

PROSPECTUS SUPPLEMENT NO. 1  
 (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 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.

AGGREGATE NUMBER OF PRINCIPAL AMOUNT SHARES OF CD PERCENTAGE OF AT MATURITY OF PERCENTAGE OF COMMON STOCK SHARES OF CD CODES THAT CODES THAT MAY COMMON STOCK NAME MAY BE SOLD OUTSTANDING BE SOLD(1) OUTSTANDING(2) - ----	-----
----- Christian Science Trustees- -Gifts and Endowments.....	\$ 295,000 * 9,853 * EQAT/Alliance Growth Investors..... \$3,330,000 * 111,222 * Equitable Life Assurance Separate Account-- Balanced..... \$ 180,000 * 6,012 * Equitable Life Assurance Separate Account-- Convertibles..... \$3,020,000 * 100,868 * Memphis Light, Gas & Water Retirement Fund.....
	\$1,975,000 * 65,965 * The Frist Foundation..... \$ 545,000 * 18,203 * The JH Mennen GST..... \$ 110,000 * 3,674 *

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

AGGREGATE NUMBER OF PRINCIPAL AMOUNT SHARES OF CD PERCENTAGE OF AT MATURITY OF PERCENTAGE OF COMMON STOCK SHARES OF CD CODES THAT CODES THAT MAY COMMON STOCK NAME MAY BE SOLD OUTSTANDING BE SOLD(1) OUTSTANDING(2) - ----	-----
----- Allstate Insurance Company (3).....	\$ 5,250,000 * 175,350 * Allstate Life Insurance Company (3).... \$ 9,960,000 * 332,664 * Chrysler Corporation Master Retirement Trust.....
	\$ 12,180,000 * 406,812 * Delta Airlines Master Trust (c/o Oaktree Capital Management, LLC).... \$ 3,485,000 * 116,399 * Delta Pilots D&S Trust..... \$ 1,715,000 * 57,281 * Motion Picture

Industry Health Plan-- Active Member  
Fund..... \$ 1,205,000  
\* 40,247 \* Motion Picture Industry  
Health Plan-- Retiree Member  
Fund..... \$ 440,000 \*  
14,696 \* OCM Convertible  
Trust..... \$ 8,360,000  
\* 279,224 \* Paloma Securities  
LLC..... \$ 50,000,000  
3.38% 1,670,000 \* Partner  
Reinsurance Company Ltd..... \$  
2,020,000 \* 67,468 \* State  
Employees' Retirement Fund of the  
State of  
Delaware..... \$  
5,195,000 \* 173,513 \* State of  
Connecticut Combined Investment  
Funds..... \$  
8,100,000 \* 270,540 \* All other  
holders of CODES or future  
transferees, pledgees, donees,  
assignees or successors of any such  
holders (4)  
(5).....  
\$105,234,000 7.11% 3,514,816 0.41%

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\* 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) Allstate Insurance Company is the parent company of Allstate Life Insurance Company. Allstate Insurance Company and Allstate Life Insurance Company collectively hold 1.03% of the outstanding CODES.
- (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.

The date of this prospectus supplement is August 1, 2001.