

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 8-K
CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

March 25, 1998 (March 23, 1998)
(Date of Report (date of earliest event reported))

Cendant Corporation
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

1-10308
(Commission File No.)

06-0918165
(I.R.S. Employer
Identification Number)

6 Sylvan Way
Parsippany, New Jersey
(Address of principal executive office)

07054
(Zip Code)

(973) 428-9700
(Registrant's telephone number, including area code)

None
(Former name, former address and former fiscal year, if applicable)

Item 5. Other

Proposed Acquisition of American Bankers. On March 23, 1998, Cendant Corporation (the "Company") announced that it had entered into a definitive agreement to acquire American Bankers Insurance Group Inc. ("American Bankers") for \$67 per share in cash and stock, for an aggregate consideration of approximately \$3.1 billion. The Company intends to purchase 23.5 million shares of American Bankers at \$67 per share through its pending cash tender offer, to be followed by a merger in which the Company will deliver Cendant shares with a value of \$67 for each remaining share of American Bankers common stock outstanding. The Company has already received anti-trust clearance to acquire American Bankers. The tender offer is subject to the receipt of tenders representing at least 51 percent of the common shares of American Bankers as well as customary closing conditions, including regulatory approvals. The transaction is expected to be completed in the latter part of the second quarter of 1998.

American Bankers concentrates on marketing affordable, specialty insurance products and services through financial institutions, retailers and other entities offering consumer financing as a regular part of their business.

American Bankers, through its subsidiaries, operates in the United States, Canada, Latin America, the Caribbean and the United Kingdom.

National Parking Corporation Acquisition. On March 23, 1998, the Company announced that it had agreed with the board of directors of U.K.-based National Park Corporation Limited ("NPC") to the terms of a recommended cash offer to acquire the entire issued share capital of NPC for 673 pence per share, a total of approximately (pound)801 million (approximately \$1.3 billion). Payment for shares will be made in cash. The Company has received irrevocable undertakings to accept the offer with respect to holdings amounting to approximately 73 percent of NPC's issued share capital and the directors of NPC intend unanimously to recommend that NPC shareholders accept the offer. The offer is subject to customary regulatory approvals and it is anticipated that the transaction will close during the second quarter of 1998. NPC operates in two principal segments: National Car Parks Limited, the largest private (non-municipality owned) car park operator in the U.K. with approximately 500 locations, and Green Flag Group Limited, the largest for-profit roadside assistance organization with more than 3.5 million members in the U.K.

In connection with the foregoing announcements, Moody's Investor Service confirmed its A3 senior unsecured debt rating of the Company and its A2 rating for senior unsecured debt of PHH Corporation, a wholly-owned subsidiary of the Company, and Standard and Poor's placed its A rating of the Company and its A+ long-term corporate credit rating of PHH Corporation on Credit Watch with negative implications.

The information set forth in the press releases attached hereto as Exhibits 99.1 and 99.2 are incorporated herein by reference in their entirety.

Item 7. Exhibits

Exhibit
No.

Description

- | | |
|------|--|
| 2.1 | Agreement and Plan of Merger, dated March 23, 1998 among the Company, Season acquisition Corp. and American Bankers Insurance Group, Inc. (incorporated by reference to Exhibit C-2 to the Schedule 14D-1 (Amendment 31), dated March 23, 1998, filed by the Company and Season Acquisition Corp.) |
| 99.1 | Press Release: Cendant and American Bankers Reach Agreement on \$67 Per Share Merger Transaction dated March 23, 1998. |
| 99.2 | Press Release: Cendant to Acquire UK-based National Parking Corporation Limited in \$1.3 billion Transaction. |

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/ Scott E. Forbes
Scott E. Forbes
Senior Vice President-Finance
and Chief Accounting Officer

Date: March 25, 1998

CENDANT CORPORATION
CURRENT REPORT ON FORM 8-K
Report Dated March 25, 1998 (March 23, 1998)

EXHIBIT INDEX

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99.1	Press Release: Cendant and American Bankers Reach Agreement on \$67 Per Share Merger Transaction dated March 23, 1998.
99.2	Press Release: Cendant to Acquire UK-based National Parking Corporation Limited in \$1.3 billion Transaction.

EXHIBIT 99.1

Cendant and American Bankers Reach Agreement on \$67 Per Share Merger Transaction

STAMFORD, Conn. and MIAMI--(BUSINESS WIRE)--March 23, 1998--Cendant Corp. and American Bankers Insurance Group Inc. announced they have signed a definitive merger agreement under which Cendant will acquire American Bankers for cash and stock valued at \$67 per share, for an aggregate consideration of approximately \$3.1 billion.

Walter A. Forbes, chairman, and Henry R. Silverman, president and chief executive officer of Cendant, stated: "We are pleased to have reached this agreement with American Bankers. We are very enthusiastic about the potential of our combination and look forward to taking advantage of the many opportunities it will create to generate additional value for our shareholders. We are confident that this transaction will provide many creative new outlets for Cendant and American Bankers, will open new horizons for the careers of American Bankers' employees and will be beneficial to the South Florida community."

"We note that AIG too has served its shareholders very well and look forward to doing business with AIG in the future."

R. Kirk Landon, chairman of the Board of American Bankers, said: "The agreement with Cendant provides our shareholders with exceptional value. Our board has acted throughout this process in the best interest of our shareholders, employees, policyholders and our local communities. We believe everyone is very pleased with the outcome."

Cendant will purchase 23.5 million shares of American Bankers at \$67 per share through its pending cash tender offer, to be followed by a merger in which Cendant will deliver Cendant shares with a value of \$67 for each remaining share of American Bankers common stock outstanding.

In the merger, each share of \$3.125 Series B Convertible Preferred stock of ABI shall be converted into, and become exchangeable for, one share of Series A Preferred stock of Cendant with terms substantially similar to the terms of the ABI Preferred Stock and shall be convertible into Cendant's common stock.

Cendant already received anti-trust clearance to acquire American Bankers. The tender offer is subject to the receipt of tenders representing at least 51 percent of the common shares of American Bankers as well as customary closing conditions, including regulatory approvals. American Bankers will schedule shareholder meetings to vote on the merger with Cendant as soon as practicable. The transaction is expected to be completed in the latter part of the second quarter.

Pursuant to a separate agreement among Cendant, American Bankers and AIG, AIG has received a termination fee of \$100 million from American Bankers, plus \$5 million of merger-related expenses received from Cendant, which will be followed by an additional \$5 million at the closing of the transaction.

In addition, all lawsuits among the parties will be dropped, and AIG has agreed not to oppose Cendant's Form A applications in any venue.

American Bankers Insurance Group Inc. concentrates on marketing affordable, specialty insurance products and services through financial institutions, retailers and other entities offering consumer financing as a regular part of their business. ABI, through its insurance subsidiaries, operates in the United States, Canada, Latin America, the Caribbean and the United Kingdom.

Cendant is the world's premier provider of consumer and business services. With a market capitalization in excess of \$30 billion, it ranks among the 100 largest U.S. corporations. Cendant operates in three principal segments: Membership, Travel and Real Estate Services. In Membership Services, Cendant provides access to travel, shopping, auto, dining, and other services through more than 66.5 million memberships worldwide. In Travel Services, Cendant is the leading franchisor of hotels and rental car agencies worldwide, the premier provider of vacation exchange services and the second largest fleet management company. In

Real Estate Services, Cendant is the world's premier franchiser of residential real estate brokerage offices, a major provider of mortgage services to consumers and a global leader in corporate employee relocation. Headquartered in Stamford, Conn. and Parsippany, N.J., the company has more than 34,000 employees, operates in over 100 countries and makes approximately 100 million customer contacts annually.

EXHIBIT 99.2

Cendant to Acquire UK-based National Park Corporation Limited in \$1.3 Billion Transaction

NPC's Businesses Include UK's Largest Private Parking Company and Auto Club With Over 3.5 Million Members

STAMFORD, CT, PARSIPPANY, NJ--(BUSINESS WIRE)--March 23, 1998--Acquisition Immediately Accretive to Cendant's EPS.

Cendant Corp. (NYSE:CD-news), the world's largest consumer services company, today announced that it has agreed with the board of directors of U.K.-based National Parking Corporation Limited ("NPC") to the terms of a recommended cash offer to acquire the entire issued share capital of NPC for 673 pence per share, a total of approximately (pound)801 million (approximately \$1.3 billion). Payment for the shares will be made in cash.

Cendant has received irrevocable undertakings to accept the offer with respect to holdings amounting to approximately 73 percent of NPC's issued share capital and the directors of NPC intend unanimously to recommend that NPC shareholders accept the offer. The offer is subject to customary regulatory approvals and it is anticipated that the transaction will close during the second quarter of 1998.

NPC operates in two principal segments: National Car Parks Limited ("NCP"), the largest private (non-municipality owned) car park operator in the U.K. with approximately 500 locations, and Green Flag Group Limited, the largest for-profit roadside assistance organization with more than 3.5 million members in the U.K. It is anticipated that Robert D. Mackenzie will remain as Chief Executive of NPC following its acquisition by Cendant.

Walter A. Forbes, chairman, and Henry R. Silverman, president and chief executive officer of Cendant, stated: "NPC perfectly complements many of Cendant's core competencies, while at the same time strengthening our international growth opportunities. Our fuel card, fleet management and membership services units already have strong market positions in the U.K., and NPC will enhance our positions. In addition, the NPC franchise is a true brand, with approximately 500 parking locations, providing us a platform to expand throughout the United Kingdom, and eventually worldwide."

"Our U.K. units will benefit from opportunities to cross-market to the approximately 70 million annual consumer contacts, including 3 million frequent users of NPC facilities and the 3.5 million members of Green Flag, as well as the opportunity to offer parking and roadside assistance services to our millions of current U.K. customers. Consistent with the strategy we employed in the acquisitions of Travelodge, Coldwell Banker and Avis, after the acquisition of NPC is completed we intend to minimize any hard asset exposure of NPC to Cendant shareholders."

Cendant said it expects the acquisition to be immediately accretive to its earnings per share. (1)

Stephen P. Holmes, Cendant Vice Chairman, to whom NPC will report, said: "During the past two years, NPC has made substantial investments to improve its technological infrastructure and to enhance operating efficiencies. We expect to reap the benefits in 1998, 1998 and in the future. We also look forward to implementing various cross-marketing initiatives with customers of both ncp and Green Flag."

NPC is the biggest private (non-municipality owned) single car park operator in the United Kingdom, with a portfolio of approximately 500 owned and managed car parks in over 100 towns and city centers and major airport locations. NPC, through its acquisitions of National Breakdown Limited and UK Insurance Limited in 1984, has also developed a broad-based assistance group, under the brand name of Green Flag. Green Flag offers wide range of emergency support and rescue services to approximately 3.5 million members.

Cendant Corp., is the world's premier provider of consumer and business services. With a market capitalization in excess of \$30 billion, it ranks among the 100 largest U.S. corporations. Cendant operates in three principal segments: Membership, Travel and Real Estate Services. In Membership Services, Cendant provides access to travel, shopping, auto, dining, and other services through more than 66.5 million memberships worldwide. In Travel Services, Cendant is the leading franchisor of hotels and rental car agencies worldwide, the premier provider of vacation exchange services and the second largest fleet management company. In Real Estate Services, Cendant is the world's premier franchiser of residential real estate brokerage offices, a major provider of mortgage services to consumers and a global leader in corporate employee relocation. Headquartered in Stamford, Conn. and Parsippany, N.J., the company has more than 34,000 employees, operates in over 100 countries and makes approximately 100 million customer contacts annually.

In the U.K., Cendant's PHH unit is the market leader in vehicle management services, managing over 275,000 vehicles for corporate customers. PHH also provide accident management services for corporate fleet and claims handling for major auto insurers. PHH has an independent vehicle-related network of over 12,000 outlets. In addition, through PHH's AllStar fuel card and Harpur's Dialcard and Overdrive fuel cards, the company has nearly one million fuel cards in use in the U.K. alone. These cards are accepted at approximately 12,000 gasoline stations in the U.K. and enable corporate clients to manage and control their fuel costs.

Cendant's membership services division also markets a variety of value-added membership programs in Europe. Since acquiring its European licensing rights in 1996, the Company has more than doubled its international membership every year. Cendant currently serves four million international members through partnership agreements with fourteen major European banks.

Cendant's RCI unit is the world's largest timeshare exchange company, with more than 2.4 million member families worldwide and 200,000 in the U.K. alone. Through RCI, timeshare owners can swap the weeks they own and spend a vacation at one of over 3,200 timeshare properties in 89 countries worldwide.

(1) The Takeover Panel in the UK Requires Cendant to state that such enhancement should not be interpreted to mean that earnings per share will necessarily be greater than that for the relevant preceding financial period.