WYNDHAM WORLDWIDE CORP
Form 424B2
February 29, 2012
Table of Contents

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to be Registered**	**Offering Price**	**Amount of Registration Fee(1)**
2.950% Notes due 2017	$300,000,000	$299,367,000	$34,308
4.250% Notes due 2022	$500,000,000	$499,035,000	$57,190

(1) The registration fee, calculated in accordance with Rule 457(r), is being transmitted to the SEC on a deferred basis pursuant to Rule 456(b).

Table of Contents

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-179710

Prospectus supplement

(To prospectus, dated February 27, 2012)

Wyndham Worldwide Corporation

$300,000,000

2.950% Notes due 2017

$500,000,000

4.250% Notes due 2022

We are offering $300 million aggregate principal amount of notes due 2017 (the 2017 notes) and $500 million aggregate principal amount of notes due 2022 (the 2022 notes and together with the 2017 notes, the notes).

The 2017 notes will bear interest at the rate of 2.950% per year and the 2022 notes will bear interest at the rate of 4.250% per year. Interest will be payable semi-annually on March 1 and September 1 of each year, commencing September 1, 2012. The 2017 notes will mature on March 1, 2017 and the 2022 notes will mature on March 1, 2022. We may redeem some or all of the notes at any time prior to maturity at the redemption prices described under the caption Description of notes Optional redemption.

The notes will be our unsecured obligations and will rank equally in right of payment with all of our other unsubordinated indebtedness from time to time outstanding.

Investing in the notes involves risks. Please see the sections entitled Risk Factors beginning on page 31 of our Annual Report on Form 10-K for the year ended December 31, 2011 and in this prospectus supplement beginning on page S-9 and the accompanying prospectus beginning on page 5.

	Per 2017 note	Total	Per 2022 note	Total
Public offering price(1)	99.789%	$299,367,000	99.807%	$499,035,000
Underwriting discount	0.60%	$1,800,000	0.65%	$3,250,000
Proceeds, before expenses, to us	99.189%	$297,567,000	99.157%	$495,785,000

(1) Plus accrued interest, if any, from March 7, 2012, if settlement occurs after such date.

The issuer does not intend to apply for listing of the notes on any securities exchange or for inclusion of the notes in any automated quotation system.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to distribute the notes in book-entry form through the facilities of The Depository Trust Company for the benefit of its direct and indirect participants on or about March 7, 2012. Please see the section entitled Underwriting.

Joint Book-Running Managers

J.P. Morgan

(2017 notes)
Deutsche Bank Securities

(2022 notes)
Goldman, Sachs & Co.

(2017 notes)
RBS

(2022 notes)
Credit Suisse

Mitsubishi UFJ Securities
US Bancorp

Scotiabank
Wells Fargo Securities

nabSecurities, LLC

SMBC Nikko

SunTrust Robinson Humphrey

The date of this prospectus supplement is February 27, 2012

Table of Contents

Table of contents

Prospectus Supplement

Prospectus

We provide information to you about this offering in two separate documents. The accompanying prospectus provides general information about us and the securities we may offer from time to time. This prospectus supplement describes the specific details regarding this offering. Additional information is incorporated by reference in this prospectus supplement. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement.

We have not authorized anyone to provide any information or make any representations other than that contained or incorporated by reference in this prospectus supplement, the

Table of Contents

accompanying prospectus or any free writing prospectus filed by us with the Securities and Exchange Commission, or the SEC. We have not, and the underwriters have not, authorized anyone else to provide you with different or additional information. Neither we nor the underwriters take any responsibility for, nor can we provide any assurance as to the reliability of, any different or additional information that others may give you. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer and sale thereof is not permitted. You should not assume that the information in this prospectus supplement, the accompanying prospectus, any free writing prospectus or any document incorporated by reference herein or therein is accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

Table of Contents

Forward-looking statements

Forward-looking statements in this prospectus supplement and documents that are incorporated by reference herein are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other public statements. These forward-looking statements are based on various facts and have been derived utilizing numerous important assumptions and other important factors, and changes in such facts, assumptions or factors could cause actual results to differ materially from those in the forward-looking statements. Forward-looking statements include the information concerning our future financial performance, business strategy, projected plans and objectives. Statements preceded by, followed by or that otherwise include the words believes, expects, anticipates, intends, projects, estimates, plans, may increase, may fluctuate and similar expressions or future or conditional verbs such as should, would, may and c generally forward looking in nature and not historical facts. You should understand that the following important factors could affect our future results and could cause actual results to differ materially from those expressed in such forward-looking statements:

- Competition in our existing and future lines of business and the financial resources of competitors;
- Declines in or disruptions to the travel industry, such as those caused by economic slowdown, terrorism, political strife, acts of God and war;
- Risks common to the hospitality industry, including changes in operating costs, changes in desirability of geographic regions of the hotels or resorts in our business, changes in the supply and demand for hotel rooms and the seasonality in our businesses;
- Our ability to achieve our growth objectives;
- Risks inherent in operating in foreign countries, including local economic conditions, potential adverse changes in the diplomatic relations of foreign countries with the U.S. and hostility from local populations;
- Legal actions against us;
- Our indebtedness, hedging transactions, securitization of certain of our assets, surety bond requirements, the cost and availability of capital and extension of credit by us;
- Economic conditions affecting the hospitality industry, the global economy and credit markets generally;
- Our failure to comply with laws and regulations and any changes in laws and regulations, including hospitality, vacation rental and vacation ownership-related regulations, telemarketing regulations, privacy policy regulations and state, federal and international tax laws;
- Damage to our reputation and the value of our brands;
- The loss of any of our senior management;

Our relationships with associates;

Table of Contents

Our ability to adequately protect and maintain our intellectual property; and

Our failure to provide fully integrated disaster recovery technology solutions in the event of a disaster or other business interruption.

Other factors not identified above, including the risk factors described or incorporated by reference in the Risk factors section of this prospectus supplement or the accompanying prospectus, may also cause actual results to differ materially from those projected by our forward-looking statements. Most of these factors are difficult to anticipate and are generally beyond our control.

You should consider the areas of risk described above, as well as those set forth under the heading Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2011 and in this prospectus supplement and the accompanying prospectus in connection with considering any forward-looking statements that may be made by us and our businesses generally. Except for our ongoing obligations to disclose material information under the federal securities laws, we undertake no obligation to release any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events unless we are required to do so by law. For any forward-looking statements contained or incorporated by reference in this prospectus supplement, we claim the protection of the safe harbor for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the Securities Act) and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act).

Table of Contents

Summary

The following is a summary of the more detailed information appearing elsewhere or incorporated by reference in this prospectus supplement. It does not contain all of the information that may be important to you. You should read this prospectus supplement in its entirety and the documents we have referred you to, including those incorporated herein by reference, especially the risks of investing in the notes discussed under Risk Factors, before investing in these notes. Except as otherwise indicated or unless the context otherwise requires, Wyndham Worldwide, we, us, our, the Company, and our company refer to Wyndham Worldwide Corporation or any successor thereto and its subsidiaries on a consolidated basis. Unless otherwise indicated, information is presented as of December 31, 2011.

Our company

As one of the world s largest hospitality companies, we offer individual consumers and business customers a broad array of hospitality services and products across various accommodation alternatives and price ranges through our portfolio of world-renowned brands. The hospitality industry is a major component of the travel industry, which is one of the largest retail industry segments of the global economy. Our operations are grouped into three segments of the hospitality industry: lodging, vacation exchange and rentals and vacation ownership. With our 30 brands, which include Wyndham Hotels and Resorts, Tryp by Wyndham, Ramada, Days Inn, Super 8, Howard Johnson, Wyndham Rewards, Wingate by Wyndham, Microtel Inns & Suites, RCI, The Registry Collection, Landal GreenParks, Novasol, Hoseasons, cottages4you, James Villa Holidays, ResortQuest by Wyndham Vacation Rentals, The Resort Company by Wyndham Vacation Rentals, Wyndham Vacation Resorts and WorldMark by Wyndham, we have built a significant presence in most major hospitality markets in the U.S. and throughout the rest of the world.

Approximately 60% of our revenues come from fees that we receive in exchange for providing services. We refer to the businesses that generate these fees as our fee-for-service businesses. We receive fees: (i) in the form of royalties for use of our brand names; (ii) for providing hotel and resort management services; (iii) for providing property management services to vacation ownership resorts; (iv) for providing vacation exchange and rentals services; and (v) for providing services under our Wyndham Asset Affiliation Model (WAAM). The remainder of our revenue comes primarily from proceeds received from the sale of vacation ownership interests and related financing.

Our lodging business, Wyndham Hotel Group, is the world s largest hotel company based on the number of properties, franchising in the upper upscale, upscale, upper midscale, midscale, economy and extended stay segments of the lodging industry and providing hotel management services globally for full-service hotels. This is predominantly a fee-for-service business that provides recurring revenue streams, requires low capital investment and produces strong cash flow.

Our vacation exchange and rentals business, Wyndham Exchange & Rentals, is the world s largest member-based vacation exchange network based on the number of vacation exchange members and the world s largest marketer of professionally serviced vacation rental properties based on the number of vacation rental properties marketed. Through this business, we provide vacation exchange services and products and access to distribution systems and networks to resort developers and owners of intervals of vacation ownership interests, and we market vacation rental properties primarily on behalf of independent owners, vacation ownership developers and other hospitality providers. This is primarily a fee-for-service business that provides stable revenue streams, requires low capital investment and produces strong cash flow.

Our vacation ownership business, Wyndham Vacation Ownership, is the world s largest vacation ownership business based on the number of resorts, units, owners and revenues. Through our vacation ownership business, we develop and market vacation ownership interests to individual consumers, provide consumer financing in connection with the sale of vacation ownership interests and provide property management services at resorts. While the vacation ownership business has historically required us to invest in inventory development, a central strategy for Wyndham Worldwide is to leverage our scale and marketing expertise to pursue low-capital requirement, fee-for-service business relationships that produce strong cash flow. In 2010, we introduced WAAM which offers turn-key solutions for developers or banks in possession of newly developed inventory, which we sell for a fee through our extensive sales and marketing channels.

Our mission is to increase shareholder value by being the leader in travel accommodations and welcoming our guests to iconic brands and vacation destinations through our signature Count On Me! service. Our strategies to achieve these objectives are to:

- Increase market share by delivering exceptional customer service;
- Grow cash flow and operating margins through superior execution in all of our businesses;
- Rebalance the Wyndham Worldwide portfolio to emphasize our fee-for-service business models;
- Attract, retain and develop human capital across our organization; and
- Support and promote Wyndham Green and Wyndham Diversity initiatives.

We strive to provide value-added services and products that are intended to both enhance the travel experience of the individual consumer and drive revenues to our business customers. The depth and breadth of our businesses across different segments of the hospitality industry provide us with the opportunity to expand our relationships with our existing individual and business customers in one or more segments of our business by offering them additional or alternative services and products from our other segments.

We expect to generate annual net cash provided by operating activities less capital expenditures, equity investments and development advances in the range of approximately $600 million to $700 million in 2012. This cash flow is expected to be utilized for (i) investment in our businesses including acquisitions, (ii) share repurchases and (iii) dividends.

Our lodging, vacation exchange and rentals and vacation ownership businesses all have both domestic and international operations. During 2011, we derived 71% of our revenues in the U.S. and 29% internationally (approximately $755 million (18%) in Europe and $460 million (11%) in all other international regions). For a discussion of our segment revenues, profits, assets and geographical operations, see Note 21 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the period ended December 31, 2011.

Table of Contents

Risk factors

See the sections entitled Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2011 and in this prospectus supplement and the accompanying prospectus for a discussion of the factors you should consider carefully before deciding to invest in the notes.

Table of Contents

The offering

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. For a more detailed description of the terms and conditions of the notes, see the sections entitled Description of notes

Issuer	Wyndham Worldwide Corporation, a Delaware corporation
Securities Offered	$300 million aggregate principal amount of 2.950% notes due 2017 and $500 million aggregate principal amount of 4.250% notes due 2022
Maturity	The 2017 notes will mature on March 1, 2017 and the 2022 notes will mature on March 1, 2022.
Interest Rate	The 2017 notes will bear interest at the rate of 2.950% per year and the 2022 notes will bear interest at the rate of 4.250% per year. Interest on the notes will be payable semi-annually in arrears on March 1 and September 1 of each year commencing September 1, 2012.
Ranking	The notes will be our general unsecured obligations and will rank equally with all of our existing and future unsubordinated obligations. As of December 31, 2011, we had $2,047 million of unsecured indebtedness outstanding, $106 million of secured indebtedness outstanding, and $1,862 million of securitized indebtedness outstanding.
	Holders of any secured indebtedness will have claims that are prior to your claims as holders of the notes, to the extent of the value of the assets securing such indebtedness, in the event of any bankruptcy, liquidation or similar proceeding.
	The notes will be structurally subordinated to all obligations of our subsidiaries, including claims with respect to trade payables. As of December 31, 2011, our direct and indirect subsidiaries had $106 million of outstanding indebtedness and other liabilities (excluding intercompany liabilities and indebtedness under our securitization programs), all of which are structurally senior to the notes.
Further Issues	We may create and issue further notes ranking equally and ratably in all respects with the notes being offered hereby, so that such further notes will be consolidated and form a single series with the notes being offered hereby and will have the same terms. Please see the section entitled Description of notes Further issues.
Optional Redemption	We may redeem at our option all or a portion of (i) the 2017 notes at any time prior to February 1, 2017 (one month prior to the maturity date of the 2017 notes) and (ii) the 2022 notes at any time prior to December 1, 2021 (three months prior to the maturity date of the

Table of Contents

2022 notes) at the make-whole redemption price described under the section entitled Description of notes Optional redemption in this prospectus supplement.

We may redeem at our option all or a portion of (i) the 2017 notes at any time on or after February 1, 2017 (one month prior to the maturity date of the 2017 notes) at a redemption price equal to 100% of the principal amount of the 2017 notes being redeemed and (ii) the 2022 notes on or after December 1, 2021 (three months prior to the maturity date of the 2022 notes) at a redemption price equal to 100% of the principal amount of the 2022 notes being redeemed, plus, in each case, accrued and unpaid interest on the principal amount being redeemed to, but not including, the redemption date.

Certain Covenants

We will issue the notes under an indenture that will, among other things, limit our ability to:

- consolidate, merge or sell all or substantially all of our assets;
- create liens, except for those created in our securitization facilities; and
- enter into sale and leaseback transactions.

All of these limitations will be subject to a number of important qualifications and exceptions. Please see the section entitled Description of notes.

Repurchase at the Option of the Holders of Notes

If we experience specific kinds of change of control and the ratings on the notes are below investment grade ratings on any date within a specified period of time following the public notice of an arrangement that could result in a change of control, we will be required to offer to purchase the notes at a price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to the date of purchase. Please see the section entitled Description of notes Repurchase at the option of the holders of notes.

Use of Proceeds

We intend to use the net proceeds of this offering (i) to repurchase any and all of the $250,000,000 aggregate principal amount of our outstanding 9.875% Notes due 2014 and a portion of the $800,000,000 aggregate principal amount of our outstanding 6.000% Senior Notes due 2016 and the $250,000,000 aggregate principal amount of our outstanding 7.375% Notes due 2020 in a tender offer we are conducting simultaneously with this offering, (ii) to repay borrowings under our revolving credit facility and (iii) for general corporate purposes. Please see the section entitled Use of proceeds.

Table of Contents

Book-entry form	The notes will be issued in the form of one or more fully registered global notes, which will be deposited with, or on behalf of, The Depository Trust Company (the Depositary), New York, New York and registered in the name of Cede & Co., the Depositary s nominee. Beneficial interests in the global notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in the Depositary. Investors may elect to hold interests in the global notes through either the Depositary (in the United States), or Clearstream Banking Luxembourg S.A. or Euroclear Bank S.A./N.V. as operator of the Euroclear System (in Europe), if they are participants in those systems, or indirectly through organizations that are participants in those systems.
Absence of a public market for the notes	The notes are new securities for which there is currently no established market. Accordingly, we cannot assure you as to the development or liquidity of any market for the notes. The underwriters have advised us that they currently intend to make a market in the notes. However, they are not obligated to do so, and they may discontinue any market making activities with respect to the notes without notice to you or us. We do not intend to apply for a listing of the notes on any securities exchange or quotation system.
Certain United States federal income tax consequences for non-United States holders	For a discussion of material United States federal income tax consequences for non-United States holders related to the ownership and disposition of the notes, see Material United States federal income tax considerations for non-United States holders.
Trustee and paying agent	U.S. Bank National Association.
Governing Law	The notes and the indenture under which they will be issued will be governed by New York law.
Conflicts of Interest	Affiliates of certain of the underwriters are holders of our 9.875% Notes due 2014, our 6.000% Senior Notes due 2016 or our 7.375% Notes due 2020 or lenders under our revolving credit facility. Because a portion of the net proceeds of this offering, not including underwriting compensation, may be received by affiliates of certain underwriters, to the extent any one underwriter, together with its affiliates, receives more than 5% of the net proceeds, such underwriter would be deemed to have a conflict of interest with us in regards to this offering under Financial Industry Regulatory Authority, Inc. (FINRA) Rule 5121. For a brief description of our relationships with certain underwriters, see Use of proceeds and Conflicts of interest.

Table of Contents

Risk factors

Your investment in the notes involves certain risks. Before you invest in the notes, in consultation with your own financial and legal advisers, you should carefully consider, among other matters, the following discussion of risks relating to the notes and the discussion of risks relating to our business under the caption Risk factors in the accompanying prospectus and under the heading Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2011, which are incorporated herein by reference. These risk factors may be amended, supplemented or superseded from time to time by risk factors contained in other Exchange Act reports that we file with the SEC, which will be incorporated herein by reference, or by a post-effective amendment to the registration statement of which this prospectus supplement forms a part. In addition, new risks may emerge at any time and we cannot predict such risks or estimate the extent to which they may affect our financial performance.

Risks related to the notes

Our level of indebtedness could limit cash flow available for our operations and could adversely affect our ability to service our debt or obtain additional financing, if necessary.

As of December 31, 2011, our total debt outstanding, exclusive of debt outstanding under our vacation ownership securitization program, was $2,153 million. Our level of indebtedness could restrict our operations and make it more difficult for us to satisfy our obligations under the notes. For example, our level of indebtedness could, among other things:

- affect our liquidity by limiting our ability to obtain additional financing for working capital, or limit our ability to obtain financing for capital expenditures and acquisitions or make any available financing more costly;
- require us to dedicate all or a substantial portion of our cash flow to service our debt, which would reduce funds available for other business purposes, such as capital expenditures, dividends or acquisitions;
- limit our flexibility in planning for or reacting to changes in the markets in which we compete;
- place us at a competitive disadvantage relative to our competitors with less indebtedness;
- render us more vulnerable to general adverse economic and industry conditions; and
- make it more difficult for us to satisfy our financial obligations, including those relating to the notes.

In addition, the indenture governing the notes, our existing senior credit facility and the terms of the agreements governing our other outstanding indebtedness contain or will contain financial and other restrictive covenants that will limit our ability to engage in activities that may be in our long-term best interests. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all of our debt, including the notes.

Table of Contents

Despite current indebtedness levels, we and certain of our subsidiaries may incur substantially more debt. This could further exacerbate the risks associated with our leverage.

The terms of the indenture governing the notes do not prohibit us or our subsidiaries from incurring additional indebtedness. If new debt is added to our and our subsidiaries current debt levels, the related risks that we and they now face could intensify.

The notes will be unsecured and rank behind any secured creditors to the extent of the value of the collateral securing their claims.

As of December 31, 2011, we had $106 million of secured indebtedness. Holders of any secured indebtedness will have claims that are prior to your claims as holders of the notes to the extent of the value of the assets securing such indebtedness. In the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, reorganization or other bankruptcy proceeding, holders of our secured indebtedness will have prior claim to our assets that constitute their collateral. Holders of the notes will participate ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the notes. In that event, because the notes will not be secured by any of our assets, it is possible that our remaining assets might be insufficient to satisfy your claims in full.

The notes will be structurally junior to the indebtedness and other liabilities of our subsidiaries.

You will not have any claim as a creditor against our subsidiaries and all existing and future indebtedness and other liabilities, including trade payables, whether secured or unsecured, of those subsidiaries will be structurally senior to the notes. Furthermore, in the event of any bankruptcy, liquidation or reorganization of any of our subsidiaries, the rights of the holders of notes to participate in the assets of such subsidiary will rank behind the claims of that subsidiary s creditors, including trade creditors (except to the extent we have a claim as a creditor of such subsidiary). As a result, the notes are structurally subordinated to the outstanding and other liabilities, including trade payables, of our subsidiaries. As of December 31, 2011, our subsidiaries had $106 million of outstanding indebtedness and other liabilities, (excluding intercompany liabilities and indebtedness under our securitization programs), all of which are structurally senior to the notes.

In addition, the indenture permits our subsidiaries to incur additional indebtedness which would be structurally senior to the notes and does not contain any limitation on the amount of other liabilities, such as trade payables, that may be incurred by our subsidiaries.

Our ability to service our debt and meet our cash requirements depends on many factors, some of which are beyond our control.

Our ability to satisfy our obligations will depend on our future operating performance and financial results, which will be subject, in part, to factors beyond our control, including interest rates and general economic, financial and business conditions. If we are unable to generate sufficient cash flow to service our debt, we may be required to:

- refinance all or a portion of our debt, including the notes;
- obtain additional financing;
- sell some of our assets or operations;

Table of Contents

reduce or delay capital expenditures and/or acquisitions; or

revise or delay our strategic plans.

If we are required to take any of these actions, it could have a material adverse effect on our business, financial condition and results of operations. In addition, we cannot assure you that we would be able to take any of these actions, that these actions would enable us to continue to satisfy our capital requirements or that these actions would be permitted under the terms of our various debt instruments, including our senior credit facility and the indenture.

Our failure to meet the terms of covenants in our existing senior credit facility may result in an event of default.

Our existing senior credit facility contains covenants customary for credit facilities of this nature, including requiring us to meet specified financial ratios and financial tests. Our ability to borrow under our senior credit facility will depend upon satisfaction of these covenants. Events beyond our control can affect our ability to meet those covenants.

These financial covenants consist of a minimum interest coverage ratio of at least 3.0 times consolidated EBITDA to consolidated interest expense for the measurement period and a maximum leverage ratio not to exceed 3.75 times consolidated total indebtedness to consolidated EBITDA on the measurement date. Our financial covenant calculations were 9.2 times and 2.1 times as of December 31, 2011, respectively. Negative covenants in the credit facility include limitations on indebtedness of material subsidiaries; liens; mergers, consolidations, liquidations, dissolutions and sales of substantially all assets; and sale and leasebacks.

If we are unable to meet the terms of our financial covenants, or if we break any of these covenants, a default could occur under one or more of these agreements. A default, if not waived by our lenders, could result in the acceleration of our outstanding indebtedness and cause our debt to become immediately due and payable. If acceleration occurs, we would not be able to repay our debt and it is unlikely that we would be able to borrow sufficient funds to refinance our debt. Even if new financing is offered to us, it may not be on terms acceptable to us.

A downgrade by Moody s or S&P could restrict our access to the capital markets and increase our borrowing costs.

A downgrade by Moody s and/or S&P could affect our future borrowing and/or bonding costs and the availability of such bonding capacity. It is also possible that asset-backed securities issued pursuant to our securitization programs could in the future be downgraded by rating agencies. If our asset-backed securities are downgraded, our ability to complete other securitization transactions on acceptable terms could be jeopardized, and we could be forced to rely on other funding sources which may be more expensive and less attractive, or such other funding sources may not be available, which may require us to adjust our business operations accordingly, including reducing or suspending our financing to purchasers of vacation ownership interests. In addition, our inability to access the securitization or debt markets or utilize other financing vehicles would negatively affect our liquidity. Please see the section entitled Management s Discussion and Analysis of Financial Condition and Results of Operation Liquidity Risk in our Annual Report on Form 10-K for the period ended December 31, 2011.

Table of Contents

We may choose to redeem the notes when prevailing interest rates are relatively low.

The notes are redeemable at our option and we may choose to redeem some or all of the notes from time to time, especially when prevailing interest rates are lower than the rate borne by the notes. If prevailing rates are lower at the time of redemption, you would not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on the notes being redeemed. Our redemption right also may adversely affect your ability to sell your notes as the optional redemption date or period approaches. Please see the section entitled Description of notes Optional redemption.

We may not be able to repurchase the notes upon a change of control.

Upon a change of control, as defined under the indenture governing the notes, and the notes being rated below investment grade on any date within a specified period of time following the public notice of an arrangement that could result in a change of control, we are required to offer to repurchase all of the notes then outstanding at a price equal to 101% of the aggregate principal amount of the notes repurchased, plus accrued interest. In order to obtain sufficient funds to pay the purchase price of the outstanding notes, we expect that we would have to refinance the notes. We may not under these circumstances be able to refinance the notes on reasonable terms, if at all. Our failure to offer to purchase all outstanding notes or to purchase all validly tendered notes would be an event of default under the indenture governing the notes. Such an event of default may cause the acceleration of our other indebtedness. Our future indebtedness may also contain restrictions on repayment requirements with respect to specified events or transactions that constitute a change of control under the indenture. Please see the section entitled Description of notes Repurchase at the option of the holders of notes.

We are a holding company and are dependent on dividends and other distributions from our subsidiaries.

Wyndham Worldwide is a holding company with limited direct operations. Our principal assets are the equity interests that we hold in our operating subsidiaries. As a result, we are dependent on dividends and other distributions from our subsidiaries to generate the funds necessary to meet our financial obligations, including the payment of principal and interest on our outstanding debt. Our subsidiaries are legally distinct from us and have no obligation to pay amounts due on our debt or to make funds available to us for such payment.

An active trading market for the notes may not develop.

Prior to this offering, there has been no trading market for the notes. We do not intend to apply for listing of the notes on any securities exchange or to arrange for quotation on any interdealer quotation system. We have been informed by the underwriters that they intend to make a market in the notes after the offering is completed. However, the underwriters have no obligation to make a market in the notes and they may cease their market-making at any time without notice. In addition, the liquidity of the trading market in the notes, and the market price quoted for the notes, may be adversely affected by changes in the overall market for this type of security and by changes in our financial performance or prospects or in the prospects for companies in our industry generally. As a result, we cannot assure you that an active trading market will develop for the notes. If an active trading market does not develop or is not maintained, the market price and liquidity of the notes may be adversely affected. In that case you may not be able to sell your notes at a particular time or you may not be able to sell your notes at a favorable price.

Table of Contents

Use of proceeds

We intend to use the net proceeds of this offering (i) to repurchase any and all of the $250,000,000 aggregate principal amount of our outstanding 9.875% Notes due 2014 and a portion of the $800,000,000 aggregate principal amount of our outstanding 6.000% Senior Notes due 2016 and the $250,000,000 aggregate principal amount of our outstanding 7.375% Notes due 2020 in a tender offer we are conducting simultaneously with this offering, (ii) to repay borrowings under our revolving credit facility and (iii) for general corporate purposes.

Pending these uses, we intend to invest net proceeds in interest-bearing, short-term investments.

Current borrowings under our revolving credit facility were used for general corporate purposes and are approximately $266 million as of the date of this prospectus supplement. The borrowings have an all in interest rate of LIBOR plus 165 basis points. Our revolving credit facility matures in July 2016.

Affiliates of certain of the underwriters are holders of our 9.875% Notes due 2014, our 6.000% Senior Notes due 2016 or our 7.375% Notes due 2020 or lenders under our revolving credit facility and they may receive a portion of the net proceeds of this offering, not including underwriting compensation, upon the repurchase of our 9.875% Notes due 2014, our 6.000% Senior Notes due 2016 and our 7.375% Notes due 2020 and the repayment of borrowings under our revolving credit facility.

Ratio of earnings to fixed charges

The following table sets forth our ratio of earnings to fixed charges for each of the periods indicated:

	Year ended December 31,				
	2011	2010	2009(1)	2008(1)	2007(1)
Ratio of earnings to fixed charges	3.30x	2.85x	2.70x	(2)	3.81x

(1) Ratio computation has been amended to (i) exclude income from equity investees from the determination of earnings available to cover fixed charges and (ii) include capitalized interest within total fixed charges.

(2) The Company was deficient to cover fixed charges by $890 million.

The ratio of earnings to fixed charges is computed by dividing (i) income/(loss) before income taxes and cumulative effect of accounting change, less income/(loss) from equity investees, plus fixed charges and the amortization of capitalized interest, less capitalized interest, by (ii) fixed charges. Our fixed charges consist of interest expense on all indebtedness (including costs related to the early extinguishment of debt and the amortization of deferred financing costs), capitalized interest and the portion of operating lease rental expense that is representative of the interest factor.

Table of Contents

Capitalization

The following table sets forth our cash and cash equivalents, securitized assets and capitalization as of December 31, 2011 on an actual basis and as adjusted for this offering and (i) the repurchase of our outstanding 9.875% Notes due 2014, our 6.000% Senior Notes due 2016 and our 7.375% Notes due 2020, in accordance with the terms of the offer to purchase and (ii) the repayment of a portion of borrowings under our revolving credit facility.

	Actual	As Adjusted
	As of December 31, 2011	
	(in millions)	
Cash and cash equivalents	$ 142	$ 219
Securitized assets(1)	$ 2,638	$ 2,638
Securitized vacation ownership debt	$ 1,862	$ 1,862
Other debt:		
Revolving credit facility (due July 2016)(2)(3)	$ 218	$
6.00% senior unsecured notes (due December 2016)(2)(4)	811	561
9.875% senior unsecured notes (due May 2014)(2)(5)	243	
3.50% convertible notes (due May 2012)(6)	36	36
7.375% senior unsecured notes (due March 2020)(2)	247	247
5.75% senior unsecured notes (due February 2018)	247	247
5.625		