

### INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

OMB Number: 3235-0104

Estimated average burden

hours per response: 0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934  
or Section 30(h) of the Investment Company Act of 1940

<b>1. Name and Address of Reporting Person*</b> <u>SCLAFANI KAREN C</u>  (Last) (First) (Middle) <u>6 SYLVAN WAY</u>  (Street) <u>PARSIPPANY NJ 07054</u>  (City) (State) (Zip)	<b>2. Date of Event Requiring Statement (Month/Day/Year)</b> <u>08/23/2006</u>	<b>3. Issuer Name and Ticker or Trading Symbol</b> <u>CENDANT CORP [ CD ]</u>  <b>4. Relationship of Reporting Person(s) to Issuer (Check all applicable)</b> Director <span style="float: right;">10% Owner</span> <input checked="" type="checkbox"/> Officer (give title below) <span style="float: right;">Other (specify below)</span> <p style="text-align: center;"><u>EVP &amp; General Counsel</u></p>	<b>5. If Amendment, Date of Original Filed (Month/Day/Year)</b>  <b>6. Individual or Joint/Group Filing (Check Applicable Line)</b> <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
--	---	---	--

#### Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Common Stock</u>	<u>18,343<sup>(1)</sup></u>	<u>D</u>	

#### Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
<u>Stock Option (right to buy)</u>	<u>10/17/1996</u>	<u>10/17/2006</u>	<u>Common Stock</u>	<u>5,010</u>	<u>4.595</u>	<u>D</u>	
<u>Stock Option (right to buy)</u>	<u>04/30/1997</u>	<u>04/30/2007</u>	<u>Common Stock</u>	<u>12,526</u>	<u>3.435</u>	<u>D</u>	
<u>Stock Option (right to buy)</u>	<u>03/12/2001</u>	<u>03/12/2011</u>	<u>Common Stock</u>	<u>31,274</u>	<u>2.008</u>	<u>D</u>	
<u>Stock Option (right to buy)</u>	<u>01/22/2002</u>	<u>01/22/2012</u>	<u>Common Stock</u>	<u>30,023</u>	<u>2.74</u>	<u>D</u>	
<u>Restricted Stock Units</u>	<u>05/02/2007<sup>(2)</sup></u>	<u>(3)</u>	<u>Common Stock</u>	<u>307,377</u>	<u>0<sup>(4)</sup></u>	<u>D</u>	

**Explanation of Responses:**

1. The numbers of shares and options referenced in this Form 3 do not give effect to adjustments that will occur when our anticipated one-for-ten reverse stock split is completed on September 5, 2006.
2. Grant vests in four equal installments on May 2, 2007, 2008, 2009 and 2010.
3. Expiration date not applicable.
4. Units convert to Common Stock on a one-to-one basis upon vesting.

**Remarks:**

Jean M. Sera, by Power of Attorney for Karen C. Sclafani 08/29/2006

\*\* Signature of Reporting Person      Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.