

UNITED STATES
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

Date of Report (Date of earliest event reported) **March 14, 2005 (March 8, 2005)**

Cendant Corporation

(Exact name of Registrant as specified in its charter)

Delaware
*(State or other jurisdiction
of incorporation)*

1-10308
(Commission File No.)

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

9 West 57th Street
New York, NY
*(Address of principal
executive office)*

10019
(Zip Code)

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

None
(Former name or former address if changed since last report)

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 Securities 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))

Item 1.01 **Entry into a Material Definitive Agreement.**
Item 1.02 **Termination of Material Definitive Agreement.**

On March 14, 2005, Cendant Corporation (“Cendant”) announced that its previously disclosed strategic realignment and disposition of several non-core business units will result in the streamlining of its division management structure and changes in reporting relationships. Cendant’s press release announcing the streamlining of its division management structure is included as [Exhibit 99.1](#) to this Current Report on Form 8-K and is incorporated herein by reference.

In connection with this strategic realignment and disposition, Kevin M. Sheehan, Chief Executive Officer of our Vehicle Services Division, and Scott E. Forbes, Senior Executive Vice President and Managing Director of Cendant Europe, Middle East and Africa, will be leaving Cendant effective May 6, 2005.

In connection with the departure of Messrs. Sheehan and Forbes, our Board of Directors authorized separation agreements which will provide the officers with severance benefits in exchange for a release of claims and an agreement to provide Cendant with post-termination services and protections for no additional compensation beyond the severance benefits described herein. Messrs. Sheehan and Forbes will receive severance benefits comprised of a lump sum cash severance payment equal to \$6,839,625 and \$4,709,250, respectively, which is equal to 299% of each officer’s current rate of base salary plus current target bonus, and the acceleration of equity incentive awards pursuant to such officers’ employment agreements. In addition, Mr. Sheehan will receive vested post-termination medical benefits pursuant to a program sponsored by Avis, and Mr. Forbes will receive certain post-termination medical benefits and relocation benefits, both pursuant to the terms of their existing employment agreements. In connection with the separation agreements, Messrs. Sheehan's and Forbes' employment agreements will terminate, except for certain provisions relating to post-termination obligations that will survive.

In addition to providing a release of claims against Cendant, Messrs. Sheehan’s and Forbes’ separation agreements will provide for extended restricted periods applicable to post-employment non-competition and non-solicitation covenants which will now have terms of 3 years and 4 years, respectively. Messrs. Sheehan and Forbes will also provide certain transition and consulting services to Cendant through December 31, 2008, and will remain available for the rest of their respective lives to provide assistance with Cendant legal matters for no additional compensation.

Item 8.01 **Other Events.**

On March 8, 2005, we announced that our board of directors approved a change in our dividend policy to increase our regular quarterly cash dividend by 22% to \$0.11 from \$0.09 per common share, effective with the third quarter dividend payment. The actual declaration of any future dividends and the establishment of the record dates related thereto remains subject to further action by our board. In addition, we announced that our board formally approved our plans for the previously announced disposition of our Marketing Services Division. As a result, the division will be classified as a discontinued operation in the first quarter of 2005. Our press release containing these announcements is included as [Exhibit 99.2](#) to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 **Financial Statements and Exhibits.**

(c) Exhibits

- 99.1 Press Release, dated March 14, 2005.
 - 99.2 Press Release, dated March 8, 2005.
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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, 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: March 14, 2005

CENDANT CORPORATION
CURRENT REPORT ON FORM 8-K
Report Dated March 14, 2005 (March 8, 2005)

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release, dated March 14, 2005.
99.2	Press Release, dated March 8, 2005.



**Cendant Announces Division Management Changes as
Company Nears Completion of Strategic Realignment**

New York, March 14, 2005—Cendant Corporation (**NYSE:CD**) today announced that the Company's previously disclosed strategic realignment and disposition of several non-core business units will result in the streamlining of its division management structure and changes in reporting relationships.

In keeping with the Company's strategic realignment, Cendant will operate within two vertical markets—Travel and Real Estate. The Real Estate Services Division will continue under the leadership of Richard A. Smith, chairman and CEO of that division. The Company's Travel segment will comprise two integrated groups—Travel Content and Travel Distribution. Stephen P. Holmes, chairman and CEO of Cendant's Hospitality Services Division will be responsible for Travel Content, which includes the Hotel Group, Timeshare Resort Group, Vacation Exchange Group, Vacation Rental Group and Cendant Car Rental Group. Samuel L. Katz, chairman and CEO of the Travel Distribution Services Division will oversee Travel Distribution, which includes Agency Services, Consumer Travel, Corporate Travel Solutions and Supplier Services. As a result of the expected disposition of the Company's Marketing Services Division in the third quarter of 2005, the Company will disaggregate its Europe, Middle East and Africa (EMEA) headquarters in London, and the functions provided by this office will be subsumed by Cendant's U.S.-based Corporate Group and/or operating units based in the UK.

Accordingly, Kevin M. Sheehan, chairman and chief executive officer, Vehicle Services Division and Scott Forbes, senior executive vice president of Cendant EMEA will be leaving the Company.

Cendant's Chairman and CEO, Henry R. Silverman, stated: "The recent dispositions of our non-core business units, including our tax preparation, mortgage, fleet management and fuel card management units, and the pending sale of Marketing Services, will position Cendant as a pure play travel and real estate company. As part of the realignment, we are compelled to streamline our management reporting structure to be more in line with the long-term operating structure of the Company.

"Kevin Sheehan has been a trusted advisor and strategic partner for more than 20 years and has played an important role in the evolution of Cendant. Kevin took the helm at Avis Group as president in 1999 following its initial public offering, and later served as Cendant's CFO after Avis was brought back into the Cendant fold in 2001. Given the depth of his experience at Avis, Kevin assumed responsibility for the Company's Vehicle Services Division upon the acquisition of Budget in 2003. Under Kevin's stewardship, we have surpassed all expectations for synergy creation through the

Investor Relations:

Sam Levenson
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**CENDANT'S BOARD OF DIRECTORS APPROVES 22% INCREASE IN
QUARTERLY CASH DIVIDEND TO \$0.11 PER COMMON SHARE
BEGINNING IN THIRD QUARTER 2005**

NEW YORK, March 8, 2005— Cendant Corporation (**NYSE: CD**) today announced that its board of directors approved a change in its dividend policy to increase the Company's regular quarterly cash dividend by 22% to \$0.11 from \$0.09 per common share, effective with the third quarter dividend payment. The actual declaration of any future dividends and the establishment of the record dates related thereto remains subject to further action by Cendant's board.

Cendant's President and Chief Financial Officer, Ronald L. Nelson, commented: "When we initiated the dividend in 2004, we committed to review and increase the payment at least consistent with our earnings growth. With this move, we will have increased the dividend by over 57% in just 18 months. This increase reflects the board's and management's confidence in the Company's strategic focus on its real estate and travel businesses and in the prospects for growth of these businesses."

Additionally, the board has formally approved the Company's plans for the previously announced disposition of its Marketing Services Division. As a result, the division will be classified as a discontinued operation in the first quarter of 2005. The Company continues to anticipate a summer closing.

About Cendant Corporation

Cendant Corporation is primarily a provider of travel and residential real estate services. With approximately 80,000 employees, New York City-based Cendant provides these services to business and consumers in over 100 countries. More information about Cendant, its companies, brands and current SEC filings may be obtained by visiting the Company's Web site at <http://www.cendant.com>.

Statements about future results made in this release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and the current economic environment. The Company cautions that these statements are not guarantees of future performance. Actual results may differ materially from those expressed or implied in the forward-looking statements. 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 Annual Report on Form 10-K for the period ended December 31, 2004.

Such forward-looking statements include projections. Such projections were not prepared in accordance with published guidelines of the American Institute of Certified Public Accountants or the Securities and Exchange Commission regarding projections and forecasts, nor have such projections been audited, examined or otherwise reviewed by independent auditors of Cendant or its affiliates. In addition, such projections are based upon many estimates and are inherently subject to significant economic, competitive and other uncertainties and contingencies, including but not limited to the impact of war or terrorism, which are beyond the control of management of Cendant and its affiliates.

Accordingly, actual results may be materially higher or lower than those projected. The inclusion of such projections herein should not be regarded as a representation by Cendant or its affiliates that the projections will prove to be correct.

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