
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): July 17, 2006 (July 13, 2006)

Cendant Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-10308
(Commission File
Number)

06-0918165
(IRS Employer
Identification No.)

9 West 57th Street
New York, NY
(Address of Principal Executive Offices)

10019
(Zip Code)

(212) 413-1800
(Registrant's telephone number, including area code)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

On July 13, 2006, the Board of Directors (the "Board") of Cendant Corporation, a Delaware corporation (the "Company"), authorized and declared a dividend distribution of one right (a "Right") for each outstanding share of Cendant Corporation - CD Common Stock, par value \$0.01 per share (the "Common Stock"), to stockholders of record at the close of business on July 21, 2006 (the "Record Date"). Each Right entitles the registered holder to purchase from the Company a unit consisting of one one-thousandth of a share (a "Unit") of Series A Junior Participating Preferred Stock, par value \$0.01 per share (the "Preferred Stock"), at a purchase price of \$80 per Unit, subject to adjustment (the "Purchase Price"). The description and terms of the Rights are set forth in a Rights Agreement (the "Rights Agreement"), dated as of July 13, 2006, between the Company and Mellon Investor Services LLC as Rights Agent.

Initially, the Rights will be attached to all Common Stock certificates representing shares then outstanding, and no separate rights certificates ("Rights Certificates") will be distributed. Subject to certain exceptions specified in the Rights Agreement, the Rights will separate from the Common Stock and a distribution date (a "Distribution Date") will occur upon the earlier of (i) 10 business days (or such later date as the Board shall determine) following a public announcement that a person or group of affiliated or associated persons (an "Acquiring Person") has acquired beneficial ownership of fifteen percent (15%) or more of the outstanding shares of Common Stock (the "Stock Acquisition Date"), other than as a result of repurchases of stock by the Company or certain inadvertent actions by institutional or certain other stockholders or (ii) 10 business days (or such later date as the Board shall determine) following the commencement of a tender offer or exchange offer that would result in a person or group becoming an Acquiring Person.

Until the Distribution Date, (i) the Rights will be evidenced by the Common Stock certificates and will be transferred with and only with such Common Stock certificates, (ii) new Common Stock certificates issued after the Record Date will contain a notation incorporating the Rights Agreement by reference and (iii) the surrender for transfer of any certificates for Common Stock outstanding will also constitute the transfer of the Rights associated with the Common Stock represented by such certificates. Pursuant to the Rights Agreement, the Company reserves the right to require prior to the occurrence of a Triggering Event (as defined below) that, upon any exercise of Rights, a number of Rights be exercised so that only whole shares of Preferred Stock will be issued.

The Rights are not exercisable until the Distribution Date and will expire on the earlier of (i) 5:00 P.M., New York City time, on the date that the votes of the Company's stockholders, with respect to the Company's 2008 annual meeting of stockholders, are certified, unless the continuation of the Rights is approved by the stockholders of the Company by a vote of the majority of the shares present and entitled to vote at a stockholders meeting at the Company's 2008 annual meeting of stockholders (in which case clause (ii) shall govern) or (ii) 5:00 P.M., New York City time on July 13, 2016, in each case, unless the Rights are previously redeemed, exchanged or terminated.

As soon as practicable after the Distribution Date, Rights Certificates will be mailed to holders of record of the Common Stock as of the close of business on the Distribution Date and, thereafter, the separate Rights Certificates alone will represent the Rights.

In the event that a person or group of affiliated or associated persons becomes an Acquiring Person, each holder of a Right will thereafter have the right to receive, upon exercise, Common Stock (or, in certain circumstances, cash, property or other securities of the Company) having a value equal to two times the exercise price of the Right. Notwithstanding any of the foregoing, following the occurrence of the event set forth in this paragraph, all Rights that are, or (under certain circumstances specified in the

Rights Agreement) were, beneficially owned by any Acquiring Person will be null and void. However, Rights are not exercisable following the occurrence of the event set forth above until such time as the Rights are no longer redeemable by the Company as set forth below.

For example, at an exercise price of \$80 per Right, each Right not owned by an Acquiring Person (or by certain related parties) following the event set forth in the preceding paragraph would entitle its holder to purchase \$160 worth of Common Stock (or other consideration, as noted above) for \$80. Assuming that the Common Stock had a per share value of \$16 at such time, the holder of each valid Right would be entitled to purchase ten shares of Common Stock for \$80.

In the event that, at any time following the Stock Acquisition Date, (i) the Company engages in a merger or other business combination transaction in which the Company is not the surviving corporation, (ii) the Company engages in a merger or other business combination transaction in which the Company is the surviving corporation and the Common Stock of the Company is changed or exchanged, or (iii) other than pursuant to a pro rata dividend and/or distribution to all of the then current holders of Common Stock, 50% or more of the Company's assets, cash flow or earning power is sold or transferred, each holder of a Right (except Rights which have previously been voided as set forth above) shall thereafter have the right to receive, upon exercise, common stock of the acquiring company having a value equal to two times the exercise price of the Right. The events set forth in this paragraph and in the second preceding paragraph are referred to as the "Triggering Events."

At any time after a person becomes an Acquiring Person and prior to the acquisition by such person or group of 50% or more of the outstanding Common Stock, the Board may exchange the Rights (other than Rights owned by such person or group which have become void), in whole or in part, for Common Stock or Preferred Stock at an exchange ratio of one share of Common Stock, or one one-thousandth of a share of Preferred Stock (or of a share of a class or series of the Company's preferred stock having equivalent rights, preferences and privileges), per Right (subject to adjustment).

The Purchase Price payable, and the number of Units of Preferred Stock or other securities or property issuable, upon exercise of the Rights are subject to adjustment from time to time to prevent dilution (i) in the event of a stock dividend on, or a subdivision, combination or reclassification of, the Preferred Stock, (ii) if holders of the Preferred Stock are granted certain rights or warrants to subscribe for Preferred Stock or convertible securities at less than the current market price of the Preferred Stock, or (iii) upon the distribution to holders of the Preferred Stock of evidences of indebtedness or assets (excluding regular quarterly cash dividends) or of subscription rights or warrants (other than those referred to above).

With certain exceptions, no adjustment in the Purchase Price will be required until cumulative adjustments amount to at least 1% of the Purchase Price. No fractional Units will be issued and, in lieu thereof, an adjustment in cash will be made based on the market price of the Preferred Stock on the last trading date prior to the date of exercise.

At any time until ten business days following the Stock Acquisition Date, the Company may redeem the Rights in whole, but not in part, at a price of \$0.001 per Right (payable in cash, Common Stock or other consideration deemed appropriate by the Board of Directors) or amend the Rights Agreement to change the Final Expiration Date to another date, including without limitation an earlier date. Immediately upon the action of the Board of Directors ordering redemption of the Rights, the Rights will terminate and the only right of the holders of Rights will be to receive the \$0.001 redemption price.

Until a Right is exercised, the holder thereof, as such, will have no separate rights as a stockholder of the Company, including, without limitation, the right to vote or to receive dividends in respect of Rights. While the distribution of the Rights will not be taxable to stockholders or to the

Company, stockholders may, depending upon the circumstances, recognize taxable income in the event that the Rights become exercisable for Common Stock (or other consideration) of the Company or for common stock of the acquiring company or in the event of the redemption of the Rights as set forth above.

Any of the provisions of the Rights Agreement may be amended by the Board of Directors of the Company prior to the Distribution Date. After the Distribution Date, the provisions of the Rights Agreement may be amended by the Board in order to cure any ambiguity, to make changes which do not adversely affect the interests of holders of Rights, or to shorten or lengthen any time period under the Rights Agreement. The foregoing notwithstanding, no amendment may be made at such time as the Rights are not redeemable.

The Rights may have certain anti-takeover effects. The Rights may cause substantial dilution to any person or group that attempts to acquire the Company without the approval of the Board. As a result, the overall effect of the Rights may be to make more difficult a merger, tender offer or other business combination involving the Company that is not supported by the Board.

The Rights Agreement specifying the terms of the Rights is attached as Exhibit 4.1 and is incorporated by reference herein. This summary description of the Rights Agreement does not purport to be complete and is qualified in its entirety by reference to such exhibit.

Item 3.03 Material Modification to Rights of Security Holders.

The information included in Item 1.01 is incorporated by reference into this item. The Rights Agreement, dated as of July 13, 2006 between the Company and Mellon Investor Services LLC as Rights Agent, specifying the terms of the Rights is attached as Exhibit 4.1 and is incorporated by reference herein.

Item 5.03 Amendments to Articles of Incorporation or By-Laws; Change in Fiscal Year.

In connection with the Rights Agreement referenced in Item 1.01 and Item 3.03, on July 13, 2006, we filed with the Delaware Secretary of State a Certificate of Designation of Preferred Stock setting forth the terms of the Preferred Stock and issuable upon exercise of the Rights (if the Rights become exercisable) as disclosed under Item 1.01 of. A copy of the Certificate of Designation relating to the Preferred Stock is attached as Exhibit 3.1 and is incorporated by reference herein.

Item 8.01 Other Events.

On July 13, 2006, Cendant Corporation issued a press release announcing that its Board of Directors has formally approved the spin-offs of its real estate services and hospitality services (including timeshare resorts) businesses through the distribution of 100% of the common stock of its Realogy Corporation and Wyndham Worldwide Corporation subsidiaries to stockholders of Cendant. The distributions are expected to occur after the close of business on July 31, 2006 to Cendant stockholders of record as of the close of business on July 21, 2006. Such press release also announced the adoption of the Rights Agreement. A copy of the press release is attached as Exhibit 99.1 and incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 3.1	Certificate of Designation of Series A Junior Participating Preferred Stock. (Incorporated by reference to Exhibit 4.2 to Cendant's Registration Statement on Form 8-A dated July 13, 2006.)
Exhibit 4.1	Rights Agreement, dated as of July 13, 2006, by and between Cendant Corporation and Mellon Investor Services, LLC, as Rights Agent, including the form of Rights Certificate as Exhibit B thereto and the form of Summary of Rights as Exhibit C thereto. (Incorporated by reference to Exhibit 4.1 to Cendant's Registration Statement on Form 8-A dated July 13, 2006.)
Exhibit 99.1	Press Release, dated as of July 13, 2006.

SIGNATURE

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

CENDANT CORPORATION

By: /s/ Eric J. Bock

Eric J. Bock

Executive Vice President, Law and Corporate Secretary

Date: July 17, 2006

CENDANT CORPORATION
CURRENT REPORT ON FORM 8-K
Report dated July 17, 2006 (July 13, 2006)

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 3.1	Certificate of Designation of Series A Junior Participating Preferred Stock. (Incorporated by reference to Exhibit 4.2 to Cendant's Registration Statement on Form 8-A dated July 13, 2006.)
Exhibit 4.1	Rights Agreement, dated as of July 13, 2006, by and between Cendant Corporation and Mellon Investor Services, LLC, as Rights Agent, including the form of Rights Certificate as Exhibit B thereto and the form of Summary of Rights as Exhibit C thereto. (Incorporated by reference to Exhibit 4.1 to Cendant's Registration Statement on Form 8-A dated July 13, 2006.)
Exhibit 99.1	Press Release, dated as of July 13, 2006.



Cendant Board of Directors Approves Simultaneous Spin-Offs of Realogy Corporation and Wyndham Worldwide Corporation

Cendant Stockholders to Receive Dividend of Realogy and Wyndham Worldwide Shares on July 31, 2006

Cendant Adopts Stockholder Rights Plan

NEW YORK, July 13, 2006—Cendant Corporation (**NYSE: CD**) announced today that its Board of Directors has formally approved the spin-offs of its real estate services and hospitality services (including timeshare resorts) businesses through the distribution of 100% of the common stock of its Realogy Corporation and Wyndham Worldwide Corporation subsidiaries to stockholders of Cendant Corporation. The distributions are expected to occur after the close of business on July 31, 2006 to Cendant stockholders of record as of the close of business on July 21, 2006.

Cendant will distribute one share of Realogy common stock for every four shares of Cendant common stock outstanding as of the record date, and one share of Wyndham Worldwide common stock for every five shares of Cendant common stock outstanding as of the record date. Fractional shares of Realogy or Wyndham Worldwide common stock will not be distributed and any Cendant stockholder entitled to receive a fractional share will instead receive a cash payment.

The distributions have been structured to qualify as tax-free stock dividends to Cendant stockholders for U.S. federal income tax purposes. Cash received in lieu of fractional shares, however, will be taxable.

Cendant currently has approximately 1.0 billion shares outstanding. Based on the distribution ratio, approximately 250 million shares of Realogy common stock and approximately 200 million shares of Wyndham Worldwide common stock will be distributed to Cendant stockholders. In addition, Cendant intends to submit several proposals at its annual stockholders meeting scheduled for August 29, 2006, including one to change Cendant's name to Avis Budget Group, Inc. and another to authorize a 1-for-10 reverse stock split of Cendant's common stock to reduce the number of Cendant shares outstanding to approximately 100 million.

As announced on June 30, 2006, Cendant entered into a definitive agreement to sell its Travelport subsidiary to The Blackstone Group and confirmed that it will use the net proceeds from such sale (after taxes, fees and expenses and retirement of Travelport's borrowings) to reduce the indebtedness allocated to Realogy and Wyndham Worldwide. Based on the expected amount of proceeds from the Travelport sale, it is currently estimated that Realogy's debt level will be reduced from \$2,225 million at the time of its separation from Cendant to approximately \$750 million upon receipt of its share of Travelport proceeds and that Wyndham Worldwide's debt level will be reduced from \$1,360 million at the time of its separation from Cendant to approximately \$600 million after the receipt of its share of Travelport proceeds. Closing is subject to satisfaction of customary conditions and is expected to occur in August 2006.

Because Cendant common stock will continue to trade "regular-way" (inclusive of the Realogy and Wyndham Worldwide distributions) on the New York Stock Exchange (the "NYSE") through the distribution date, any holder of Cendant common stock who sells shares prior to the close of business on July 31, 2006 will also be selling the related entitlement to receive shares of Realogy or Wyndham Worldwide common stock in respect of such shares. Investors are encouraged to consult with their financial advisors regarding the specific implications of selling Cendant common stock before the distribution date.

Realogy and Wyndham Worldwide have filed applications to list their common stock on the NYSE under the symbols "H" and "WYN," respectively. The Company expects that "when issued" public markets for Realogy and Wyndham Worldwide common stock will develop on or about two business days prior to the record date.

No action is required by Cendant stockholders to receive their Realogy or Wyndham Worldwide common stock. Cendant stockholders who hold Cendant common stock as of the record date will receive a book-entry account statement reflecting their ownership of Realogy and Wyndham Worldwide common stock or their brokerage account will be credited for the shares.

Shortly after July 21, 2006, Cendant will mail Information Statements to its stockholders of record as of the close of business on the record date. The Information Statements will include information regarding the distributions and the business and management of Realogy Corporation and Wyndham Worldwide Corporation, as applicable, following each distribution. In addition, each of Cendant, Realogy Corporation and Wyndham Worldwide Corporation intend to file important information related to the spin-offs, including this release and the appropriate Information Statement(s), with the Securities and Exchange Commission (the "SEC") on Form 8-K.

JPMorgan and Evercore acted as financial and strategic advisors to Cendant in connection with the spin-offs and related transactions. Skadden, Arps, Slate, Meagher & Flom LLP acted as Cendant's legal advisor.

The distribution of the Realogy and Wyndham Worldwide shares will be made as described in the applicable Information Statement relating to such securities, which have been filed with the SEC. This press release 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 state in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

Adoption of Stockholder Rights Plan

The Company also announced that its Board of Directors approved the adoption of a stockholder rights plan (the "Rights Plan"). The Rights Plan is designed to preserve the long-term value of the Company in the event of a potential takeover that the Board of Directors determines may be coercive or unfair or otherwise not in the best interests of the Company and its stockholders. The Company also noted that the Board of Directors has not adopted the new rights plan in response to any known effort to acquire control of the Company.

To implement the Rights Plan, the Company will distribute a dividend of one Right for each share of its common stock held by all stockholders of record at the close of business on July 21, 2006. The Rights initially will attach to and trade with Cendant common stock, unless and until they are separated upon the occurrence of certain future events; no separate certificates will be issued. Rights will attach to shares of common stock issued by the Company after that date.

Each Right will entitle holders of each share of common stock to buy one one-thousandth of a share of the Company's Series A junior participating preferred stock at an initial exercise price of \$80.00 per share. Subject to the terms of the Rights Plan, the Rights will become exercisable ten business days after a person or group acquires 15% or more of the Company's outstanding common stock or announces a tender or exchange offer that would result in that person or group owning 15% or more of the Company's common stock. Each Right, when exercised, entitles the holder (other than the acquiring person or group) to receive Cendant common stock with a market value of twice the exercise price of the Rights upon payment of the exercise price of the Rights.

The Company will be entitled to redeem the Rights at \$0.001 per Right until 10 business days after a person or group achieves the 15% threshold. This Rights Plan will expire unless stockholders approve its continuation at the Company's 2008 annual meeting of stockholders. Additional details regarding the Rights Plan will be outlined in a Current Report on Form 8-K to be filed by the Company.

Forward-Looking Statements

Certain statements in this press release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements preceded by, followed by or that otherwise include the words "believes", "expects", "anticipates", "intends", "projects", "estimates", "plans", "may increase", "may fluctuate" and similar expressions or future or conditional verbs such as "will", "should", "would", "may" and "could" are generally forward-looking in nature and not historical facts. Any statements that refer to expectations or other characterizations of future events, circumstances or results are forward-looking statements. The Company cannot provide any assurances that the spin-offs of Realogy Corporation or Wyndham Worldwide Corporation or any of the proposed

transactions related thereto (including the proposed sale of the travel distribution services division, Travelport) will be completed, nor can it give assurances as to the terms on which such transactions will be consummated. The sale of Travelport is subject to certain conditions precedent as described in the Purchase Agreement relating to the sale. In addition, the other separation transactions, including the spin-off distributions, are subject to the satisfaction or waiver of certain other conditions described in the information statements included in the Form 10s.

Various risks that could cause future results to differ from those expressed by the forward-looking statements included in this press release include, but are not limited to: risks inherent in the spin-offs of Realogy Corporation and Wyndham Worldwide Corporation or the contemplated separation and related transactions (including the agreement to sell Travelport), including risks related to borrowings and costs related to the proposed transactions; increased demands on Cendant's management teams as a result of the proposed transactions; changes in business, political and economic conditions in the U.S. and in other countries in which Cendant and its companies currently do business; changes in governmental regulations and policies and actions of regulatory bodies; changes in operating performance; and access to capital markets and changes in credit ratings, including those that may result from the proposed transactions. Other unknown or unpredictable factors also could have material adverse effects on Cendant's and its companies' performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this press release may not occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, as of the date of this press release. Important assumptions and other important factors that could cause actual results to differ materially from those in the forward looking statements are specified in Cendant's Form 10-K for the year ended December 31, 2005, Cendant's Form 10-Q for the three months ended March 31, 2006, Realogy Corporation's Registration Statement on Form 10 and Wyndham Worldwide Corporation's Registration Statement on Form 10, including under headings such as "Forward-Looking Statements", "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Except for the Company's ongoing obligations to disclose material information under the federal securities laws, the Company undertakes no obligation to release any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events unless required by law.

About Cendant Corporation

Cendant is primarily a provider of travel and residential real estate services. With approximately 85,000 employees, New York City-based Cendant provides these services to businesses and consumers in over 100 countries. More information about Cendant, its companies, brands and current SEC filings may be obtained by visiting Cendant's Web site at www.cendant.com. Following the completion of the spin-offs of Realogy Corporation and Wyndham Worldwide Corporation, Cendant will be comprised of its Travelport and Avis Budget Group businesses. As previously stated, Cendant will use the net proceeds from the sale of Travelport (after taxes, fees and expenses and retirement

of Travelport's borrowings) to reduce the indebtedness allocated to Realogy and Wyndham Worldwide.

About Realogy Corporation

Realogy Corporation is the world's largest residential real estate brokerage franchisor, the largest U.S. residential real estate brokerage firm, a leading global provider of outsourced employee relocation services, and a provider of title and settlement services. Realogy's brands include Century 21, Coldwell Banker, Coldwell Banker Commercial, ERA, Sotheby's International Realty, NRT Incorporated, Cartus and Title Resource Group. Realogy is headquartered in Parsippany, NJ and has more than 15,000 employees.

About Wyndham Worldwide Corporation

Wyndham Worldwide is one of the world's largest hospitality companies offering individual consumers and business-to-business customers a broad suite of hospitality products and services including lodging; vacation exchange and rental services; and vacation ownership interests in resorts. Wyndham Worldwide is headquartered in Parsippany, NJ, and is supported by approximately 28,800 employees around the world.

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