

Edgar Filing: CENDANT CORP - Form 424B3

CENDANT CORP
Form 424B3
August 16, 2001

Filed pursuant to Rule No. 424(b)(3)
File Number 333-59246

PROSPECTUS SUPPLEMENT NO. 2
(TO PROSPECTUS DATED JULY 25, 2001)

\$1,479,258,000
CENDANT CORPORATION
ZERO COUPON SENIOR CONVERTIBLE CONTINGENT DEBT SECURITIES (CODES) DUE 2021
AND CD COMMON STOCK ISSUABLE UPON CONVERSION OF THE CODES

This prospectus supplement supplements the prospectus dated July 25, 2001 of Cendant Corporation, as supplemented August 1, 2001, relating to the sale by certain of our securityholders (including their pledgees, donees, assignees, transferees, successors and others who later hold any of the selling securityholders' interests) of up to \$1,479,258,000 aggregate principal amount at maturity of CODES and the shares of CD common stock issuable upon conversion of the CODES. You should read this prospectus supplement in conjunction with the prospectus, and this prospectus supplement is qualified by reference to the prospectus, except to the extent that the information in this prospectus supplement supersedes the information contained in the prospectus.

The table of selling securityholders contained in the prospectus is hereby amended to add the entities who are named below as selling securityholders:

NAME	AGGREGATE PRINCIPAL AMOUNT AT MATURITY OF CODES THAT MAY BE SOLD	PERCENTAGE OF CODES OUTSTANDING	NUMBER OF SHARES OF CD COMMON STOCK THAT MAY BE SOLD (1)	PERCENTAGE OF SHARES OUTSTANDING
Deutsche Banc Alex. Brown Inc.....	\$56,602,000	3.83%	1,890,507	
Fidelity Financial Trust: Fidelity Convertible Securities Fund(3).....	\$18,950,000	1.28%	632,930	

Additionally, the following represents updated information regarding the selling securityholders listed in the selling securityholder table in the prospectus:

NAME	AGGREGATE PRINCIPAL AMOUNT AT MATURITY OF CODES THAT MAY BE SOLD	PERCENTAGE OF CODES OUTSTANDING	NUMBER OF SHARES OF CD COMMON STOCK THAT MAY BE SOLD (1)	PERCENTAGE OF SHARES OUTSTANDING
AIG SoundShore Holdings Ltd.....	\$ 8,981,000	*	299,965	
AIG SoundShore Opportunity Holding Fund Ltd.....	\$11,238,000	*	375,349	

Edgar Filing: CENDANT CORP - Form 424B3

AIG SoundShore Strategic Holding Fund Ltd.....	\$ 6,341,000	*	211,789
Global Bermuda Limited Partnership.....	\$ 4,150,000	*	138,610
Lakeshore International Limited.....	\$15,500,000	1.05%	517,700
All other holders of CODES or future transferees, pledgees, donees, assignees or successors of any such holders (4) (5).....	\$13,472,000	0.91%	449,965

* Less than one percent (1%).

- (1) Assumes conversion of all of the holder's CODES at a conversion rate of 33.40 shares of CD common stock per \$1,000 principal amount at maturity of the CODES. This conversion rate is subject to adjustment, however, as described under "Description of the CODES--Conversion Rights". As a result, the number of shares of CD common stock issuable upon conversion of the CODES may increase or decrease in the future. Does not include shares of CD common stock that may be issued by us upon purchase of CODES by us at the option of the holder.
- (2) Calculated based on Rule 13d-3(d) (i) of the Exchange Act, using 857,074,916 shares of CD common stock outstanding as of June 30, 2001. In calculating this amount for each holder, we treated as outstanding the number of shares of CD common stock issuable upon conversion of all of that holder's CODES, but we did not assume conversion of any other holder's CODES. Does not include shares of CD common stock that may be issued by us upon purchase of CODES by us at the option of the holder.
- (3) The entity is either an investment company or a portfolio of an investment company registered under Section 8 of the Investment Company Act of 1940, as amended, or a private investment account advised by Fidelity Management & Research Company ("FMR Co."). FMR Co. is a Massachusetts corporation and an investment advisor registered under Section 203 of the Investment Advisors Act of 1940, as amended, and provides investment advisory services to each of such Fidelity entities identified above, and to other registered investment companies and to certain other funds which are generally offered to a limited group of investors. FMR Co. is a wholly-owned subsidiary of FMR Corp., a Massachusetts corporation.
- (4) Information about other selling securityholders will be set forth in prospectus supplements, if required.
- (5) Assumes that any other holders of CODES, or any future pledgees, donees, assignees, transferees or successors of or from any other such holders of CODES, do not beneficially own any shares of CD common stock other than the CD common stock issuable upon conversion of the CODES at the initial conversion rate.

Investing in the CODES or shares of CD common stock involves risks that are described in the "Risk Factors" section beginning on page 5 of the prospectus.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS SUPPLEMENT IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Edgar Filing: GENDANT CORP - Form 424B3

The date of this prospectus supplement is August 16, 2001.