement required Cendant to post collateral in the form of credit facilities and/or surety bonds by November 13, 2000, which it has done.

The settlement does not encompass all litigation asserting claims associated with the accounting irregularities. Cendant does not believe that it is feasible to predict or determine the final outcome or resolution of these unresolved proceedings. An adverse outcome from such unresolved proceedings could be material with respect to earnings in any given reporting period. However, Cendant does not believe that the impact of such unresolved proceedings should result in a material liability to Cendant in relation to its financial position or liquidity.

THE PRICE OF OUR CD COMMON STOCK IS SUBJECT TO POSSIBLE VOLATILITY

The stock market has from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the market price of our CD common stock.

#### THE COMPANY

Cendant is one of the foremost providers of real estate, travel and direct marketing services in the world. We were created through the merger of HFS into CUC in December 1997 with the resultant corporation being renamed Cendant Corporation. We provide the fee-based services formerly provided by each of CUC and HFS, including travel services, real estate services and membership-based consumer services, to its customers throughout the world. From a financial reporting standpoint, we have separated our business into two groups, Move.com Group, our online relocation, real estate and home related products and services business, and Cendant Group, which includes the rest of our businesses and a retained interest in Move.com Group.

We operate in four principal divisions: travel related services, real estate related services, direct marketing related services and other consumer and business services. Our businesses provide a wide range of complementary consumer and business services, which together represent eight business segments.

5

- o The travel related service businesses facilitate vacation timeshare exchanges, and franchise car rental and hotel businesses.
- o The real estate related service businesses franchise real estate brokerage businesses, provide home buyers with mortgages, assist in employee relocation and provide consumers with relocation, real estate and home related products and services through our Move.com network of web sites.
- o The direct marketing related service businesses provide an array of value driven products and services.
- o Our other consumer and business services include our tax preparation services franchise, information technology services, car parks in the United Kingdom, financial products and other consumer-related services.

As a franchisor of hotels, residential real estate brokerage offices, car rental operations and tax preparation services, we license the owners and operators of independent businesses to use our brand names. We do not own or operate hotels, real estate brokerage offices, car rental operations or tax preparation offices. Instead, we provide our franchisee customers with services designed to increase their revenue and profitability.

#### Recent Developments

Proposed Avis Acquisition. On November 13, 2000, we announced that we entered into a definitive agreement to acquire all of the outstanding shares of Avis Group Holdings, Inc. ("Avis") that are not currently owned by us at a price of \$33.00 per share in cash. Approximately 26 million outstanding shares of Avis common stock, and options to purchase approximately 7.9 million additional shares, are not currently owned by us. Accordingly, the transaction is valued at approximately \$937 million, inclusive of the net cash obligation related to Avis stock options expected to be cancelled prior to consummation. We anticipate that more than 50% of the purchase price will be financed from new borrowings available to us and to PHH Corporation ("PHH"), our wholly-owned subsidiary, and expect that the remaining amount will be provided either from available cash or from the issuance of CD common stock. However, the actual funding for the acquisition will be finalized before the closing of the transaction.

The acquisition will be made by PHH. We currently expect that PHH will distribute the consumer car rental business to one of our subsidiaries not within PHH's ownership structure. After the acquisition and the distribution of the consumer car rental business, PHH will own and operate the Vehicle Management and Leasing business as well as the Wright Express fuel card business. The merger is conditioned upon, among other things, approval of a majority of the votes cast by Avis stockholders who are unaffiliated with us and also customary regulatory approvals. Although no assurances can be given, we expect the transaction to close in the first quarter of 2001.

6

Proposed Fairfield Acquisition. On November 2, 2000, we announced that we entered into a definitive agreement to acquire all of the outstanding common stock of Fairfield Communities, Inc. ("Fairfield"), one of the largest vacation ownership companies in the United States, at \$15 per share, or approximately \$635 million in the aggregate. The final acquisition price may increase to a maximum of \$16 per share depending on a formula based on the average trading price of CD common stock over a twenty trading day period prior to the date on which Fairfield stockholders meet to approve the acquisition. The consideration is payable in cash or CD common stock, or a combination of cash and CD common stock, at the holder's election. We are not required, however, to pay more than 50% of the consideration in cash and have the right to substitute cash for any shares of Fairfield common stock instead of issuing CD common stock. Under the merger agreement, we can cause Fairfield to transfer Fairfield's real estate development business ("DevCo.") to a third party or to effect a distribution of shares of common stock of DevCo. to the shareholders of Fairfield, in each case, prior to completion of the acquisition. On December 7, 2000, we delivered to Fairfield the proposed terms and forms of agreements proposed to be entered into by Fairfield in connection with the transfer of DevCo. to a third party. Consummation of the acquisition is subject to customary regulatory approvals. Although no assurance can be given, we expect to complete the acquisition in the first quarter of 2001.

Homestore/Move.com Transaction. On October 27, 2000, we announced that we entered into a definitive agreement with Homestore.com, Inc., ("Homestore") to sell our Internet real estate portal, move.com, certain other businesses within our Move.com Group segment and Welcome Wagon International, Inc., (a subsidiary within our diversified services segment) in exchange for approximately 26 million shares of Homestore common stock valued at approximately \$761 million. We intend on allocating a portion of the

Homestore common stock shares received to existing Move.com common stockholders and option holders. After such allocation, we expect to retain approximately 19 or 20 million shares of Homestore common stock. Consummation of the transaction is subject to certain customary closing conditions, including Hart Scott Rodino anti-trust approval. Although no assurances can be given, we expect to complete the transaction during the first quarter of 2001.

Proposed Membership Spin-Off. On October 25, 2000, we announced that we intend to distribute 100 percent of the stock of a new company incorporating our individual membership and loyalty business to our shareholders in a tax free distribution. We expect the process, which includes formation of the company, registration of its shares and distribution of the shares to shareholders, to be completed by mid 2001. As a result of the foregoing, our membership business has been classified as a discontinued operation.

We continually explore and conduct discussions with regard to acquisitions and other strategic corporate transactions in our industries and in other franchise, franchisable or service businesses in addition to the transactions previously announced. As part of this regular on-going evaluation of acquisition opportunities, we currently are engaged in a number of separate, unrelated preliminary discussions concerning possible acquisitions. The purchase price for the possible acquisitions may be paid in cash, through the issuance of CD common stock (which would increase the number of shares of CD common stock outstanding) or other of our securities, borrowings, or a combination thereof. Prior to consummating any such possible acquisition, we will need to, among other things, initiate

7

and complete satisfactorily our due diligence investigations; negotiate the financial and other terms (including price) and conditions of such acquisitions; obtain appropriate Board of Directors, regulatory and other necessary consents and approvals; and, if necessary, secure financing. No assurance can be given with respect to the timing, likelihood or business effect of any possible transaction. In the past, we have been involved in both relatively small acquisitions and acquisitions which have been significant.

Our principal executive offices are located at 9 West 57th Street, New York, New York 10019 and our telephone number is (212) 413-1800.

#### DIVIDEND POLICY

We have never paid a cash dividend on our capital stock. We do not anticipate paying cash dividends on our capital stock in the foreseeable future and intend to retain all earnings to finance the operations and expansion of our business and the repurchase of common stock and debt reduction. The payment of cash dividends in the future will depend on our

earnings, financial condition and capital needs and on other factors deemed relevant by our board of directors at that time. For further information regarding our payment of dividends, see "Summary Comparison of Terms of Existing Common Stock with Terms of CD Stock and Move.com Stock" in our Proxy Statement, dated February 10, 2000, which is incorporated herein by reference.

#### USE OF PROCEEDS

We will not receive any of the proceeds of sales by the selling stockholder.

#### SELLING STOCKHOLDER

The following table presents information with respect to the selling stockholder and the amount of shares of our CD common stock that it may offer under this prospectus. The term "selling stockholder" includes donors and pledgees selling securities received from a named selling stockholder after the date of this prospectus. The shares of CD common stock offered by this prospectus were originally sold by a subsidiary of ours in a private placement, exempt from the registration requirements of the Securities Act. Pursuant to the purchase agreement dated as of November 16, 2000, Liberty CNDT purchased 2,346,515 shares of CD common stock from Cendant Stock Corporation, a wholly owned subsidiary of ours, in exchange for the surrender of a warrant to purchase 28,956,000 shares of CD common stock, at an exercise price of \$23.00 per share.

Liberty CNDT is a wholly owned subsidiary of Liberty Media Corporation ("Liberty"). Pursuant to a stock purchase agreement entered into between Liberty and Cendant on December 15, 1999, Liberty has agreed to work with us to develop Internet and related opportunities associated with our travel, mortgage and real estate businesses. These efforts may include the creation of joint ventures among us, Liberty and others, as well as equity investments by either Liberty or us in businesses owned by the other. We and Liberty have also agreed in the stock purchase agreement to pursue opportunities in the cable industry which leverage our direct

8

marketing resources and capabilities. We have further agreed to assist Liberty in creating a new venture that will seek to provide broadband video, voice and data services and content to hotels and their guests on a worldwide basis, for which we would receive an equity interest in the venture. Any cooperative efforts between Liberty and us in respect of the foregoing would require the prior agreement on the terms on which those efforts would be undertaken.

Dr. John C. Malone, the Chairman and a director of Liberty, is a member of our Board of Directors.

We have agreed to pay all expenses incurred in connection with the registration of the sale of the shares of CD common stock owned by Liberty CNDT, Inc. covered by this prospectus, other than brokerage commissions, underwriting discounts and commissions, transfer taxes and other out-of-pocket expenses incurred by Liberty CNDT, Inc in connection with the sale of these shares.

Since the date that we received information from the selling stockholder, the selling stockholder identified below may have sold, transferred or otherwise disposed of all or a substantial portion of the shares of CD common stock held by it in a transaction or series of transactions exempt from the Securities Act. Information regarding the selling stockholder may change from time to time and any changed information will be set forth in a prospectus supplement to the extent required.

The selling stockholder may from time to time offer and sell any or all of the securities under the prospectus. Because the selling stockholder is not obligated to sell the shares of CD common stock held by it, we cannot estimate the number of shares of CD common stock that the selling stockholder will beneficially own after this offering. Beneficial ownership is based upon 728,958,489 shares of CD common stock outstanding as of October 31, 2000 as reported in our Quarterly Report on Form 10-Q for the quarter ending September 30, 2000 dated November 14, 2000, which is incorporated herein by reference.

Name of Selling Stockholder	Common Stock Beneficially Owned Prior to this Offering	Percentage of Outstanding	Common Stock Covered by this Prospectus
Liberty CNDT, Inc.	46,156,979	6.33%	2,346,515

## PLAN OF DISTRIBUTION

This prospectus, including any amendment or supplement, may be used in connection with sales of up to 2,346,515 shares of our CD common stock. The selling stockholder, or its pledgees, assignees, transferees or other successors in interest may offer its shares of CD common stock at various times in one or more of the following transactions:

- o in exchange or the over-the-counter market transactions;
- o in private transactions other than exchange or over-the-counter market transactions;
- o through short sales or put and call option transactions;
- o through underwriters, brokers or dealers (who may act as agent or principal);
- o directly to one or more purchasers;
- o through agents;
- o through distribution by the selling stockholder or its successor in interest to its members, partners or shareholders;
- o in negotiated transactions;
- o by pledge to secure debts and other obligations; or
- o in a combination of such methods.

The selling stockholder may sell its shares at market prices prevailing at the time of sale, at prices related to such prevailing market prices, at negotiated prices or at fixed prices.

The selling stockholder also may resell all or a portion of its CD common stock in open market transactions in reliance upon Rule 144 under the Securities Act, provided it meets the criteria and conforms to the requirements of Rule 144.

The selling stockholder may use underwriters, brokers, dealers or agents to sell its shares. Any underwriters, brokers, dealers or agent may receive compensations in the form of discounts, concessions or commissions from the selling stockholder, the purchaser or such other persons who may be effecting sales hereunder (which discounts, concessions or commissions as to particular underwriters, brokers dealers or agents may be in excess of those customary in the type of transactions involved). Underwriters may sell the shares of CD common stock to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agents. The selling stockholder or other persons effecting sales hereunder, and any such underwriters, brokers, dealers and agents may be deemed to be "underwriters" within the meaning of the Securities Act, and any discounts or commissions they receive and any profit on the sale of the common stock they realize may be deemed to be underwriting discounts and commissions under the Securities Act. Some sales may involve shares in which the selling stockholder has granted security interests and which are being sold because of foreclosure of those security interests. At the time a particular offering of shares is made and to the extent required, the aggregate number of shares being offered, the name or names of the selling stockholder and the terms of the offering, including the names of the underwriters, broker-dealers or agents, any discounts, concessions or commissions and other terms constituting compensation from

the selling stockholder, and any discounts, concessions or commissions allowed or re-allowed or paid to broker-dealers, will be set forth in an accompanying prospectus supplement.

The selling stockholder may enter into hedging transactions with broker-dealers or other financial institutions. In connection with such transactions, broker-dealers or other financial institutions may engage in short sales of our common stock in the course of hedging the positions they assume with the selling stockholder. The selling stockholder may also enter into options or other transactions with broker-dealers or other financial institutions which require the delivery to such broker-dealer or their financial institution of the shares of common stock offered hereby, which shares such broker-dealer or their financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such

transaction).

The selling stockholder may offer and sell shares of CD common stock other than for cash. In such event, any required details of the transaction will be set forth in a prospectus supplement.

Under the securities laws of certain states, the securities offered by this prospectus may be sold in those states only through registered or licenced brokers or dealers. In addition, in certain states the securities offered by this prospectus may not be sold unless they have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with. In connection with any resales by the selling stockholder, a prospectus supplement, if required, will be filed under Rule 424(b) under the Securities Act, disclosing the number of shares involved and other details of such resale to the extent appropriate.

Under the rules and regulations under the Exchange Act, any person engaged in a distribution of the shares offered pursuant to this prospectus may be limited in its ability to engage in market activities with respect to those shares. Each selling stockholder will be subject to the provisions of the Exchange Act and the rules and regulations under the Exchange Act, including Regulation M. Those rules and regulations may limit the timing of purchases and sales of any shares offered by the selling stockholder pursuant to this prospectus, which may affect the marketability of the shares offered by this prospectus.

We may suspend the use of this prospectus by the selling stockholder under certain circumstances.

Any common stock sold by a selling stockholder pursuant to a prospectus supplement will be listed on the NYSE, subject to official notice of issuance.

#### LEGAL OPINIONS

The validity of the shares of CD common stock offered hereby will be passed on for us by Eric J. Bock, Esq., Senior Vice President, Law and Secretary of Cendant. Mr. Bock holds shares of CD common stock and options to acquire shares of CD common stock.

11

#### EXPERTS

The consolidated financial statements of Cendant Corporation and our subsidiaries ("Cendant") as of December 31, 1999 and 1998 and for the three years ended December 31, 1999, incorporated in this prospectus by reference from our Current Report on Form 8-K dated November 28, 2000 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report (which expresses an unqualified opinion and includes explanatory paragraphs relating to the change in the method of recognizing revenue and membership solicitation costs as described in Note 1 and the presentation of the individual membership segment as a discontinued operation as described in Notes 1 and 4), which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

#### WHERE YOU CAN FIND MORE INFORMATION

We file reports, proxy statements and other information with the Securities and Exchange Commission. Our filings with the commission are available to the public over the Internet at the commission's web site at <http://www.sec.gov>. You may also read and copy any document we file at the commission at the public reference rooms of the commission in Washington, D.C., New York, New York and Chicago, Illinois. Please call the commission at 1-800-SEC-0330 for further information on the public reference rooms.

The commission allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus and information that we file later with the commission will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the commission under sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until all of the securities offered by this prospectus are sold.

- o Annual Report on Form 10-K for the year ended December 31, 1999, filed on March 1, 2000 (excluding Items 6, 7 and 8)

- o Quarterly Report on Form 10-Q for the quarter ended September 30, 2000, filed on November 14, 2000
- o Quarterly Report on Form 10-Q for the quarter ended June 30, 2000, filed on July 28, 2000
- o Quarterly Report on Form 10-Q/A for the quarter ended March 31, 2000, filed on July 28, 2000
- o Current Report on Form 8-K dated October 23, 2000
- o Current Report on Form 8-K dated October 26, 2000

12

- o Current Report on Form 8-K dated October 26, 2000, filed on November 3, 2000
- o Current Report on Form 8-K dated November 17, 2000, filed on November 20, 2000
- o Current Report on Form 8-K dated November 28, 2000, filed on November 29, 2000 (which includes our restated consolidated financial statements at December 31, 1999 and 1998 and for each of the three years in the period ended December 31, 1999)
- o The description of our common stock contained in the Proxy Statement dated February 10, 2000, filed on March 28, 2000

You may request a copy of these filings at no cost, by writing or telephoning us at the following:

Investor Relations  
Cendant Corporation  
9 West 57th Street  
New York, NY 10019  
Telephone: (212) 413-1800

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus is accurate as of any date other than the date on the front cover of this prospectus.

13

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

Securities and Exchange Commission	
Registration Fee.....	\$ 5,769
*Accounting Fees and Expenses.....	\$100,000
*Legal Fees and Expenses.....	\$100,000
*Miscellaneous.....	\$200,000
	-----
Total Expenses.....	\$405,769
	-----

\* Estimated for purposes of completing the information required pursuant to this Item 14.

The Company will pay all fees and expenses associated with filing the Registration Statement.

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 102 of the General Corporation Law of the State of Delaware allows a corporation to eliminate the personal liability of directors of a corporation or its stockholders for monetary damages for a breach of a fiduciary duty as a director, except where the director breached his duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law or

obtained an improper personal benefit.

Section 145 of the Delaware General Corporation Law empowers a Delaware corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation) by reason of the fact that such person is or was a director, officer, employee or agent of such corporation or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided that such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interest of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. A Delaware corporation may indemnify directors, officers, employees and other agents of such corporation in an action by or in the right of a corporation under the same conditions, except that no indemnification is permitted without judicial

II-1

approval if the person to be indemnified has been adjudged to be liable to the corporation. Where a director, officer, employee or agent of the corporation is successful on the merits or otherwise in the defense of any action, suit or proceeding referred to above or in defense of any claim, issue or matter therein, the corporation must indemnify such person against the expenses (including attorneys' fees) which he or she actually and reasonably incurred in connection therewith.

Section 174 of the General Corporation Law of the State of Delaware provides, among other things, that a director who willfully or negligently approves of an unlawful payment of dividends or an unlawful stock purchase or redemption, may be held liable for such actions. A director who was either absent when the unlawful actions were approved or dissented at the time, may avoid liability by causing his or her dissent to such actions to be entered into the books containing the minutes of the meetings of the board of directors at the time such action occurred or immediately after such absent director receives notice of the unlawful acts.

The Registrant's By-Laws contain provisions that provide for indemnification of officers and directors and their heirs and distributees to full extent permitted by, and in the manner permissible under, the General Corporation Law of the State of Delaware.

As permitted by Section 102(b)(7) of the General Corporation Law of the State of Delaware, the Registrant's Amended and Restated Certificate of Incorporation contains a provision eliminating the personal liability of a director to the Registrant or its stockholders for monetary damages for breach of fiduciary duty as a director, subject to some exceptions.

Cendant Corporation maintains, at its expense, a policy of insurance which insures its directors and officers, subject to exclusions and deductions as are usual in these kinds of insurance policies, against specified liabilities which may be incurred in those capacities.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits

EXHIBIT NO.	DESCRIPTION
3.1	Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Form 10-Q/A for the period March 31, 2000, dated July 28, 2000).
3.2	Amended and Restated By-Laws of the Registrant (incorporated by reference to Exhibit 3.2 to the Registrant's Form 10-Q/A for the Quarterly period ended March 31, 2000 dated July 28, 2000).
4.1	Form of Certificate for the Company's common stock, par value \$.01 per share. (Incorporated by reference to Exhibit 4.1 to the Company's Form S-3 Registration Statement No. 333-45227)

- 5.1 Opinion of Eric J. Bock, Esq. regarding the legality of the securities being registered by the Company hereby.\*
- 10.1 Purchase Agreement dated as of November 16, 2000 by and among Cendant Corporation, Cendant Stock Corporation and Liberty CNDT, Inc.\*
- 23.1 Consent of Deloitte & Touche LLP related to the financial statements of Cendant Corporation.\*
- 23.2 Consent of Deloitte & Touche LLP related to the financial statements of Avis Group Holdings, Inc.\*
- 23.3 Consent of Attorney (see Exhibit 5.1).\*
- 24.1 Power of Attorney (included on signature page).

-----  
\* Filed herewith.

ITEM 17. UNDERTAKINGS.

The undersigned registrant hereby undertakes:

- (a) (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
  - (i) To include any prospectus required by Section 10(a) (3) of the Securities Act of 1933;
  - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high and of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.
  - (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement; provided that

II-3

paragraphs (a) (1) (i) and (a) (1) (ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant to Section 13 or 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment will be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time will be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of such registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange act of 1934 (and, where applicable, each filing of an employee benefit

plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement will be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time will be deemed to be the initial bona fide offering thereof.

- (c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referred to in Item 15 hereof, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

II-4

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Cendant Corporation certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement, to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on December 7, 2000.

CENDANT CORPORATION

By: /s/ James E. Buckman

-----  
James E. Buckman  
Vice Chairman  
General Counsel and Director

Each person whose signature appears below hereby constitutes and appoints James E. Buckman and Eric J. Bock, and each of them, his true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for him and his name, place, and stead, in any and all capacities, to sign any and all (i) amendments (including post-effective amendments) and additions to this Registration Statement and (ii) Registration Statements, and any and all amendments thereto (including post-effective amendments), relating to the offering contemplated pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and hereby grants to such attorneys-in-fact and agents full power and authority to do and perform each and every act and this requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the securities act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE

TITLE

DATE

-----  
/s/ Henry R. Silverman

-----  
December 7, 2000

(Henry R. Silverman) Chairman of the Board,  
President, Chief Executive  
Officer and Director

II-5

/s/ James E. Buckman December 7, 2000

-----  
(James E. Buckman) Vice Chairman, General  
Counsel and Director

/s/ Stephen P. Holmes December 7, 2000

-----  
(Stephen P. Holmes) Vice Chairman and Director

/s/ David M. Johnson December 7, 2000

-----  
(David M. Johnson) Senior Executive Vice  
President and Controller  
(Principal Financial Officer)

/s/ John McClain December 7, 2000

-----  
(John McClain) Senior Vice President and  
Controller (Principal  
Accounting Officer)

/s/ Myra J. Biblowit December 7, 2000

-----  
(Myra J. Biblowit) Director

/s/ Dr. John C. Malone December 7, 2000

-----  
(Dr. John C. Malone) Director

/s/ Cheryl D. Mills December 7, 2000

-----  
(Cheryl D. Mills) Director

/s/ Leonard S. Coleman December 7, 2000

-----  
(Leonard S. Coleman) Director

/s/ Martin L. Edelman December 7, 2000

-----  
(Martin L. Edelman) Director

II-6

/s/ Sheli Z. Rosenberg December 7, 2000

-----  
(Sheli Z. Rosenberg) Director

/s/ The Rt. Hon Brian Mulroney, P. December 7, 2000

-----  
(The Rt. Hon. Brian Mulroney,  
P.C., LL.D.) Director

/s/ Robert W. Pittman December 7, 2000

-----  
(Robert W. Pittman) Director

/s/ Robert F. Smith December 7, 2000

-----  
(Robert F. Smith) Director

/s/ Robert E. Nederlander December 7, 2000

-----  
(Robert E. Nederlander) Director

II-7

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
3.1	Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Form 10-Q/A for the period March 31, 2000, dated July 28, 2000).

- 3.2 Amended and Restated By-Laws of the Registrant (incorporated by reference to Exhibit 3.2 to the Registrant's Form 10-Q/A for the Quarterly period ended March 31, 2000 dated July 28, 2000).
- 4.1 Form of Certificate for the Company's common stock, par value \$.01 per share. (Incorporated by reference to Exhibit 4.1 to the Company's Form S-3 Registration Statement No. 333-45227)
- 5.1 Opinion of Eric J. Bock, Esq. regarding the legality of the securities being registered by the Company hereby.\*
- 10.1 Purchase Agreement dated as of November 16, 2000 by and among Cendant Corporation, Cendant Stock Corporation and Liberty CNDT, Inc.\*
- 23.1 Consent of Deloitte & Touche LLP related to the financial statements of Cendant Corporation.\*
- 23.2 Consent of Deloitte & Touche LLP related to the financial statements of Avis Group Holdings, Inc.\*
- 23.3 Consent of Attorney (see Exhibit 5.1).\*
- 24.1 Power of Attorney (included on signature page).

-----  
\* Filed herewith.

CENDANT CORPORATION  
9 West 57th Street  
New York, NY 10019

December 11, 2000

Cendant Corporation  
9 West 57th Street  
New York, New York 10019

Re: Cendant Corporation Registration on Form S-3  
-----

Ladies and Gentlemen:

I am Senior Vice President, Law of Cendant Corporation, a Delaware corporation (the "Company"), in connection with the offering by a selling stockholder of up to 2,346,515 shares (the "Shares") of the Company's CD common stock, par value \$.01 per share (the "Common Stock").

This opinion is being furnished in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act of 1933, as amended (the "Act").

In connection with this opinion, I have examined originals or copies, certified or otherwise identified to my satisfaction, of the Registration Statement on Form S-3 as filed with the Securities and Exchange Commission (the "Commission") on December 11, 2000 under the Act and the Purchase Agreement dated as of November 16, 2000 by and among the Company, Cendant Stock Corporation and Liberty CNDT, Inc. I have also examined originals or copies, certified or otherwise identified to my satisfaction, of such records of the Company and such agreements, certificates of public officials, certificates of officers or other representatives of the Company and others, and such other documents, certificates and records as I have deemed necessary or appropriate as a basis for the opinions set forth herein.

In my examination, I have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted me as originals, the conformity to original documents of all documents submitted to me as certified, conformed or photostatic copies and the authenticity of the originals of such latter documents. In making my examination of documents executed or to be executed by parties other than the Company, I have assumed that such parties had or will have the power, corporate or other, to enter into and perform all obligations thereunder and have also assumed the due authorization by all requisite action, corporate or other, and execution and delivery by such parties of such documents and the validity and binding effect thereof. As to any facts material to the opinions expressed herein which I have not independently established or verified, I have relied upon statements and representations of officers and other representatives of the Company and others.

I am admitted to the bar in the States of New York and New Jersey and I do not express any opinion as to the laws of any other jurisdiction.

Based upon and subject to the foregoing, I am of the opinion that the Shares were validly issued and are fully paid and nonassessable.

I hereby consent to the filing of this opinion with the Commission as an exhibit to the Registration Statement. I also consent to the reference to the use of my name under the caption "Legal Opinions" in the Registration Statement. In giving this consent, I do not thereby admit that I am included in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission.

Very truly yours,

/s/ Eric J. Bock, Esq.

Eric J. Bock, Esq.  
Senior Vice President,  
Law and Secretary

## PURCHASE AGREEMENT

PURCHASE AGREEMENT, dated as of November 16, 2000 (this "Agreement"), by and among Cendant Corporation, a Delaware corporation ("Cendant"), Cendant Stock Corporation, a Delaware corporation and a wholly owned subsidiary of Cendant ("Seller") and Liberty CNDT, Inc., a Delaware corporation ("Liberty CNDT").

WHEREAS, Liberty CNDT desires to purchase from Seller, and Seller desires to sell to Liberty CNDT, 2,346,515 shares (the "Shares") of the common stock, par value \$.01 per share, of Cendant designated CD common stock (the "Common Stock"), in exchange for the surrender of a Warrant, issued by Cendant to Liberty CNDT on February 7, 2000 and providing for the purchase of 28,956,000 shares of Common Stock at an exercise price of \$23.00 per share (the "Warrant"); and

WHEREAS, Cendant has agreed, in consideration of the purchase of the Shares by Liberty CNDT from Seller, which is a wholly owned subsidiary of Cendant, to prepare and file with the Securities and Exchange Commission (the "Commission"), and cause to become effective, a Registration Statement on Form S-3 that permits the resale of the Shares by Liberty CNDT or its transferee in the public market.

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements contained in this Agreement, the parties hereby agree as follows:

ARTICLE I  
THE PURCHASE

Section 1.1 Purchase and Sale. Upon the terms and subject to the conditions of this Agreement, on the date hereof Seller is selling and delivering to Liberty CNDT, and Liberty CNDT is purchasing from Seller, the Shares, in consideration for which Liberty CNDT is delivering the Warrant to Seller.

Section 1.2 Deliveries by the Parties. Subject to the terms and conditions hereof, Seller is delivering to Liberty CNDT a certificate, duly registered on the stock books of Cendant, in the name of "Liberty CNDT, Inc.," representing the Shares, against receipt from Liberty CNDT of the Warrant.

ARTICLE II  
REPRESENTATIONS AND WARRANTIES OF SELLER AND CENDANT

Seller and Cendant represent and warrant to Liberty CNDT as follows:

Section 2.1 Organization. Each of Seller and Cendant is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware and has the requisite corporate power and authority to carry on its business substantially as it is now being conducted.

Section 2.2 Authority. Each of Seller and Cendant has the corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by the Board of Directors of each of Seller and Cendant and by all other requisite corporate action on the part of each of Seller and Cendant. This Agreement has been validly executed and delivered by each of Seller and Cendant and (assuming this Agreement has been duly authorized, executed and delivered by Liberty CNDT) constitutes a valid and binding agreement of each of Seller and Cendant, enforceable against Seller and Cendant in accordance with its terms, except that (a) such enforcement may be subject to any bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other laws, now or hereafter in effect, relating to or limiting creditors' rights generally and (b) enforcement of this Agreement, including, among other things, the remedy of specific performance and injunctive and other forms of equitable relief, may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

Section 2.3 The Shares. The Shares have been duly and validly authorized and issued to Seller and, upon delivery to Liberty CNDT (or its permitted assignee) against the delivery and surrender of the Warrant, in

accordance with the terms of this Agreement, the Shares shall be duly and validly issued, fully paid and non-assessable. Delivery of the certificate(s) for the Shares will pass valid title to the Shares, free and clear of any claim, lien, charge, security interest, encumbrance, restriction on transfer or voting or other defect in title whatsoever ("Liens"), other than Liens resulting from any action(s) relating to Liberty CNDT.

Section 2.4 Capitalization. The authorized capital of Cendant consists of 2,500,000,000 shares of Common Stock comprised of 2,000,000,000 shares designated as CD stock, 500,000,000 shares designated as Move.com stock and 10,000,000 shares of preferred stock, par value \$.01 per share (the "Preferred Stock"). As of October 31, 2000, there were 782,958,489 shares of Common Stock issued and outstanding, 3,742,286 shares of Move.com stock issued and outstanding (excluding Cendant's 22,500,000 notional interest) and no shares of Preferred Stock issued and outstanding.

Section 2.5 Consents and Approvals; No Violations. Neither the execution and delivery of this Agreement by Seller or Cendant, nor the consummation by Seller or Cendant of the transactions contemplated hereby or thereby will (a) conflict with or result in any breach of any provision of the certificate of incorporation or by-laws, as amended, of Seller or Cendant, (b) result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, cancellation or acceleration) under, or require any consent under, any indenture, license, contract, agreement or other instrument or obligation to which Seller or Cendant is a party, (c) violate any order, writ, injunction, decree or award rendered by any Governmental Entity (as hereinafter defined) or any statute, rule or regulation (collectively, "Laws" and, individually, a "Law") applicable to Seller or Cendant, or (d) require any filing with, or the obtaining of any permit, authorization, consent or approval of, any governmental or regulatory authority or court, domestic or foreign (a "Governmental Entity").

Section 2.6 SEC Reports. Since January 1, 2000, Cendant has filed all required reports, schedules, forms, statements and other documents, including exhibits and all other information incorporated therein (the "SEC Documents"), with the Commission. As of their respective dates, the SEC Documents complied in all material respects with the requirements of the Securities Act of 1933, as amended (the "Securities Act"), or the Securities Exchange Act of 1934, as amended, as the case may be, and the rules and regulations of the Commission promulgated thereunder applicable to such SEC Documents, and none of the SEC Documents when filed (as amended and restated and as supplemented by subsequently filed SEC Documents) contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. At the time the Cendant Registration Statement (as defined in Annex A) is declared effective under the Securities Act, the prospectus included as part thereof will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that no representation or warranty is made herein with respect to any information included in or omitted from the Cendant Registration Statement or the related prospectus in reliance upon or in conformity with written information furnished to Cendant by Liberty CNDT or any other Holder (as defined in Annex A) for use in the preparation of the Cendant Registration Statement.

Section 2.7 Shareholder Vote. The delivery and sale of the Shares will not require any vote of Cendant's shareholders pursuant to the terms of the certificate of incorporation, as amended, of Cendant or the rules of the New York Stock Exchange (the "NYSE").

### ARTICLE III REPRESENTATIONS AND WARRANTIES OF LIBERTY CNDT

Liberty CNDT represents and warrants to Seller and Cendant as follows:

Section 3.1 Organization. Liberty CNDT is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware and has the requisite corporate power and authority to carry on its business substantially as it is now being conducted. Liberty CNDT is a wholly owned subsidiary of Liberty Media Corporation, a Delaware corporation ("Liberty").

Section 3.2 Authority Relative to this Agreement. Liberty CNDT has the corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and

delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all requisite corporate action on the part of Liberty CNDT. This Agreement has been duly and validly executed and delivered by Liberty CNDT and (assuming this Agreement has been duly authorized, executed and delivered by Seller and Cendant) constitutes a valid and binding agreement of Liberty CNDT, enforceable against Liberty CNDT in accordance with its terms, except that (a) such enforcement may be subject to any bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other laws, now or hereafter in effect, relating to or limiting creditors' rights generally and (b) enforcement of this Agreement, including, among other things, the remedy of specific performance and injunctive and other forms of equitable relief, may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

Section 3.3 Consents and Approvals; No Violations. Neither the execution and delivery of this Agreement by Liberty CNDT, nor the consummation by Liberty CNDT of the transactions contemplated hereby will (a) conflict with or result in any breach of any provision of the certificate of incorporation or by-laws (or similar organizational documents) of Liberty CNDT, (b) result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, cancellation or acceleration) under, or require any consent under, any indenture, license, contract, agreement or other instrument or obligation to which the Liberty CNDT is a party, (c) violate any order, writ, injunction, decree or award rendered by any Governmental Entity or Law applicable to Liberty CNDT, or (d) require any filing with, or the obtaining of any permit, authorization, consent or approval of, any Governmental Entity.

Section 3.4 Liberty CNDT Acknowledgment. Liberty CNDT has conducted its own independent investigation, review and analysis of Cendant. In entering into this Agreement, Liberty CNDT acknowledges that it has relied solely upon the aforementioned investigation, review and analysis, and, other than with respect to the representations and warranties made in Article II of this Agreement, Liberty CNDT acknowledges that none of Cendant, or any of its directors, officers, employees, affiliates, controlling persons, agents, advisors or representatives makes or has made any representation or warranty, either express or implied.

#### ARTICLE IV COVENANTS

Section 4.1 Preparation and Filing of Registration Statement. Subject to the terms and conditions of Annex A hereto, Cendant shall, as promptly as practicable after the date hereof, prepare and file the Cendant Registration Statement with the Commission and use its commercially reasonable securities efforts to cause the Cendant Registration Statement to become and remain effective under the Securities Act. The rights and obligations of the parties with respect to the registration and resale of the Shares are as set forth in Annex A hereto, which is hereby incorporated into this Agreement by reference thereto.

Section 4.2 Public Announcements. Cendant and Liberty CNDT will consult with each other with respect to the issuance of a joint report, statement or press release with respect to this Agreement and the transactions contemplated hereby.

Section 4.3 Retention of Warrant. Seller shall retain sole possession of the Warrant during the period commencing with its receipt thereof pursuant to the Agreement and ending with the Expiration Date (as such term is defined in the Warrant), and during such period Seller shall not cancel or otherwise terminate the Warrant (other than in connection with the exercise thereof by Seller).

#### ARTICLE V MISCELLANEOUS

Section 5.1 Entire Agreement. This Agreement (including Annex A hereto, which is incorporated by reference herein) constitutes the entire agreement of the parties relating to the subject matter hereof and supersedes other prior agreements and understandings among the parties both oral and written regarding such subject matter.

Section 5.2 Severability. Any provision of this Agreement that is held by a court of competent jurisdiction to violate applicable law shall be limited or nullified only to the extent necessary to bring the Agreement within the requirements of such law.

Section 5.3 Notices. Any notice required or permitted by this Agreement must be in writing and must be sent by facsimile, by nationally

recognized commercial overnight courier, or mailed by United States registered or certified mail, addressed to the other party at the address below or to such other address for notice (or facsimile number, in the case of a notice by facsimile) as a party gives the other party written notice of in accordance with this Section 8.3. Any such notice will be effective as of the date of receipt:

(a) if to Seller or Cendant, to it at

Cendant Corporation  
9 West 57th Street  
37th Floor  
New York, New York 10019  
Fax: (212) 413-1922/23  
Attention: General Counsel

(b) if to Liberty CNDT (or its transferee), to it at

c/o Liberty Media Corporation  
9197 South Peoria Street  
Englewood, Colorado  
Fax: (720) 875-5882  
Attention: General Counsel

Section 5.4 Governing Law; Jurisdiction. This Agreement shall be governed by, enforced under and construed in accordance with the laws of the State of New York, without giving effect to any choice or conflict of law provision or rule thereof. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of New York and of the United States of America in each case located in the County of New York for any litigation arising out of or relating to this Agreement and the transactions contemplated hereby (and agrees not to commence any litigation relating thereto except in such courts) and further agrees that service of any process, summons, notice or document by U.S. registered mail to its respective address set forth in Section 7.3 (or to such other address for notice that such party has given the other party written notice of in accordance with Section 7.3) shall be effective service of process for any litigation brought against it in any such court. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any litigation arising out of this Agreement or the transactions contemplated hereby in the courts of the State of New York or of the United States of America in each case located in the County of New York and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such litigation brought in any such court has been brought in an inconvenient forum.

Section 5.5 Descriptive Headings. The descriptive headings herein are inserted for convenience of reference only and shall in no way be construed to define, limit, describe, explain, modify, amplify, or add to the interpretation, construction or meaning of any provision of, or scope or intent of, this Agreement nor in any way affect this Agreement.

Section 5.6 Counterparts. This Agreement may be signed in counter-parts and all signed copies of this Agreement will together constitute one original of this Agreement. This Agreement shall become effective when each party hereto shall have received counterparts thereof signed by all the other parties hereto.

Section 5.7 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other party, except that Liberty CNDT may transfer the Shares (or any portion thereof) to another direct or indirect wholly owned subsidiary of Liberty. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly signed as of the date first above written.

CENDANT STOCK CORPORATION

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_  
Name:  
Title:

LIBERTY CNDT, INC.

By: \_\_\_\_\_  
Name:  
Title:

ANNEX A

REGISTRATION PROCEDURES FOR  
SHARES OF CENDANT CORPORATION

This Annex A forms part of the Purchase Agreement, dated as of November 16, 2000 (the "Purchase Agreement"), among Cendant Corporation ("Cendant"), a Delaware corporation, Cendant Stock Corporation, a Delaware corporation and a wholly owned subsidiary of Cendant, and Liberty CNDT, Inc., a Delaware corporation ("Liberty CNDT"). The rights and obligations of Liberty CNDT, any assignee of Liberty CNDT pursuant to Section 7.7 of the Purchase Agreement and Cendant with respect to the registration, offer and resale of the Shares (as defined in the Purchase Agreement) are as set forth on this Annex A.

Section 1. DEFINITIONS; INTERPRETATION.

1.1 Definitions. As used in this Annex A, the following terms have the following meanings:

"Action" has the meaning set forth in Section 3.3.

"Cendant Indemnified Parties" has the meaning set forth in Section 3.2.

"Cendant Registration Statement" means a registration statement on Form S-3 to be filed by Cendant with the Commission pursuant to Rule 415 under the Securities Act, so as to permit the offer and subsequent resale of the Shares from time to time following the effective date of such registration statement.

"Commission" means the Securities and Exchange Commission.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Holder" has the meaning set forth in Section 2.1.

"NYSE" means the New York Stock Exchange.

"Person" means an individual, partnership, corporation, trust, unincorporated organization or government or political department or agency thereof or other entity.

"Registered Shares" means (i) the Shares and (ii) any shares of capital stock issued with respect to or in exchange for the shares referred to in the preceding clause (i) by way of a stock dividend or stock split or in connection with a recapitalization or a merger, consolidation or other reorganization. As to any particular Registered Shares, such shares shall cease to be Registered Shares when (i) the Cendant Registration Statement shall have become effective under the Securities Act and such Registered Shares shall have been disposed of in accordance with the Cendant Registration Statement, (ii) such shares shall have been distributed pursuant to Rule 144 (or any successor provision then in force) under the Securities Act, (iii) such shares shall have been otherwise transferred, new certificates or other evidences of ownership for them not bearing a legend restricting further transfer and not subject to any stop transfer order or other restrictions on transfer shall have been delivered by Cendant or the transfer agent for such shares and subsequent disposition of such shares shall not require registration or qualification under the Securities Act or any state securities laws then in force, (iii) such shares shall be eligible for sale pursuant to Rule 144(k) (or any successor provision then in force) or (iv) such shares shall cease to be outstanding.

"Registration Expenses" means the following expenses incident to Cendant's performance of its obligations hereunder: (i) registration and filing fees with the Commission; (ii) fees and expenses of compliance with state securities or "blue sky" laws (including reasonable fees and disbursements of "blue sky" counsel); (iii) printing expenses, messenger and delivery expenses; (iv) fees and expenses incurred in connection with the listing of the Registered Shares on the NYSE or on such securities exchange or other national market system on which shares of the same class or series as the Registered Shares may then be principally traded; and (v) fees and expenses of counsel for Cendant and of its independent certified public accountants, including the expenses of any special audits or "cold comfort" letters. The term "Registration Expenses" does not include, and Cendant shall not be responsible for: (a) brokerage commissions, underwriting discounts and commissions and transfer taxes attributable to the sale of any of the Registered Shares; (b) fees and disbursements of underwriters and underwriters counsel (other than fees and expenses of such counsel incurred in connection the "blue sky" qualification of the Registered Shares); (c) fees and disbursements of counsel or of any experts retained by Liberty CNDT in connection with the registration of the Registered Shares or the disposition of such securities; or (d) any other out-of-pocket expenses of Liberty CNDT.

"Securities Act" means the Securities Act of 1933, as amended.

"Seller Indemnified Parties" has the meaning set forth in Section 3.1.

All other capitalized terms used herein and not otherwise defined have the meanings ascribed thereto in the Agreement.

1.2 Interpretation. When a reference is made in this Annex A to a Section, such reference shall be to a Section of this Annex A, unless otherwise clearly indicated. The headings contained in this Annex A are for reference purposes only and shall not affect in any way the meaning or interpretation of this Schedule or the Agreement. Whenever the word "including" is used in this Annex A, it shall be deemed to be followed by the words "without limitation." The use of any gender herein shall be deemed to be or include the other genders and the use of the singular herein shall be deemed to be or include the plural (and vice versa), wherever appropriate.

## Section 2. REGISTRATION.

### 2.1 Registration Procedures.

Following the execution by the parties of the Purchase Agreement, Cendant shall (i) prepare and, as soon as practicable thereafter, cause to be filed with the Commission the Cendant Registration Statement, and (ii) use its commercially reasonable efforts to cause the Cendant Registration Statement to be declared effective at the earliest practicable date and, subject to the terms of this Annex A, to remain effective for so long as any Registered Shares remain outstanding. In connection with such registration of the Registered Shares, Cendant shall:

(i) prepare and file with the Commission such amendments and supplements to the Cendant Registration Statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective and to comply with the provisions of the Securities Act with respect to the disposition of all Registered Shares covered by such registration statement until such time as all of such Registered Shares have been disposed of in accordance with the intended methods of disposition thereof as set forth in such registration statement or no Registered Shares shall remain outstanding.

(ii) furnish to each holder of Registered Shares (a "Holder") and any managing underwriter such number of conformed copies of such registration statement and of each amendment and supplement thereto (in each case including all exhibits), such number of copies of the prospectus included in such registration statement, and such other documents as a Holder or such managing underwriter may reasonably request to facilitate the disposition of the Registered Shares in accordance with the intended methods of disposition thereof as set forth in such registration statement;

(iii) use its commercially reasonable efforts to register or qualify all the Registered Shares under such securities or "blue sky" laws of such jurisdictions as the Holders shall reasonably request (given the intended methods of distribution), and do any and all other acts and things which may be reasonably necessary or advisable

to enable each Holder to consummate the disposition in such jurisdictions of his Registered Shares covered by such registration statement; provided, however, that in connection therewith Cendant shall not be required to register or qualify any Registered Shares under the securities or "blue sky" laws of any jurisdiction where Cendant would be required (x) to qualify to do business as a foreign corporation or as a dealer in such jurisdiction, (y) to conform its capitalization or the composition of its assets at the time to the securities or "blue sky" laws of such jurisdiction or (z) to take any action that would subject it to service of process in suits other than those arising out of the offer and sale of the Registered Shares covered by such registration statement or subject itself to taxation in such jurisdiction;

(iv) immediately notify each Holder, at any time when the prospectus included in such registration statement is required to be delivered pursuant to the Securities Act in connection with a sale of Registered Securities, of the happening of any event which comes to the attention of Cendant and as a result of which such prospectus, as then in effect, would contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and, subject to Section 2.4(d), Cendant will promptly prepare and furnish to each Holder a supplement to or an amendment of such prospectus so that, as thereafter delivered to the purchasers of such Registered Shares, such prospectus will not contain an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(v) immediately notify each Holder of the issuance or, to the knowledge of Cendant, threatened issuance of any stop order by the Commission suspending the effectiveness of the registration statement or of the receipt by Cendant of any notification with respect to the suspension or threatened suspension of the qualification of any Registered Shares for sale under the securities or blue sky laws of any jurisdiction, and Cendant shall take all commercially practicable action necessary (i) to prevent the entry of any threatened stop order or any threatened suspension or (ii) to remove any stop order or lift any suspension once entered;

(vi) otherwise use its commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, and make available to its securities holders as promptly as practicable an earnings statement covering a period of twelve months beginning after the effective date of such registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 promulgated thereunder;

(vii) enter into customary agreements (including an underwriting agreement containing customary terms and conditions) and take such other actions as are reasonably required to facilitate the disposition of such Registered Shares; and

(viii) use its commercially reasonable efforts to cause the Registered Shares to be listed on the NYSE or on such other securities exchange or national market system on which securities of Cendant of the same class or series as the Registered Shares are then principally traded.

2.2 Registration Expenses. Cendant will pay all Registration Expenses in connection with the registration of Registered Shares pursuant to Section 2.1. Liberty CNDT will pay, and hold Cendant harmless from, all other costs and expenses incurred by or on behalf of Liberty CNDT or any Holder in connection with an offer and sale or other disposition of Registered Shares pursuant to this Annex A.

2.3 Preparation; Reasonable Investigation. In connection with the preparation and filing of the Cendant Registration Statement, Cendant shall provide the Holders and their respective attorneys and accountants the opportunity to participate in the preparation of such registration statement, each prospectus included therein or filed with the Commission (other than any documents incorporated by reference in any prospectus), and each amendment thereof or supplement thereto, and shall make available and give each of them such access to its books and records, pertinent corporate documents and such opportunities to discuss the business of Cendant with its employees as shall be necessary for the Holders to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act. Cendant shall not file any registration statement, any prospectus included therein or any amendment thereof or supplement thereto with the Commission

over the reasonable objections of any counsel for the Holders.

2.4 Certain Covenants. Each Holder shall furnish to Cendant such information regarding such Holder, its intended method of distribution of Registered Shares and such other information as Cendant may from time to time reasonably request for purposes of preparation of the Cendant Registration Statement and to maintain the effectiveness of such registration statement.

(a) At least two business day prior to any disposition of Registered Shares by each Holder, such Holder will orally advise Cendant of the dates on which such disposition is expected to commence and terminate, the number of Registered Shares expected to be sold, the method of disposition and such other information as Cendant may reasonably request in order to supplement the prospectus contained in the registration statement in accordance with the rules and regulations of the Commission. Promptly after receiving such advice, Cendant will, if necessary, (i) prepare a supplement to the prospectus based upon such advice and file the same with the Commission pursuant to Rule 424(b) under the Securities Act and (ii), if necessary, qualify the Registered Shares to be sold under the securities or blue sky laws of such jurisdictions in the United States as such Holder shall reasonably request (subject to the proviso of Section 2.1(iii)).

(b) Cendant may postpone the filing or the effectiveness of the Cendant Registration Statement or suspend the use of the Cendant Registration Statement for a period of time, not to exceed 120 days in any 12-month period, if Cendant determines that the filing or continued use of the Cendant Registration Statement would require Cendant to disclose a material financing, acquisition or other corporate development of Cendant or any of its affiliates and Cendant shall have determined that such disclosure is not in the best interest of Cendant (any such determination to be made by resolution of the Board of Directors of Cendant). Cendant shall promptly notify each Holder at such time as such financing, acquisition or other corporate development has been otherwise publicly disclosed or terminated or counsel to Cendant has determined that such disclosure is not required due to subsequent events.

(c) Each Holder agrees that, upon receipt of any notice from Cendant of the happening of any event of the kind described in Section 2.1(iv), such Holder will forthwith discontinue disposition of the Registered Shares pursuant to such registration statement until receipt of copies of the supplemented or amended prospectus contemplated by Section 2.1(iv), and, if so directed by Cendant, will deliver to Cendant all copies of the prospectus covering the Registered Shares in its possession at the time of receipt of such notice.

(d) Each Holder shall, at any time it is engaged in a distribution of Registered Shares, comply with all applicable laws, including Regulation M promulgated under the Exchange Act and (i) will not engage in any stabilization activity in connection with the securities of Cendant in contravention of such rules, (ii) will distribute the Registered Shares solely in the manner described in the Cendant Registration Statement and (iii) will not bid for or purchase any securities of Cendant or attempt to induce any person to purchase any securities of Cendant other than as permitted under the Exchange Act.

(e) Each Holder shall provide such information and materials, execute all such documents and take all such other actions as Cendant shall reasonably request in order to permit Cendant to comply with all applicable requirements of law and to effect the registration of the Registered Shares.

### Section 3. INDEMNIFICATION.

3.1 Indemnification by Cendant. Cendant will indemnify and hold harmless each Holder, such holders's directors, officers and partners and each other Person, if any, who controls such Holder within the meaning of the Securities Act or the Exchange Act ("Seller Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, and expenses to which the Seller Indemnified Parties, or any of them, may become subject, insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) or expenses arise out of or are based upon (x) any untrue statement or alleged untrue statement of any material fact contained in the Cendant Registration Statement, any preliminary, final or summary prospectus included therein, or any amendment or supplement thereto, or (y) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and Cendant will reimburse such Seller Indemnified Parties for any legal or any other expenses reasonably incurred by them in connection with investigating or defending such loss, claim, liability, action or proceeding; provided, that

Cendant shall not be liable to any Holder, such holder's directors, officers or partners or any Person, if any, who controls such Holder within the meaning of the Securities Act or the Exchange Act to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon (i) any actual or alleged untrue statement in or any actual or alleged omission from, the Cendant Registration Statement or amendment or supplement thereto or any preliminary, final or summary prospectus, in reliance upon and in conformity with written information furnished by or on behalf of such Holder to Cendant specifically for use in the preparation thereof, (ii) any actual or alleged untrue statement of a material fact or any actual or alleged omission of a material fact required to be stated in any preliminary prospectus if such Holder sells Registered Shares to a Person to whom there was not sent or given, at or prior to the written confirmation of such sale, a copy of the final prospectus or of the final prospectus as then amended or supplemented, whichever is most recent, if Cendant had previously furnished copies thereof to such Holder or its representatives and such final prospectus, as then amended or supplemented, corrected any such misstatement or omission or (iii) the use of any preliminary, final or summary prospectus by or on behalf of such Holder after Cendant has notified such holder, in accordance with Section 2.1(iv), that such prospectus contains an untrue statement of a material fact or omits to state a material fact required to be stated therein, in the light of the circumstances under which they were made, not misleading.

3.2 Indemnification by Holders. Each Holder will indemnify and hold harmless Cendant, each of its directors and officers, and each Person, if any, who controls Cendant within the meaning of the Securities Act or the Exchange Act (the "Cendant Indemnified Parties"), against any and all losses, claims, damages or liabilities and expenses to which the Cendant Indemnified Parties may become subject, insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) or expenses arise out of or are based upon (i) any untrue statement or alleged untrue statement of any material fact contained in the Cendant Registration Statement, any preliminary, final or summary prospectus included therein, or amendment or supplement thereto, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, if the statement or omission was made in reliance upon and in conformity with written information furnished to Cendant by or on behalf of such Holders specifically for use in the preparation thereof or (ii) the use of any prospectus by or on behalf of such Holders after Cendant has notified such Holders that such prospectus contains an untrue statement of a material fact or omits to state a material fact required to be stated therein, in light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, no Holder shall be liable under this Section 3.2 for any amounts exceeding the gross proceeds received by such Holder in connection with the sale of such Holder's Registered Shares.

3.3 Indemnification Procedures. Any Person that proposes to assert the right to be indemnified under this Section 3 shall, promptly after receipt of notice of any claim, action, suit, proceeding or other litigation (collectively, an "Action") against such Person in respect of which a claim is to be made against an indemnifying party under this Section 3, notify such indemnifying party of the commencement of such Action, enclosing a copy of all papers served, but the omission so to notify such indemnifying party of any such Action shall not relieve it from any liability that it may have to any indemnified party otherwise than under this Section 3, except to the extent that such indemnifying party is prejudiced by such failure to give notice. In case any such Action shall be brought and notice given to the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in and to assume the defense thereof, with counsel satisfactory to the indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party for any further legal or other expenses incurred by such indemnified party, except as provided below and except for the reasonable costs of investigation subsequently incurred by such indemnified party in connection with the defense thereof. The indemnified party shall have the right to employ separate counsel and to participate in (but not control) any such Action, but the fees and expenses of such counsel shall be the expense of such indemnified party unless (i) the employment of counsel by such indemnified party has been authorized by the indemnifying party, (ii) the indemnified party shall have been advised by its counsel in writing that there are legal defenses available to it that are different from or in addition to those available to the indemnifying parties, (iii) the indemnified party shall have been advised by its counsel in writing that there is a conflict of interest between the indemnifying party and the indemnified party in the conduct of the defense of such Action (in which case the indemnifying party shall not have the right to direct the defense of such Action on behalf of the

indemnified party) or (iv) the indemnifying party shall not in fact have employed counsel to assume the defense of such Action, in each of which cases the fees and expenses of such counsel shall be at the expense of the indemnifying party. An indemnifying party shall not be liable for any settlement of an Action effected without its written consent (which consent shall not be unreasonably withheld). No indemnifying party will consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such Action. An indemnifying party who is not entitled to, or elects not to, assume the defense of an Action will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such Action.

3.4 Contribution. If recovery is not available under the foregoing indemnification provisions, for any reason other than as specified therein, the parties entitled to indemnification by the terms thereof shall be entitled to contribution for any and all losses, claims, damages or liabilities, joint or several, and expenses to which they may become subject, in such proportion as is appropriate to reflect the relative fault of the parties entitled to indemnification, on the one hand, and the indemnifying parties, on the other, in connection with the matter out of which such losses, claims, damages, liabilities or expenses arise or result from. In determining the amount of contribution to which the respective parties are entitled, there shall be considered the parties' relative knowledge and access to information concerning the matter with respect to which the Action was asserted, the opportunity to correct and prevent any statement or omission, and any other equitable considerations appropriate under the circumstances. Cendant and each Holder agrees that it would not be equitable if the amount of such contribution were determined by pro rata or per capita allocation.

#### Section 4. RULE 144.

4.1 Subject to Section 2.4, Cendant hereby covenants to use its commercially reasonable efforts to file in a timely manner all reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder (or, if at any time Cendant is not required to file such reports, it will, upon the request of Holder, make publicly available other information so long as necessary to permit sales under Rule 144 under the Securities Act), and it will take such further action as any Holder may reasonably request, all to the extent required from time to time to enable Cendant to meet the requirements for issuers entitled to register securities on Form S-3 or any successor form.

## INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Cendant Corporation on Form S-3 of our report, relating to the consolidated financial statements of Cendant Corporation as of December 31, 1999 and 1998 and for the three years ended December 31, 1999, dated November 24, 2000 (which expresses an unqualified opinion and includes explanatory paragraphs relating to the change in the method of recognizing revenue and membership solicitation costs as described in Note 1 and the presentation of the individual membership segment as a discontinued operation as described in Notes 1 and 4), appearing in the Current Report on Form 8-K of Cendant Corporation dated November 28, 2000 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

/s/ Deloitte & Touche LLP  
New York, New York  
December 7, 2000

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Cendant Corporation on Form S-3 of our report dated January 26, 2000 (March 27, 2000 as to Note 1), appearing in the Annual Report on Form 10-K of Avis Group Holdings, Inc. for the year ended December 31, 1999 and included in the Current Report on Form 8-K of Cendant Corporation dated November 17, 2000.

/s/ Deloitte & Touche LLP  
New York, New York  
December 6, 2000