

HOLMES STEPHEN P  
Form 4  
August 21, 2006

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
HOLMES STEPHEN P

2. Issuer Name and Ticker or Trading Symbol  
CENDANT CORP [CD]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
ONE CAMPUS DRIVE  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
08/15/2006

Director  10% Owner  
 Officer (give title below)  Other (specify below)

PARSIPPANY, NJ 07054

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock (series designated CD stock)	08/15/2006		M <sup>(1)</sup>	91,980 A	\$ 0 182,606	I	Held by NQ Deferred Compensation Plan (Deferred LTIP Shares)
Common Stock (series designated CD stock)	08/15/2006		F <sup>(2)</sup>	1,335 D	\$ 1.86 181,271	I	Held by NQ Deferred Compensation Plan (Deferred LTIP Shares)
Common Stock	08/15/2006		M <sup>(1)</sup>	124,813 A	\$ 0 331,105	D	

(series designated CD stock)

Common Stock

(series designated CD stock) 08/15/2006

F<sup>(2)</sup>

57,851

D

\$ 1.86

273,254

D

Common Stock

(series designated CD stock)

110,000

I

Held by Trust

Common Stock

(series designated CD stock)

16,971

I

Held by Children

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

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Restricted Stock Units	\$ 0	08/15/2006		M <sup>(1)</sup>	24,007	04/22/2004 <sup>(3)</sup>	<sup>(6)</sup>	Common Stock (series designated CD stock)	24,007
Restricted Stock Units	\$ 0	08/15/2006		M <sup>(1)</sup>	67,973	04/27/2005 <sup>(4)</sup>	<sup>(6)</sup>	Common Stock (series designated CD stock)	67,973

Restricted Stock Units	\$ 0	08/15/2006	M <sup>(1)</sup>	124,813	04/27/2005 <sup>(5)</sup>	<sup>(6)</sup>	Common Stock (series designated CD stock)	124,
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOLMES STEPHEN P ONE CAMPUS DRIVE PARSIPPANY, NJ 07054		X		

## Signatures

Jean M. Sera, by Power of Attorney for Stephen P.  
Holmes

08/21/2006

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(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).
- (1) Represents restricted stock units which automatically converted to Common Stock (series designated CD stock) upon the vesting of such units on a one-to-one basis.
- (2) Represents tax withholdings in connection with the vesting of restricted stock units on August 15, 2006.
- (3) Original grant vests in four equal installments on April 22, 2004, 2005, 2006 and 2007. In connection with the Separation Plan, vesting was accelerated to August 15, 2006.  
  
One-half of the original grant vests in four equal installments on April 27, 2005, 2006, 2007 and 2008, subject to the Company's attainment of preestablished financial performance goals. An additional one-half of the original grant vests on April 27, 2008, subject to the Company's attainment of preestablished financial performance goals. In connection with the Separation Plan, vesting was accelerated to August 15, 2006. In addition, 90,631 Performance-Vesting Restricted Stock Units, which were to originally vest upon the attainment of above-target performance goals, terminated as disclosed in Cendant's Current Reports on Form 8-K dated March 27, 2006 and October 27, 2005.
- (4) One-half of the original grant vests in four equal installments on April 27, 2006, 2007, 2008 and 2009, subject to the Company's attainment of preestablished financial performance goals. An additional one-half of the original grant vests on April 27, 2009, subject to the Company's attainment of preestablished financial performance goals. In connection with the Separation Plan, vesting was accelerated to August 15, 2006. In addition, 124,813 Performance-Vesting Restricted Stock Units, which were to originally vest upon the attainment of above-target performance goals, terminated as disclosed in Cendant's Current Reports on Form 8-K dated March 27, 2006 and October 27, 2005.
- (6) Expiration date not applicable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.