As filed with the Securities and Exchange Commission on April 4, 2001
Registration No. 333-_____

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-4
Registration Statement
under
the Securities Act of 1933

Marriott International, Inc.
(Exact name of registrant as specified in its charter)

Delaware	7011	52-2055918
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

10400 Fernwood Road
Bethesda, MD 20817
(301) 380-3000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Joseph Ryan, Executive Vice President and General Counsel
Marriott International, Inc.
10400 Fernwood Road, Dept. 52/923.30
Bethesda, MD 20817
(301) 380-3000

Copies to:

John F. Olson, Esq. Stephanie Tsacoumis, Esq. Gibson, Dunn & Crutcher LLP 1050 Connecticut Avenue, N.W. Washington, DC 20036 (202) 955-8500	Ward R. Cooper, Esq. W. David Mann, Esq. Marriott International, Inc. 10400 Fernwood Road, Dept. 52/923.23 Bethesda, MD 20817 (301) 380-7824

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effectiveness of this Registration Statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. [_]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_] _____

If this form is a post-effective amendment filed pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_] _____

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
7% Series E Notes due 2008	$300,000,000	100%	$300,000,000	$75,000

(1) Estimated solely for purposes of calculating the registration fee in accordance with Rule 457(b)(2).

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the commission, acting pursuant to said Section 8(a), may determine.

+++
+The information in this prospectus is not complete and may be changed. A   +
+registration statement relating to these securities has been filed with the   +
+Securities and Exchange Commission. These securities may not be sold nor may +
+offers to buy be accepted before the registration statement becomes effective.+
+This prospectus is not an offer to sell securities and is not soliciting an   +
+offer to buy these securities in any state where the offer or sale is not   +
+permitted.   +
+++

SUBJECT TO COMPLETION, DATED APRIL 4, 2001

[LOGO]

$300,000,000

Marriott International, Inc.

OFFER TO EXCHANGE
ALL OUTSTANDING

7% Series E Notes due 2008
($300,000,000 aggregate principal amount outstanding)
for
7% Series E Notes due 2008
Registered Under the Securities Act of 1933

- The exchange offer expires at 5:00 p.m., New York City time, on _____, 2001, unless extended.

- The exchange offer is not subject to any conditions other than that the exchange offer will not violate any applicable law or interpretation of the staff of the Securities and Exchange Commission and that there be no pending or threatened proceeding that would reasonably be expected to impair our ability to proceed with the exchange offer.

- All outstanding notes that are validly tendered and not validly withdrawn will be exchanged.

- Tenders of outstanding notes may be withdrawn at any time before 5:00 p.m. on the date of expiration of the exchange offer.

- The exchange of notes will not be a taxable exchange for U.S. federal income tax purposes.

- We will not receive any proceeds from the exchange offer.

- The terms of the new notes to be issued are substantially identical to the outstanding notes, except for transfer restrictions and registration rights relating to the outstanding notes.

Consider carefully the "Risk Factors" beginning on page 12.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the new notes to be distributed in the exchange offer, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2001.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You can inspect and copy these reports, proxy statements and other information at the public reference facilities of the SEC, in Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549; 7 World Trade Center, Suite 1300, New York, New York 10048; and Suite 1400, Citicorp Center, 500 W. Madison Street, Chicago, Illinois 60661-2511. You can also obtain copies of these materials from the public reference section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. The SEC also maintains a web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC (http://www.sec.gov). You can inspect reports and other information we file at the office of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

INCORPORATION OF INFORMATION WE FILE WITH THE SEC

We hereby "incorporate by reference" the documents listed below, which means that we are disclosing important information to you by referring you to those documents. The information that we file later with the SEC will be deemed to automatically update and supersede this information. Specifically, we incorporate by reference:

- Annual Report on Form 10-K for the year ended December 29, 2000 (File No. 1-13881);

- Proxy Statement filed on March 23, 2001 (File No. 1-13881); and

- Any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until the exchange offer expires.

You may request a copy of these filings at no cost, by writing or telephoning us at the following address:

Corporate Secretary
Marriott International, Inc.
Marriott Drive, Department 52/862
Washington, D.C. 20058
(301) 380-3000

You should rely only on the information incorporated by reference or provided in this prospectus. We have not authorized anyone else to provide you with other information.

SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary is not complete and does not contain all of the information that you should consider before investing in the new notes to be issued in the exchange offer. You should read the entire prospectus carefully, especially the risks of investing in the new notes discussed under "Risk Factors'' starting on page 12. As used in this prospectus, unless the context requires otherwise, "we", "us", "Marriott" or the "Company" means Marriott International, Inc. and its predecessors and consolidated subsidiaries.

The Exchange Offer

On January 16, 2001, we completed the private offering of "initial" notes, comprised of $300 million of 7% Series E Notes due 2008. We entered into a registration rights agreement with the initial purchasers in the private offering in which we agreed, among other things, to deliver to you this prospectus and to use reasonable efforts to complete the exchange offer no later than August 14, 2001.

In the exchange offer, you are entitled to exchange your initial notes for "new" notes -- registered notes with substantially identical terms as the initial notes (except for transfer restrictions and registration rights relating to the initial notes). If the exchange offer is not completed on or before August 14, 2001, then the interest rate on the initial notes will be increased by one-quarter of one percent per annum for each ninety-day period until the exchange offer is consummated, up to maximum additional interest of one-half percent per annum. You should read the discussion under the heading "Summary -- The New Notes" and "Description of the New Notes" for further information regarding the new notes.

We believe that the new notes issued in the exchange offer may be resold by you without compliance with the registration and prospectus delivery provisions of the Securities Act, subject to the conditions discussed under the headings "Summary -- Terms of Exchange Offer" and "The Exchange Offer." You should read these sections for further information regarding the exchange offer and resale of the new notes.

The Company

We are one of the world's leading hospitality companies. We are a worldwide operator and franchisor of hotels and senior living communities. We group our operations into three business segments, Lodging, Senior Living Services and Distribution Services, which represented 78 percent, 7 percent and 15 percent, respectively, of our total sales in the fiscal year ended December 29, 2000. Our principal executive offices are located at 10400 Fernwood Road, Bethesda, Maryland 20817, and our telephone number is (301) 380-3000.

In our Lodging segment, we operate, develop and franchise lodging facilities and vacation timesharing resorts under 17 separate brand names.

In our Senior Living Services segment, we develop and presently operate 153 senior living communities offering independent living, assisted living and skilled nursing care for seniors in the United States.

In our Distribution Services segment, we supply food and related products to external customers and to internal operations throughout the United States.

Financial information by industry segment and geographic area as of December 29, 2000 and for the three fiscal years then ended, appears in the Business Segments note to our Consolidated Financial Statements, which are contained in our most recent Annual Report on Form 10-K and incorporated by reference into this prospectus.

We became a public company in March 1998, when we were "spun off" as a separate entity by the company formerly named "Marriott International, Inc." Our company--the "new" Marriott International--was formed to conduct the lodging, senior living and distribution services businesses formerly conducted by the "old" Marriott International. "Old" Marriott International, now called Sodexho Marriott Services, Inc., is a provider of food service and facilities management in North America.

Terms of the Exchange Offer

The exchange offer relates to the exchange of up to $300 million aggregate principal amount of initial notes for an equal aggregate principal amount of new notes. The new notes will be obligations of Marriott International, Inc. and will be governed by the same indenture that governs the initial notes. The form and terms of the new notes are identical in all material respects to the form and terms of the initial notes except that the new notes have been registered under the Securities Act, and therefore are not entitled to the benefits of the registration rights agreement that was executed as part of the offering of the initial notes. The registration rights agreement provides for registration rights with respect to the initial notes and for the payment of additional interest on the initial notes if we fail to meet our registration obligations under the agreement.

Initial Notes.....	$300,000,000 aggregate principal amount of 7% Series E Notes due 2008, which were issued on January 16, 2001.
New Notes.....	Up to $300,000,000 aggregate principal amount of 7% Series E Notes due 2008 that we are offering hereby. The initial notes and the new notes are referred to collectively as the notes.
The Exchange Offer.....	We are offering to exchange $1,000 principal amount of new notes for each $1,000 principal amount of initial notes. Initial notes may only be exchanged in $1,000 principal amount increments. As of the date of this prospectus, there are outstanding $300,000,000 aggregate principal amount of initial notes. To be exchanged, the initial notes must be properly tendered and accepted. All outstanding initial

notes that are properly tendered and not validly withdrawn will be exchanged for new notes issued on or promptly after the expiration date of the exchange offer.

Resales.....Based on an interpretation by the SEC set forth in no-action letters issued to third parties, we believe that you may resell or otherwise transfer new notes issued in the exchange offer without complying with the registration and prospectus delivery requirements of the Securities Act, provided that:

- you are not our "affiliate" within the meaning of Rule 405 under the Securities Act;
- you are not a broker-dealer who acquired the initial notes directly from us without compliance with the registration and prospectus delivery provisions of the Securities Act;
- you acquire the new notes in the ordinary course of your business; and
- you are not participating in, do not intend to participate in, and have no arrangement or understanding with any person to participate in the distribution of the new notes.

Any holder subject to any of the exceptions above, and each broker-dealer that receives new notes for its own account pursuant to the exchange offer in exchange for initial notes that were acquired as a result of market-making, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with the resale of new notes.

Consequences of Failure to Exchange.....If you do not exchange your initial notes for the new notes pursuant to the exchange offer, you will still be subject to the restrictions on transfer of your initial notes and we will not have any further obligation to those note holders to provide for the registration of the initial notes under the registration rights agreement. See "The Exchange Offer - Consequences of Failure to Exchange."

Expiration Date.....5:00 p.m., New York City time, _____, 2001, unless we extend the exchange offer, in which case the term

	"expiration date" means the latest date and time to which the exchange offer is extended.
Interest on the New Notes and the Initial Notes.....	Each new note will bear interest from January 16, 2001. If your initial notes are accepted for exchange, you will not receive accrued interest on the initial notes, and will be deemed to have waived the right to receive any interest on the initial notes from and after January 16, 2001.
Conditions to the Exchange Offer.....	The exchange offer is subject to the conditions that the exchange offer not violate any applicable law or interpretation of the staff of the SEC and that there be no pending or threatened proceeding that would reasonably be expected to impair our ability to proceed with the exchange offer. See "The Exchange Offer --Conditions." The exchange offer is not conditioned upon any minimum aggregate principal amount of initial notes being tendered in the exchange.
Procedures for Tendering Initial Notes.....	If you wish to accept the exchange offer, you must complete, sign and date the accompanying letter of transmittal in accordance with its instructions and deliver the letter of transmittal, together with the initial notes and any other required documentation, to the exchange agent at the address set forth in the letter of transmittal prior to 5:00 p.m., New York City time, on the expiration date. If you hold initial notes through DTC and wish to accept the exchange offer, you must do so under DTC's Automated Tender Offer Program, by which you will agree to be bound by the letter of transmittal. Confirmation of such book-entry transfer must be received by the exchange agent prior to the expiration date.
Special Procedures for Beneficial Owners.....	If you are a beneficial owner whose initial notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and wish to tender in the exchange offer, you should contact the person in whose name your initial notes are registered promptly and instruct the person to tender on your behalf. If you wish to tender in the exchange offer on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your initial notes, either make appropriate arrangements to register ownership of the initial notes in

	your name or obtain a properly completed bond power from the person in whose name your initial notes are registered. The transfer of registered ownership may take considerable time.
Guaranteed Delivery Procedures	If you wish to tender your initial notes in the exchange offer and your initial notes are not immediately available or you cannot deliver your initial notes, the letter of transmittal and any other required documents or you cannot comply with the procedures for book-entry transfer prior to the expiration date, you may tender your initial notes according to the guaranteed delivery procedures set forth in "The Exchange Offer -- Guaranteed Delivery Procedures."
Withdrawal Rights	Tenders may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date pursuant to the procedures described under "The Exchange Offer -- Withdrawals of Tenders."
Acceptance of Initial Notes and Delivery of New Notes	Subject to certain conditions (summarized above in " --Conditions to the Exchange Offer,") we will accept for exchange any and all initial notes that are properly tendered in the exchange offer prior to the expiration date. The new notes issued pursuant to the exchange offer will be delivered promptly after the expiration date. See "The Exchange Offer -- Terms of the Exchange Offer."
Certain Federal Income Tax Consequences	With respect to the exchange of initial notes for new notes: . the exchange should not constitute a taxable exchange for federal income tax purposes; and . you should not recognize gain or loss upon receipt of the new notes. You must include interest on the new notes in gross income to the same extent as interest on the initial notes. See "Certain U.S. Federal Income Tax Considerations."
Registration Rights Agreement	In connection with the sale of the initial notes, we entered into a registration rights agreement with the initial purchasers of the initial notes that grants the holders of the initial notes registration rights. As a result of making this exchange offer, we will have fulfilled most of our

obligations under the registration rights agreement. If you do not tender your initial notes in the exchange offer, you will not have any further registration rights under the registration rights agreement or otherwise unless you were not eligible to participate in the exchange offer. See "The Exchange Offer -- Registration Rights." If you are eligible to participate in the exchange offer and do not tender your initial notes, you will continue to hold the untendered initial notes, which will continue to be subject to restrictions on transfer under the Securities Act.

Exchange Agent.....The Chase Manhattan Bank is serving as our exchange agent in connection with the exchange offer.

Use of Proceeds.....We will not receive any cash proceeds from the issuance of the new notes pursuant to the exchange offer.

Terms of the New Notes

The form and terms of the new notes will be substantially the same as the form and terms of the initial notes except that:

(1) the new notes have been registered under the Securities Act and, therefore, will not bear legends restricting their transfer; and

(2) the holders of the new notes, except in limited circumstances, will not be entitled to further registration rights under the registration rights agreement or to receive additional interest on the new notes in the event that certain registration obligations are not complied with.

The new notes will evidence the same debt as the initial notes and will be governed by the same indenture under which the initial notes were issued.

The New Notes

Issuer.....Marriott International, Inc.

Notes offered.....$300,000,000 aggregate principal amount of new 7% Series E Notes due 2008.

Maturity.....January 15, 2008.

Interest payment dates.....January 15 and July 15 of each year, beginning July 15, 2001.

Ranking.....The new notes will be unsecured senior obligations and rank equally with all of our existing and future unsecured

	senior indebtedness. The new notes effectively will rank junior to all liabilities of our subsidiaries. See "Description of the New Notes."
Sinking fund	None.
Optional redemption	None.
Certain covenants	We will agree to certain restrictions on liens, sale and leaseback transactions, mergers, consolidations and transfers of substantially all of our assets. These covenants are subject to important exceptions and qualifications, which are described under the heading "Description of the New Notes."
Form and denomination	$1,000 and integral multiples of $1,000.
Ratings	The initial notes have been rated BBB+ by Standard & Poor's Ratings Service and Baa1 by Moody's Investor Service, Inc. and we expect the new notes to receive the same ratings. Security ratings are not recommendations to buy, sell or hold the notes. Ratings are subject to revision or withdrawal at any time by the rating agencies.
Trustee	The Chase Manhattan Bank.

SUMMARY CONSOLIDATED FINANCIAL DATA
(in millions, except ratios and per share data)

The following table presents certain summary financial data for the five most recent fiscal years, which is from our consolidated financial statements. Since the information in this table is only a summary and does not provide all of the information contained in our financial statements, including the related notes, you should read "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements contained in documents incorporated by reference in this prospectus. Per share data and shareholders' equity have not been presented for periods prior to our March 1998 spinoff because we were not a publicly held company during that time. See "Business--Formation of `New' Marriott International--Spin-off in March 1998."

	Fiscal Year(a)				
	2000	1999	1998	1997	1996
Income Statement Data:					
Sales	$10,017	$ 8,739	$ 7,968	$ 7,236	$ 5,738
Operating Profit Before Corporate Expenses and Interest	922	830	736	609	508
Net Income	479	400	390	324	270
Per Share Data:					
Diluted Earnings per Share	1.89	1.51	1.46		
Dividends Declared	0.235	0.215	0.195		
Other Operating Data:					
Ratio of Earnings to Fixed Charges(b)	4.4x	5.0x	7.1x	7.2x	5.8x
Balance Sheet Data (at end of period):					
Total Assets	$ 8,237	$ 7,324	$ 6,233	$ 5,161	$ 3,756
Long-Term and Convertible Subordinated Debt	2,016	1,676	1,267	422	681
Shareholders' Equity	3,267	2,908	2,570		

(a) Our fiscal year ends on the Friday nearest to December 31. Our 1996 fiscal year was 53 weeks; all other fiscal years were 52 weeks.

(b) In calculating the ratio of earnings to fixed charges, earnings represent net income plus taxes on such income; undistributed (income)/loss for less than 50% owned affiliates; fixed charges; and distributed income of equity method investees; minus interest capitalized. Fixed charges represent interest (including amounts capitalized), that portion of rental expense deemed representative of interest, and a share of interest expense of certain equity method investees.

RISK FACTORS

Before you invest in the new notes, you should be aware of various risks, including those described below. You should carefully consider these risk factors together with all other information included in this prospectus before you decide to invest in the new notes.

Risks concerning the lodging business may impact our revenue and growth

The lodging business involves unique operating risks. Our largest business is lodging. Our lodging properties are subject to operating risks that may adversely impact our revenue. These risks include, among others:

- changes in general economic conditions, which can adversely affect the level of business and pleasure travel, and therefore the demand for lodging and related services;
- cyclical over-building in one or more sectors of the hotel industry and/or in one or more geographic regions, which could lead to excess supply compared to demand, and a decrease in hotel occupancy and/or room rates;
- restrictive changes in zoning, land use, health, safety and environmental laws, rules and regulations;
- our inability to obtain adequate property and liability insurance to protect against losses or to obtain such insurance at reasonable rates; and
- changes in travel patterns.

In addition, weaker hotel and senior living community performance could give rise to losses that arise under loans, guarantees and minority equity investments that we have made in connection with hotels and senior living communities that we manage.

Competition in the lodging business may affect our ability to grow. We compete for hotel management, franchise and acquisition opportunities with other managers, franchisors and owners of hotel properties, some of which may have greater financial resources than we do. These competitors may be able to accept more risk than we can prudently manage. Competition may generally reduce the number of suitable management, franchise and investment opportunities offered to us, and increase the bargaining power of property owners seeking to engage a manager, become a franchisee or sell a hotel property. Our operational and growth prospects are also dependent on the strength and desirability of our lodging brands, the ability of our franchisees to generate revenues and profits at properties they franchise from us and our ability to maintain positive relations with our employees.

We may have conflicts of interest with Host Marriott Corporation and Crestline Capital Corporation

We manage or franchise a large number of full service, luxury, limited service and extended stay hotels and senior living communities that are owned, controlled or leased by Host Marriott Corporation and its former subsidiary, Crestline Capital Corporation, we guarantee certain Host Marriott obligations and we also own through an unconsolidated joint venture with an affiliate of Host Marriott, two partnerships which own 120 Courtyard by Marriott hotels. We continue to manage the 120 hotels under long-term agreements. The joint venture is financed with equity contributed in equal shares by us and an affiliate of Host Marriott and approximately $200 million in mezzanine debt provided by us. Our total investment in the joint venture, including mezzanine debt, is approximately $300 million.

We may have conflicts of interest with Host Marriott or Crestline because our Chairman and Chief Executive Officer, J.W. Marriott, Jr., and his brother, Richard E. Marriott, who is Chairman of Host Marriott, have significant stockholdings in, and are directors of, both Marriott International and Host Marriott. In addition, J.W. Marriott, Jr. and Richard E. Marriott have significant holdings in Crestline and John W. Marriott III, the son of J.W. Marriott, Jr. and a Marriott employee, is a director of Crestline. Circumstances may occur on which Host Marriott's or Crestline's interests could be in conflict with your interests as a holder of our securities, and Host Marriott or Crestline may pursue transactions that present risks to you as a holder of our securities. We cannot assure you that any such conflicts will be resolved in your favor. Our transactions with Host Marriott and Crestline are described in more detail in the notes to our Consolidated Financial Statements, which we filed with the SEC as part of our Annual Report on Form 10-K for the year ended December 29, 2000. See "Where You Can Find More Information" on page 2.

The availability and price of capital may affect our ability to grow

Our ability to sell properties that we develop, and the ability of hotel developers to build or acquire new Marriott branded properties, both of which are important parts of our growth plans, are partially dependent on the availability and price of capital. We are monitoring the status of the capital markets and are evaluating the effect that changes in capital market conditions may have on our ability to execute our announced growth plans.

We depend on arrangements with others to grow

Our present growth strategy for development of additional facilities entails entering into and maintaining various arrangements with present and future property owners, including Host Marriott Corporation, Crestline Capital Corporation and New World Development Company Limited. There can be no assurance that any of our current strategic arrangements will continue, or that we will be able to enter into future collaborations.

Contract terms for new units may be less favorable

The terms of the operating contracts, distribution agreements, franchise agreements and leases for each of our lodging facilities and retirement communities are influenced by contract terms offered by our competitors at the time these agreements are entered into. Accordingly, we cannot assure you that contracts entered into or renewed in the future will be on terms that are as favorable to us as those under our existing agreements.

We may fail to compete effectively and lose business

The profitability of hotels, vacation timeshare resorts, senior living communities, corporate apartments, and distribution centers we operate is subject to general economic conditions, competition, the desirability of particular locations, the relationship between supply of and demand for hotel rooms, vacation timeshare resorts, senior living facilities, corporate apartments, distribution services, and other factors. We generally operate in markets that contain numerous competitors and our continued success will depend, in large part, upon our ability to compete in such areas as access, location, quality of accommodations, amenities, specialized services, cost containment and, to a lesser extent, the quality and scope of food and beverage services and facilities.

Changes in supply and demand in our industries may adversely affect us

The lodging industry may be adversely affected by (1) supply additions, (2) international, national and regional economic conditions, (3) changes in travel patterns, (4) taxes and government regulations which influence or determine wages, prices, interest rates, construction procedures and costs, and (5) the availability of capital to allow us and potential hotel and retirement community owners to fund investments. Our timeshare and senior living service businesses are also subject to the same or similar uncertainties and, accordingly, we cannot assure you that the present level of demand for timeshare intervals and senior living communities will continue, or that there will not be an increase in the supply of competitive units, which could reduce the prices at which we are able to sell or rent units.

Increasing use of internet reservation channels may decrease loyalty to our brands or otherwise adversely affect us

Some of our hotel rooms are booked through internet travel intermediaries such as Travelocity, Expedia and Priceline. As this percentage increases, these intermediaries may be able to obtain higher commissions, reduced room rates or other significant contract concessions from us. Moreover, some of these internet travel intermediaries are attempting to commoditize hotel rooms, by increasing the importance of price and general indicators of quality (such as "three-star downtown hotel") at the expense of brand identification. These agencies hope that consumers will eventually develop brand loyalties to their reservations system rather than to our lodging brands. If this happens our business and profitability may be significantly harmed.

We are subject to restrictive debt covenants

Our existing debt agreements contain covenants that limit our ability to, among other things, borrow additional money, pay dividends, sell assets or engage in mergers. If we do not comply with these covenants, or do not repay our debt on time, we would be in default under our debt agreements. Unless any such default is waived by our lenders, the debt could become immediately payable and this could have a material adverse impact on us.

We depend on cash flow of our subsidiaries to make payments on our securities

We are in part a holding company. Our subsidiaries conduct a significant percentage of our consolidated operations and own a significant percentage of our consolidated assets. Consequently, our cash flow and our ability to meet our debt service obligations depends in large part upon the cash flow of our subsidiaries and the payment of funds by the subsidiaries to us in the form of loans, dividends or otherwise. Our subsidiaries are not obligated to make funds available to us for payment of our debt securities or preferred stock dividends or otherwise. In addition, their ability to make any payments will depend on their earnings, the terms of their indebtedness, business and tax considerations and legal restrictions. Our debt securities and any preferred stock we may issue effectively will rank junior to all liabilities of our subsidiaries. In the event of a bankruptcy, liquidation or dissolution of a subsidiary and following payment of its liabilities, the subsidiary may not have sufficient assets remaining to make payments to us as a shareholder or otherwise. The indenture under which the new notes will be issued does not limit the amount of unsecured debt which our subsidiaries may incur. In addition, we and our subsidiaries may incur secured debt and enter into sale and leaseback transactions, subject to certain limitations. See "Description of the New Notes--Certain Covenants" on page 45.

A liquid trading market for the new notes may not develop

The liquidity of any market for the new notes will depend upon the number of holders of the new notes, our performance, the market for similar securities, the interest of securities dealers in making a market in the new notes and other factors. A liquid trading market may not develop. If an active market for the new notes does not develop, the market price and liquidity of the new notes may be adversely affected. There may not be a market where you can sell your new notes and, if a market for the new notes starts, it may end at any time. While the initial notes are eligible for trading in The Portal Market, we currently do not intend to list the new notes on any securities exchange or to seek approval for their quotation on the National Association of Securities Dealers Automated Quotation or any other automated quotation system.

Forward-looking statements may prove inaccurate

We have made forward-looking statements in this prospectus that are subject to risks and uncertainties. You should note that many factors, some of which are discussed elsewhere in this document, could affect future financial results and could cause those results to differ materially from those expressed in our forward-looking statements contained in this prospectus. See "Forward-Looking Statements" on page 17.

FORWARD-LOOKING STATEMENTS

We have made forward-looking statements in this document that are based on the beliefs and assumptions of our management and on information currently available to our management. Forward-looking statements include the information concerning our possible or assumed future results of operations and statements preceded by, followed by or that include the words "believes," "expects," "anticipates," "intends," "plans," "estimates" or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. You are cautioned not to put undue reliance on any forward-looking statements. In addition, we do not have any intention or obligation to update forward-looking statements after we distribute this prospectus.

You should understand that the following important factors, in addition to those discussed elsewhere in this prospectus, could cause our results to differ materially from those expressed in forward-looking statements:

- competition within each of our business segments;
- the balance between supply of and demand for hotel rooms, timeshare units and senior living accommodations;
- our continued ability to obtain new operating contracts and franchise agreements;
- our ability to develop and maintain positive relations with current and potential hotel and retirement community owners;
- the effect of international, national and regional economic conditions;
- the availability of capital to allow us and potential hotel and retirement community owners to fund investments;
- the effect that internet hotel reservation channels may have on the rates that we are able to charge for hotel rooms; and
- other risks described from time to time in our filings with the Securities and Exchange Commission.

USE OF PROCEEDS

We will not receive any proceeds from the exchange offer.

RATIO OF EARNINGS TO FIXED CHARGES

Our ratio of earnings to fixed charges for the periods indicated is as follows:

Fiscal Year				
2000	1999	1998	1997	1996
4.4x	5.0x	7.1x	7.2x	5.8x

In calculating the ratio of earnings to fixed charges, earnings represent net income plus taxes on such income; undistributed (income)/loss for less than 50% owned affiliates; fixed charges; and distributed income of equity method investees; minus interest capitalized. Fixed charges represent interest (including amounts capitalized), that portion of rental expense deemed representative of interest, and a share of interest expense of certain equity method investees.

CAPITALIZATION
(in millions)

The following table sets forth, as of December 29, 2000, (1) our historical short-term borrowings, long-term debt and capitalization and (2) such amounts as adjusted for the issuance of the initial notes.

This data should be read along with our consolidated financial statements and the notes thereto appearing in the documents incorporated by reference in this prospectus.

	As of December 29, 2000	
	Historical	As Adjusted
		(unaudited)
Indebtedness:		
Short-term borrowings	$ 42	$ 42
Long-term debt		
Initial notes	0	299
Senior notes	1,001	1,001
Commercial paper	827	530
Non-interest bearing endowment deposits	108	108
Other	80	80
Total long-term debt	2,016	2,018
Total indebtedness	$2,058	$2,060
Shareholders' equity:		
ESOP preferred stock	$ --	$ --
Class A common stock, 255.6 million shares issued	3	3
Additional paid-in capital	3,590	3,590
Retained earnings	851	851
Unearned ESOP shares	(679)	(679)
Treasury stock, at cost	(454)	(454)
Accumulated other comprehensive income	(44)	(44)
Total stockholders' equity	$3,267	$3,267
Total capitalization	$5,325	$5,327

THE EXCHANGE OFFER

The following discussion summarizes the material terms of the exchange offer, including those set forth in the letter of transmittal distributed with this prospectus. This summary is qualified in its entirety by reference to the full text of the documents underlying the exchange offer, including the indenture governing the new notes, which is filed as Exhibit 4.1 to our Annual Report on Form 10-K for the year ended January 1, 1999.

Registration Rights

We sold the initial notes to Merrill Lynch, Pierce, Fenner & Smith, Incorporated, Banc of America Securities LLC, Banc One Capital Markets, Inc., Deutsche Bank Securities Inc., Lehman Brothers Inc., Salomon Smith Barney Inc. and Scotia Capital (USA) Inc., as initial purchasers, on January 16, 2001 under an offering memorandum dated January 10, 2001 covering $300 million aggregate principal amount of the initial notes. The initial purchasers then subsequently resold the initial notes to qualified institutional buyers under Rule 144A under the Securities Act. As part of the offering of the initial notes, we entered into a Registration Rights Agreement dated as of January 16, 2001.

Under the registration rights agreement, we agreed to:

- file with the SEC not later than April 16, 2001 an exchange offer registration statement under the Securities Act covering the offering of new notes;
- use our reasonable efforts to cause the registration statement to become effective under the Securities Act not later than July 15, 2001 and to keep the registration statement effective until the closing of the exchange offer;
- keep the exchange offer open at least 30 calendar days; and
- use our reasonable efforts to cause the exchange offer to be consummated not later than August 14, 2001.

The registration statement will be deemed not to be effective for any period during which the offering of new notes is interfered with by any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court.

The exchange offer gives you the opportunity, with limited exceptions, to exchange your initial notes for a like principal amount of new notes, which will be issued without a restrictive legend and which you may generally reoffer and resell without restrictions or limitations under the Securities Act. The exchange offer is subject to the general terms and conditions developed by the staff of the SEC in the Morgan Stanley No-Action Letter (Morgan Stanley and Co., Inc. (available June 5, 1991)) and the Exxon Capital No-Action Letter (Exxon Capital Holdings Corporation (available May 13, 1988)), as interpreted in the SEC's letter to Shearman & Sterling dated July 2, 1993, and similar no-action letters. However, you are not entitled to rely on the position of the staff in the no-action letters referred to above and, in the absence of an exemption

therefrom, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with the resale of the new notes, if you:

- are our "affiliate" within the meaning of Rule 405 under the Securities Act;
- do not acquire the new notes in the ordinary course of your business;
- tender in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of the new notes; or
- are a broker-dealer that acquired such initial notes directly from us.

If you are a broker-dealer receiving new notes for your own account in exchange for initial notes, where you acquired such initial notes as a result of market-making activities or other trading activities, you must acknowledge that you will deliver a prospectus in connection with any resale of such new notes. See "Plan of Distribution." We have agreed to include in this prospectus information necessary to allow such broker-dealers to exchange such initial notes in the exchange offer and to satisfy the prospectus delivery requirements for resales of new notes received by such broker-dealer in the exchange offer.

Shelf Registration

We may also be required to file a shelf registration statement to permit certain holders of the initial notes who were not eligible to participate in the exchange offer to resell the initial notes periodically without being limited by the transfer restrictions.

We will only be required to file a shelf registration statement, if:

- after the date the initial notes are issued, there is a change in law or applicable interpretations of the law by the staff of the SEC, and as a result:
  - -- we determine that we are not permitted to complete the exchange offer as contemplated by the registration rights agreement, or
  - -- any holder of the initial notes is not able to participate in the exchange offer, or
  - -- any holder of the initial notes does not receive fully transferable new notes, or
- the exchange offer registration statement is not declared effective on or before July 15, 2001 or the exchange offer is not consummated on or before August 14, 2001, but we may terminate such shelf registration statement at any time, without penalty, if the exchange offer registration statement is declared effective or the exchange offer is consummated, or
- upon the request of any of the initial purchasers made within 90 days after the consummation of the exchange offer with respect to initial notes not eligible to be

exchanged in the exchange offer and held by it following the consummation of the exchange offer, or

. we choose to do so.

The shelf registration statement will permit only certain holders to resell their initial notes from time to time. In particular, such holders must

. provide certain information in connection with the registration statement and

. agree in writing to be bound by all provisions of the registration rights agreement (including certain indemnification obligations).

A holder who sells initial notes pursuant to the shelf registration statement will be required to be named as a selling securityholder in the prospectus, and to deliver a copy of the prospectus to purchasers. Such holder will be subject to certain of the civil liability provisions under the Securities Act in connection with such sales, and will be bound by the provisions of the registration rights agreement which are applicable to such a holder (including certain indemnification obligations).

If a shelf registration statement is required, we will use our reasonable efforts to:

. file the shelf registration statement with the SEC no later than (a) April 16, 2001 or (b) the 60th calendar day after such filing obligation arises, whichever is later, and

. cause the shelf registration statement to be declared effective by the SEC on or prior to the 60th calendar day after such filing is made, and

. keep the shelf registration statement effective for a period of two years after January 16, 2001, the date the initial notes were first issued, or if earlier until all of the initial notes covered by the shelf registration statement are sold thereunder or are already freely tradeable.

Neither an exchange of initial notes for new notes nor the filing of a registration statement with respect to the exchange offer or a shelf registration statement should be a taxable event to the holders, and the holders should not recognize any taxable gain or loss or any interest income as a result of such an exchange or such a filing. We are obligated to pay additional interest on the initial notes to the holders under certain circumstances described below under "Additional Interest." We intend to take the position that such payments should be treated for tax purposes as additional interest, although the Internal Revenue Service could propose a different method of taxing the payments.

Additional Interest

If a registration default occurs (this term is defined below in the third paragraph under this sub-heading), then we will be required to pay additional interest to each holder of the initial

notes. During the first 90-day period that a registration default occurs, we will pay additional interest equal to 0.25% (which is also known as 25 basis points) per annum. At the beginning of the second and any subsequent 90-day period that a registration default is continuing, the amount of additional interest will increase by an additional 0.25% until all registration defaults have been cured, up to a maximum rate of additional interest equal to 0.5% (which is also known as 50 basis points) per annum. In no event will the rate of additional interest exceed 0.5% per annum. Such additional interest will accrue only for those days that a registration default occurs and is continuing. All accrued additional interest will be paid to the holders of the initial notes in the same manner as interest payments on the initial notes, with payments being made on the interest payment dates for the initial notes. Following the cure of all registration defaults, no more additional interest will accrue.

You will not be entitled to receive any such additional interest if you were, at any time while the exchange offer was pending, eligible to exchange, and did not validly tender, your initial notes for new notes in the exchange offer.

A "registration default" includes if:

- we fail to file any of the registration statements required by the registration rights agreement on or before the date specified for such filing, or
- any of such registration statements is not declared effective by the SEC on or prior to the date specified for such effectiveness, or
- we fail to complete the exchange offer on or prior to August 14, 2001, or
- the shelf registration statement or the exchange offer registration statement is declared effective but thereafter ceases to be effective or usable in connection with resales of transfer restricted securities during the periods specified in the registration rights agreement, subject to certain exceptions for limited periods of time with respect to the shelf registration statement.

Except as set forth above, this prospectus may not be used for any offer to resell, resale or other transfer of new notes.

Except as set forth above, after consummation of the exchange offer, holders of notes have no registration or exchange rights under the registration rights agreement. See "-- Consequences of Failure to Exchange."

Expiration Date; Extensions; Amendments

The term "expiration date" means 5:00 p.m., New York City time, on _____, 2001, unless we, in our sole discretion, extend the period of time during which the exchange offer is open, in which case the term "expiration date" means the latest date and time to which the exchange offer is extended. To extend the exchange offer, we will notify the exchange agent of any extension by oral or written notice, followed by a public announcement thereof no later than

9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.

We reserve the right, in our reasonable judgment:

- to delay accepting any initial notes, to extend the exchange offer or to terminate the exchange offer if any of the conditions set forth below under the heading "-- Conditions" have not been satisfied, by giving oral or written notice of such delay, extension or termination to the exchange agent; or

- to amend the terms of the exchange offer in any manner.

Any such delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by a public announcement thereof.

Terms of the Exchange Offer

Subject to terms and conditions set forth in this prospectus and in the letter of transmittal, we will accept for exchange initial notes which are properly tendered and not withdrawn prior to 5:00 p.m., New York City time on the expiration date. We will issue $1,000 principal amount of new notes in exchange for each $1,000 principal amount of outstanding initial notes accepted in the exchange offer. Holders of the initial notes may tender some or all of their initial notes pursuant to the exchange offer; however, initial notes may be tendered only in integral multiples of $1,000. The new notes will evidence the same debt as the initial notes and will be entitled to the benefits of the indenture. Initial notes surrendered for new notes will be retired and cancelled and cannot be reissued. The form and terms of the new notes are substantially the same as the form and terms of the initial notes, except that:

- the new notes have been registered under the Securities Act and thus will not bear legends restricting the transfer thereof, and

- holders of the new notes generally will not be entitled to rights under the registration rights agreement or additional interest, which rights generally will terminate upon consummation of the exchange offer.

Holders of initial notes do not have any appraisal or dissenters' rights under applicable law or the indenture as a result of the exchange offer. We intend to conduct the exchange offer in accordance with the applicable requirements of the Securities Exchange Act of 1934 and the rules and regulations of the SEC thereunder, including Rule 14e-l.

We will be deemed to have accepted validly tendered initial notes when, as and if we have given oral or written notice thereof to the exchange agent. The exchange agent will act as agent for the tendering note holders pursuant to the exchange agent agreement for the purpose of receiving the new notes from us.

If any tendered initial notes are not accepted for exchange because of an invalid tender, the occurrence of other events set forth in this prospectus or otherwise, the certificates for any such unaccepted initial notes will be returned, without expense, to the tendering holders as promptly as practicable after the expiration date.

Holders who tender their initial notes in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of initial notes pursuant to the exchange offer. We will pay all charges and expenses, other than transfer taxes in certain circumstances, in connection with the exchange offer. See "-- Fees and Expenses."

Interest on New Notes

Registered holders of new notes on the relevant record date for the first interest payment date following the consummation of the exchange offer will receive interest accruing from the most recent date to which interest has been paid on the initial notes. Holders of new notes will not receive any payment in respect of accrued interest on initial notes otherwise payable on any interest payment date, the record date for which occurs on or after the consummation of the exchange offer. Interest on the new notes will be payable semi-annually on July 15 and January 15 of each year, commencing July 15, 2001.

Procedures for Tendering Initial Notes

The tender to us of initial notes by you as set forth below and our acceptance of the initial notes will constitute a binding agreement between us and you upon the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal. Only holders of initial notes may tender such initial notes in the exchange offer. To tender in the exchange offer, you must complete, sign and date the letter of transmittal, or a facsimile thereof, have the signatures thereon guaranteed if required by the letter of transmittal, and mail or otherwise deliver such letter of transmittal or such facsimile, together with the initial notes and any other required documents, to the exchange agent so as to be received by the exchange agent at the address set forth on the cover page of the letter of transmittal prior to 5:00 p.m., New York City time, on the expiration date. Delivery of the initial notes may be made by book-entry transfer of such initial notes into the exchange agent's account at DTC in accordance with the procedures described below. Confirmation of such book-entry transfer must be received by the exchange agent prior to the expiration date.

By executing the letter of transmittal, you will make to us the representations set forth below in the third paragraph under the heading "-- Resale of New Notes."

The method of delivery of initial notes and the letter of transmittal and all other required documents to the exchange agent is at your election and risk. Instead of delivery by mail, we recommend that you use an overnight or hand delivery service. In all cases, you should allow sufficient time to assure delivery to the exchange agent before the expiration date. No letter of transmittal or initial notes should be sent to us. You may request that your broker, dealer, commercial bank, trust company or nominee effect the above transactions for you.

If you are a beneficial owner whose initial notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender, you should contact the registered holder promptly and instruct such registered holder to tender on your behalf. If you are a beneficial owner and you wish to tender the initial notes yourself, you must either make appropriate arrangements to register ownership of the initial notes in your name or follow the procedures described in the immediately following paragraph. You must make these arrangements or follow these procedures before completing and executing the letter of transmittal and delivering the initial notes. The transfer of record ownership may take considerable time.

Signatures on the letter of transmittal or on a notice of withdrawal, as the case may be, must be guaranteed by an "eligible institution" (as defined below) unless the initial notes tendered:

- are signed by the registered holder, unless such holder has completed the box entitled "Special Exchange Instructions" or "Special Delivery Instructions" on the letter of transmittal, or

- are tendered for the account of an eligible institution.

If signatures on a letter of transmittal or a notice of withdrawal are required to be guaranteed, the guarantee must be by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States, or an "eligible guarantor institution" within the meaning of Rule l7A(d)-15 under the Securities Exchange Act of 1934 (an "eligible institution").

If the letter of transmittal is signed by a person other than the registered holder of any initial notes listed therein, those initial notes must be endorsed or accompanied by a properly completed bond power, signed by such registered holder as such registered holder's name appears on such initial notes, with the signature guaranteed by an eligible institution.

If the letter of transmittal or any initial notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, those persons should also indicate when signing, and unless waived by us, evidence satisfactory to us of their authority to so act must be submitted with the letter of transmittal.

We will determine in our sole discretion all questions as to the validity, form, eligibility, including time of receipt, acceptance of tendered initial notes and withdrawal of tendered initial notes, and our determination will be final and binding. We reserve the absolute right to reject any and all initial notes not properly tendered or any initial notes our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to particular initial notes. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in tenders of initial

notes must be cured within the amount of time we determine. Although we intend to notify you of defects or irregularities in your tender of initial notes, none of us, the exchange agent or any other person shall incur any liability for failure to give such notification. Tenders of initial notes will not be deemed to have been made until those defects or irregularities have been cured or waived. Any initial notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

Book-Entry Delivery Procedures

Promptly after the date of this prospectus, the exchange agent will establish accounts with respect to the initial notes at DTC for purposes of the exchange offer. Any financial institution that is a participant in DTC's systems may make book-entry delivery of the initial notes by causing DTC to transfer those initial notes into the exchange agent's account at DTC in accordance with DTC's procedures for such transfer. To be timely, book-entry delivery of initial notes requires receipt of a confirmation of a book-entry transfer ("Book-Entry Confirmation") prior to the expiration date. In addition, although delivery of initial notes may be effected through book-entry transfer into the exchange agent's account at DTC, the letter of transmittal or a manually signed facsimile thereof, together with any required signature guarantees and any other required documents, or an "agent's message" (as defined below) in connection with a book-entry transfer, must, in any case, be delivered or transmitted to and received by the exchange agent at its address set forth on the cover page of the letter of transmittal prior to the expiration date to receive new notes for tendered initial notes, or the guaranteed delivery procedure described below must be complied with. Tender will not be deemed made until such documents are received by the exchange agent. Delivery of documents to DTC does not constitute delivery to the exchange agent.

Tender of Initial Notes Held Through Depository Trust Company

The exchange agent and DTC have confirmed that the exchange offer is eligible for DTC's Automated Tender Offer Program. Accordingly, participants in DTC's Automated Tender Offer Program may, instead of physically completing and signing the applicable letter of transmittal and delivering it to the exchange agent, electronically transmit their acceptance of the exchange offer by causing DTC to transfer initial notes to the exchange agent in accordance with DTC's Automated Tender Offer Program procedures for transfer. DTC will then send an agent's message to the exchange agent.

The term "agent's message" means a message transmitted by DTC, received by the exchange agent and forming part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from a participant in DTC's Automated Tender Offer Program that is tendering initial notes that are the subject of such Book-Entry Confirmation, that such participant has received and agrees to be bound by the terms of the applicable letter of transmittal or, in the case of an agent's message relating to guaranteed delivery, that such participant has received and agrees to be bound by the applicable notice of guaranteed delivery, and that we may enforce such agreement against such participant.

Guaranteed Delivery Procedures

If you wish to tender your initial notes and:

- your initial notes are not immediately available,
- you cannot deliver your initial notes, the letter of transmittal or any other required documents to the exchange agent or
- you cannot complete the procedures for book-entry transfer, prior to the expiration date,

you may still effect a tender if:

- the tender is made through an eligible institution;
- prior to the expiration date, the exchange agent receives from such eligible institution a properly completed and duly executed notice of guaranteed delivery by facsimile transmission, mail or hand delivery setting forth the name and address of the holder, the certificate number(s) of such initial notes (if such initial notes are not held through DTC) and the principal amount of initial notes tendered, stating that the tender is being made thereby and guaranteeing that, within three New York Stock Exchange trading days after the expiration date, the letter of transmittal or facsimile thereof, together with the certificate(s) representing the initial notes or a Book-Entry Confirmation transfer of such initial notes into the exchange agent's account at DTC and all other documents required by the letter of transmittal, will be deposited by the eligible institution with the exchange agent; and
- such properly completed and executed letter of transmittal or facsimile thereof, as well as the certificate(s) representing all tendered initial notes in proper form for transfer or Book-Entry Confirmation transfer of such initial notes into the exchange agent's account at DTC and all other documents required by the letter of transmittal, are received by the exchange agent within three New York Stock Exchange trading days after the expiration date.

Upon request to the exchange agent, a notice of guaranteed delivery will be sent to you so that you may tender your initial notes according to the guaranteed delivery procedures set forth above.

Withdrawals of Tenders

Except as otherwise provided herein, you may withdraw your tender of initial notes at any time prior to 5:00 p.m., New York City time, on the expiration date.

To withdraw a tender of initial notes in the exchange offer, a written or facsimile transmission notice of withdrawal must be received by the exchange agent at the address set forth herein prior to 5:00 p.m., New York City time, on the expiration date. Any such notice of withdrawal must:

- specify the name of the person having deposited the initial notes to be withdrawn,

- identify the initial notes to be withdrawn including the certificate number(s) and the principal amount of such initial notes, or, in the case of initial notes transferred by book-entry transfer, the name and number of the account at DTC to be credited,

- be signed by the holder in the same manner as the original signature on the letter of transmittal by which such initial notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer sufficient to have the trustee under the indenture register the transfer of such initial notes into the name of the person withdrawing the tender, and

- specify the name in which any such initial notes are to be registered, if different from that of the person who deposited the initial notes.

We will determine all questions as to the validity, form and eligibility, including time of receipt, of such notices, and our determination shall be final and binding on all parties. Any initial notes so withdrawn will be deemed not to have been validly tendered for purposes of the exchange offer and no new notes will be issued with respect thereto unless the initial notes so withdrawn are validly retendered. Any initial notes that have been tendered but are not accepted for exchange will be returned to their holder without cost to such holder as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn initial notes may be retendered by following one of the procedures described above under "--Procedures for Tendering Initial Notes" at any time prior to the expiration date.

Conditions

Notwithstanding any other term of the exchange offer, we will not be required to accept for exchange any initial notes, and may terminate or amend the exchange offer as provided in this prospectus before the acceptance of such initial notes, if:

- the exchange offer or the making of any exchange by a holder, violates any applicable law or interpretation of the staff of the SEC; or

- any action or proceeding shall have been instituted or threatened in any court or by any governmental agency which in our judgment would reasonably be expected to impair our ability to proceed with the exchange offer.

If we determine in our reasonable judgment that any of the foregoing conditions are not satisfied, we may:

- refuse to accept any initial notes and return all tendered initial notes to the tendering holders,

- extend the exchange offer and retain all initial notes tendered prior to the expiration of the exchange offer, subject, however, to the rights of holders to withdraw such initial notes (see "-- Withdrawals of Tenders"), or

- waive such unsatisfied conditions with respect to the exchange offer and accept all properly tendered initial notes which have not been withdrawn.

Exchange Agent

The Chase Manhattan Bank will act as exchange agent for the exchange offer with respect to the initial notes.

Questions and requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal for the initial notes and requests for copies of the notice of guaranteed delivery should be directed to the exchange agent, addressed as follows:

By registered or certified mail or overnight courier:

The Chase Manhattan Bank
Attn: Marvin Kierstead
One Liberty Place
Suite 5210
Philadelphia, PA 19103

By facsimile (for eligible institutions only): (215) 972-8372

Confirm by telephone: (215) 988-1317

IF YOU DELIVER TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE IT WILL NOT BE A VALID DELIVERY

Fees and Expenses

We will bear the expenses of soliciting initial notes for exchange. The principal solicitation is being made by mail by the exchange agent. Additional solicitation may be made by telephone, facsimile or in person by our officers and regular employees and our affiliates and by persons so engaged by the exchange agent.

We will pay the exchange agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses in connection therewith and pay other registration expenses, including fees and expenses of the trustee under the indenture, filing fees, blue sky fees and printing and distribution expenses.

We will pay all transfer taxes, if any, applicable to the exchange of the initial notes pursuant to the exchange offer. If, however, certificates representing the new notes or the initial notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be issued in the name of, any person other than the registered holder of the initial notes tendered, or if tendered initial notes are registered in the name of any person other than the person signing the letter of transmittal, or if a transfer tax is imposed for any reason other than the exchange of the initial notes pursuant to the exchange offer, then the amount of any such transfer taxes, whether imposed on the registered holder or any other person, will be payable by the tendering holder.

Accounting Treatment

The new notes will be recorded at the same carrying value as the initial notes, which is the aggregate principal amount of the initial notes, as reflected in our accounting records on the date of exchange. Accordingly, no gain or loss for accounting purposes will be recognized in connection with the exchange offer. The expenses of the initial notes offering and the exchange offer will be amortized over the term of the new notes.

Resale of New Notes

We are making the exchange offer in reliance on the position of the Securities and Exchange Commission staff's Exxon Capital no-action letter, Morgan Stanley no-action letter, Shearman & Sterling no-action letter and other interpretive letters addressed to third parties in other transactions; however, we have not sought our own interpretive letter addressing these matters and we cannot assure you that the staff of the SEC would make a similar determination with respect to the exchange offer as it has in such interpretive letters to third parties. Based on these interpretations by the staff, and subject to the two immediately following sentences, we believe that unless you are a broker-dealer, you may offer for resale, resell or otherwise transfer new notes issued to you pursuant to this exchange offer in exchange for initial notes without further compliance with the registration and prospectus delivery requirements of the Securities Act, provided that you acquire such new notes in the ordinary course of your business and you are not participating, and have no arrangement or understanding with any person to participate, in a distribution within the meaning of the Securities Act of such new notes. Notwithstanding the above, you may be subject to separate restrictions if you:

- are our "affiliate" within the meaning of Rule 405 under the Securities Act,
- do not acquire such new notes in the ordinary course of your business,
- intend to participate in the exchange offer for the purpose of distributing new notes, or
- are a broker-dealer who purchased such initial notes directly from us.

If you fall into any of the categories above, you:

- will not be able to rely on the interpretations of the SEC staff set forth in the above-mentioned interpretive letters,

- will not be permitted or entitled to tender your initial notes in the exchange offer, and

- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any sale or other transfer of your initial notes unless the sale is made pursuant to an exemption from these requirements.

In addition, as described below, if you are a broker-dealer holding initial notes acquired for your own account (a "Participating Broker-Dealer"), then you may be deemed a statutory "underwriter" within the meaning of the Securities Act and must deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of your new notes.

As a condition to your participation in the exchange offer, each holder of initial notes, including, without limitation, any holder who is a Participating Broker-Dealer, must furnish, upon our request, prior to the consummation of the exchange offer, a written representation to us contained in the letter of transmittal to the effect that:

- you are not our affiliate,

- any new notes to be received by you are being acquired in the ordinary course of your business, and

- you are not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in, a distribution within the meaning of the Securities Act of such new notes.

If you are a broker-dealer receiving new notes for your own account in the exchange offer, you must acknowledge that you acquired the initial notes for your own account as a result of market-making activities or other trading activities, and not directly from us, and must agree that you will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a Participating Broker-Dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. Based on the position taken by the SEC staff in the interpretive letters referred to above, we believe that if you are a Participating Broker-Dealer, you may fulfill your prospectus delivery requirements with respect to the new notes received upon exchange of your initial notes with a prospectus meeting the requirements of the Securities Act, which may be this prospectus (which was prepared for the exchange offer) so long as it contains a description of the plan of distribution with respect to the resale of such new notes. Accordingly, this prospectus, as it may be amended or supplemented from time to time, may be used by a Participating Broker-Dealer during the period referred to below in connection with resales of new notes received in exchange for initial notes where the initial notes were acquired by the Participating Broker-Dealer for its own account as a result of market-making or other trading activities.

Consequences of Failure to Exchange

Any initial notes tendered and exchanged in the exchange offer will reduce the aggregate principal amount of initial notes outstanding. Following the consummation of the exchange offer, holders who did not tender their initial notes generally will not have any further registration rights under the registration rights agreement, and such initial notes will continue to be subject to restrictions on transfer. Accordingly, the liquidity of the market for such initial notes could be adversely affected. The initial notes are currently eligible for sale pursuant to Rule 144A through The Portal Market. Because we anticipate that most holders will elect to exchange initial notes for new notes pursuant to the exchange offer due to the absence of restrictions on the resale of new notes (except for applicable restrictions on any holder of new notes who is our affiliate or is a broker-dealer that acquired the initial notes directly from us) under the Securities Act, we anticipate that the liquidity of the market for any initial notes remaining after the consummation of the exchange offer may be substantially limited.

As a result of the making of this exchange offer, we will have fulfilled most of our obligations under the registration rights agreement, and holders who do not tender their initial notes, except for certain instances involving the initial purchasers or holders of initial notes who are not eligible to participate in the exchange offer, will not have any further registration rights under the registration rights agreement or otherwise or rights to receive additional interest for failure to register. Accordingly, any holder that does not exchange its initial notes for new notes will continue to hold the untendered initial notes and will be entitled to all the rights and subject to all the limitations applicable under the indenture, except to the extent that such rights or limitations, by their terms, terminate or cease to have further effectiveness as a result of the exchange offer.

The initial notes that are not exchanged for new notes pursuant to the exchange offer will remain restricted securities within the meaning of the Securities Act. Accordingly, such initial notes may be resold only:

- to us or any of our subsidiaries,
- inside the United States to a "qualified institutional buyer" in compliance with Rule 144A under the Securities Act,
- inside the United States to an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act), or an "accredited investor" that, prior to such transfer, furnishes or has furnished on its behalf by a U.S. broker-dealer to the trustee under the indenture a signed letter containing certain representations and agreements relating to the restrictions on transfer of the new notes, the form of which letter can be obtained from the trustee,
- outside the United States in compliance with Rule 904 under the Securities Act,
- pursuant to the exemption from registration provided by Rule 144 under the Securities Act, if available, or

. pursuant to an effective registration statement under the Securities Act.

Each accredited investor that is not a qualified institutional buyer and that is an original purchaser of any of the initial notes from the initial purchasers will be required to sign a letter confirming that such person is an accredited investor under the Securities Act and that such person acknowledges the transfer restrictions summarized above.

Other

Participation in the exchange offer is voluntary and you should carefully consider whether to accept the offer to exchange your initial notes. You are urged to consult your financial and tax advisors in making your decision on what action to take with respect to the exchange offer. We may in the future seek to acquire untendered initial notes in open market or privately negotiated transactions, through subsequent exchange offers or otherwise. We have no present plans to acquire any initial notes that are not tendered in the exchange offer or to file a registration statement to permit resales of any untendered initial notes.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a general discussion of certain U.S. federal income tax considerations relating to the exchange of the initial notes for the new notes. This discussion is based upon the Internal Revenue Code of 1986 as amended (the "Code"), existing and proposed Treasury Regulations, and judicial decisions and administrative interpretations thereunder, as of the date hereof, all of which are subject to change, possibly with retroactive effect, or are subject to different interpretations. We have not obtained, nor do we intend to obtain, a ruling from the Internal Revenue Service (the "IRS") as to any U.S. federal income tax consequences discussed below and there can be no assurances that the IRS will not take contrary positions. This discussion does not address all aspects of U.S. federal income tax that may be relevant to particular holders of the initial notes and new notes. This discussion deals only with holders of notes who hold the notes as capital assets and exchange initial notes for new notes. This discussion does not address the tax consequences arising under the laws of any foreign, state or local jurisdiction. Prospective investors are urged to consult their tax advisors regarding the U.S. federal tax consequences of acquiring, holding and disposing of the notes, as well as any tax consequences that may arise under the laws of any foreign, state, local or other taxing jurisdiction.

In the opinion of our outside counsel, Gibson, Dunn & Crutcher LLP, neither participation in this exchange offer nor the filing of a shelf registration statement should result in a taxable exchange to the holders of the initial notes. Consequently, holders of the initial notes will not recognize taxable gain or loss as a result of exchanging initial notes for new notes pursuant to this exchange offer. The holding period of the new notes will be the same as the holding period of the initial notes and the tax basis of the new notes will be the same as the basis in the initial notes immediately before the exchange.

SELECTED FINANCIAL DATA
(in millions, except per share data)

The following table presents certain selected financial data for the five most recent fiscal years, which is from our consolidated financial statements. Since the information in this table is only a summary and does not provide all of the information contained in our financial statements, including the related notes, you should read "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 29, 2000, which has been filed with the SEC and incorporated into this prospectus by reference. Per share data has not been presented for periods prior to 1998 because we were not a publicly held company during that time.

	Fiscal Year				
	2000	1999	1998	1997	1996(a)
Systemwide Sales	$19,781	$17,684	$16,024	$13,196	$9,899
Income Statement Data:					
Sales	$10,017	$ 8,739	$ 7,968	$ 7,236	$5,738
Operating Profit Before Corporate Expenses and Interest	922	830	736	609	508
Net Income	479	400	390	324	270
Per Share Data:					
Diluted Earnings per Share	1.89	1.51	1.46		
Cash Dividends Declared	.235	.215	.195		
Balance Sheet Data (at end of period):					
Total Assets	$ 8,237	$ 7,324	$ 6,233	$ 5,161	$3,756
Long-Term and Convertible Subordinated Debt	2,016	1,676	1,267	422	681
Shareholders' Equity	3,267	2,908	2,570		

(a) 1996 fiscal year was 53 weeks; all other fiscal years were 52 weeks.

BUSINESS

We are one of the world's leading hospitality companies. We are a worldwide operator and franchisor of hotels and senior living communities. We group our operations into three business segments, Lodging, Senior Living Services and Distribution Services, which represented 78 percent, 7 percent and 15 percent, respectively, of our total sales in the fiscal year ended December 29, 2000.

Lodging. We operate or franchise 2,099 lodging properties worldwide, with approximately 390,469 rooms, as of December 29, 2000. In addition, we provide approximately 6,959 furnished corporate housing units. We believe that our portfolio of lodging brands - from luxury to economy to extended stay to corporate housing - is the broadest of any company in the world, and that we are the leader in the quality tier of the vacation timesharing business. Consistent with our focus on management and franchising, we own very few of our lodging properties. Our lodging brands include:

Upscale Full-Service Lodging
- Marriott Hotels, Resorts and Suites
- Marriott Conference Centers
- J.W. Marriott Hotels
- Renaissance Hotels, Resorts and Suites

Luxury Lodging
- Bvlgari Hotels and Resorts/1/
- Ritz-Carlton

Moderate-Priced and Economy Lodging
- Courtyard
- Fairfield Inn
- SpringHill Suites
- Ramada International Hotels, Resorts and Suites (Europe, Middle East and Asia/Pacific)

Extended-Stay Lodging
- Residence Inn
- TownePlace Suites
- Marriott Executive Apartments

Vacation Timesharing
- Marriott Vacation Club International
- Horizons by Marriott Vacation Club
- The Ritz-Carlton Club

Corporate Apartments
- ExecuStay by Marriott

/1/ As part of our ongoing strategy to expand our reach through partnerships with preeminent, world-class companies, in early 2001, we announced our plans to launch a joint venture with Bulgari SpA to introduce a distinctive new luxury hotel brand - Bvlgari Hotels and Resorts

Senior Living Services. Our Senior Living Services segment develops and operates senior living communities offering independent living, assisted living and skilled nursing care for seniors. We operated 153 of these facilities as of December 29, 2000, most of which were owned by third parties. Our three principal senior living community brands are:

- Brighton Gardens by Marriott (quality-tier assisted living)

- Village Oaks (moderate-priced assisted living)

. Marriott MapleRidge (high levels of service for the more frail senior population)

Distribution Services. Operating under the name Marriott Distribution Services, we supply food and related products to our domestic hotels and senior living communities and to external domestic customers through our high-volume distribution centers. Marriott Distribution Services is one of the largest limited-line food service distributors in the United States.

Formation of "New" Marriott International--Spin-off in March 1998. We became a public company in March 1998, when we were "spun off" as a separate entity by the company formerly named "Marriott International, Inc." We refer to the "former" Marriott International as "Old Marriott." Our company--the "new" Marriott International--was formed to conduct the lodging, senior living and distribution services businesses formerly conducted by Old Marriott. Old Marriott, now called Sodexho Marriott Services, Inc., is a provider of food service and facilities management in North America.

Other Companies with the "Marriott" Name. In addition to us and Sodexho Marriott Services, there is one other public company with "Marriott" in its name: Host Marriott Corporation (a lodging real estate investment trust, most of whose properties we manage). Sodexho Marriott Services and Host Marriott each have their own separate management, businesses and employees. Each company's board of directors is comprised of different persons, except that J.W. Marriott, Jr., our Chairman and Chief Executive Officer, his brother, Richard E. Marriott, Chairman of Host Marriott, and William J. Shaw, our President and Chief Operating Officer and one of our directors, are each directors of more than one Marriott company. Members of the Marriott family continue to own stock in us, in Sodexho Marriott Services, and in Host Marriott.

DESCRIPTION OF THE NEW NOTES

We are offering, in exchange for the initial notes, a total of $300 million aggregate principal amount of 7% Series E new notes.

The initial notes were issued under a document called the "indenture". The indenture is a contract between us and The Chase Manhattan Bank, which acts as trustee. The new notes will be governed by the same indenture that governs the initial notes. The trustee has two main roles. First, the trustee can enforce your rights against us if we default. There are some limitations on the extent to which the trustee acts on your behalf, described below on page 50 under "Remedies If an Event of Default Occurs". Second, the trustee performs administrative duties for us, such as sending you interest payments, transferring your new notes to a new buyer if you sell and sending you notices.

The indenture and its associated documents contain the full legal text of the matters described in this section. The indenture and the new notes are governed by New York law. We filed a copy of the indenture with the SEC as Exhibit 4.1 to our Annual Report on Form 10-K for the year ended January 1, 1999. The indenture is subject to and governed by the Trust Indenture Act of 1939.

Because this section is a summary, it does not describe every aspect of the new notes. This summary is subject to, and qualified in its entirety by reference to, all the provisions of the indenture, including definitions of certain terms used in the indenture and those terms made part of the indenture by reference to the Trust Indenture Act. For example, in this section we use capitalized words to signify defined terms that have been given special meanings in the indenture. We describe the meaning for only the more important terms. We also include references in parentheses to certain sections of the indenture. Whenever we refer to particular sections or defined terms of the indenture in this prospectus, such sections or defined terms are automatically incorporated here.

General

The new notes will be our general unsecured and senior obligations and will be limited to $300,000,000 aggregate principal amount. The new notes will mature on January 15, 2008. The new notes will rank equally with all of our other unsecured senior indebtedness. The new notes will effectively rank junior to all liabilities of our subsidiaries. The new notes will be issued solely in exchange for an equal principal amount of initial notes pursuant to the Exchange Offer. The form and terms of the new notes will be identical in all material respects to the form and terms of the initial notes, except that:

- the new notes will have been registered under the Securities Act and will not bear legends restricting their transfer; and

- the holders of the new notes, except for limited instances, will not be entitled to further registration rights under the registration rights agreement or to receive additional interest on the new notes in the event that certain registration obligations are not complied with.

The new notes are subject to full defeasance and covenant defeasance. Defeasance may be accomplished in the manner described below under the heading "--Defeasance."

Marriott International, Inc. is a legal entity separate and distinct from its subsidiaries. Our subsidiaries are not obligated to make required payments on the new notes. Accordingly, Marriott International, Inc.'s rights and the rights of holders of the new notes to participate in any distribution of the assets or income from any subsidiary is necessarily subject to the prior claims of creditors of the subsidiary. The indenture under which the new notes will be issued does not limit the amount of unsecured debt which our subsidiaries may incur. In addition, Marriott International, Inc. and its subsidiaries may incur secured debt and enter into sale and leaseback transactions, subject to the limitations described below under the heading "--Certain Covenants."

Payments by Us on the New Notes

We will pay interest on the notes at a rate of 7% per annum. We will pay interest on the notes on January 15 and July 15 of each year, with the first payment being made on July 15, 2001. Each new note will bear interest from January 16, 2001. If your new notes are accepted

for exchange, you will not receive accrued interest on the initial notes, and will be deemed to have waived the right to receive any interest on the initial notes from and after January 16, 2001.

We will pay interest only to those holders who are registered holders on the close of business on the preceding December 31 or June 30, as the case may be. These dates are the "regular record dates." In addition to the interest, we will repay the principal on the notes on January 15, 2008. Periodically, we may buy the new notes. However, we are not obligated to repay, and may not repay at our option, any portion of the principal of the new notes prior to their maturity.

The new notes will not be redeemable prior to maturity. The new notes will not be entitled to the benefit of any sinking fund or other mandatory redemption provisions.

Legal Ownership

"Street Name" and Other Indirect Holders

Investors who hold new notes in accounts at banks or brokers will generally not be recognized by us as legal holders of the new notes. This is called holding in "street name." Instead, we would recognize only the bank or broker, or the financial institution the bank or broker uses to hold its new notes, as a holder of new notes. These intermediary banks, brokers and other financial institutions pass along principal, interest and other payments on the new notes, either because they agree to do so in their customer agreements or because they are legally required to. If you hold new notes in "street name," you should check with your own institution to find out:

- How it handles payments and notices.
- Whether it imposes fees or charges.
- How it would handle voting if ever required.
- Whether and how you can instruct it to send you the new notes registered in your own name so you can be a direct holder as described below.
- How it would pursue rights under the new notes if there were a default or other event triggering the need for holders to act to protect their interests.

Direct Holders

Our obligations, as well as the obligations of the trustee and those of any third parties employed by us or the trustee, run only to those persons who are registered as holders of the new notes. We do not have obligations to you if you hold in "street name" or other indirect means, either because you choose to hold the new notes in that manner or because the new notes are issued in the form of global securities as described below. For example, once we make payment to the registered holder, we have no further responsibility for the payment even if that holder is legally required to pass the payment along to you as a "street name" customer but does not do so.

Global Security

All new notes will initially be issued only as a registered new note in global form without interest coupons, known as a "global security".

What is a Global Security? A global security is a special type of indirectly held security as described above under " 'Street Name' and Other Indirect Holders." The financial institution that acts as the sole direct holder of the global security is called the "depositary". Our Depositary will be the Depository Trust Company, New York, New York, or "DTC." Any holder wishing to own an interest in a global security must do so indirectly by virtue of an account with a broker, bank or other financial institution that in turn has an account with the depositary. See "--Book-Entry System".

Special Investor Considerations for Global Securities. As an indirect holder, an investor's rights relating to a global security will be governed by the account rules of the investor's financial institution and of the depositary, as well as general laws relating to securities transfers. We will not recognize this type of investor as a holder of new notes and instead will deal only with the depositary that holds the global security.

An investor holding interests in a global security should be aware that:

- The investor cannot get the new notes registered in his or her own name.
- The investor cannot receive physical certificates for his or her interest in the new notes.
- The investor will be a "street name" holder and must look to his or her own bank or broker for payments on the new notes and protection of his or her legal rights relating to the new notes. See " 'Street Name' and Other Indirect Holders".
- The investor may not be able to sell interests in the new notes to some insurance companies and other institutions that are required by law to own their securities in the form of physical certificates.
- The depositary's policies will govern payments, transfers, exchange and other matters relating to the investor's interest in the global security. We and the trustee have no responsibility for any aspect of the depositary's actions or for its records of ownership interests in the global security. We and the trustee also do not supervise the depositary in any way.
- Payment for purchases and sales in the market for corporate bonds and notes is generally made in next-day funds. In contrast, it is the policy of the Depositary to require that interests in a global security be purchased or sold within its system using same-day funds. This difference could have some effect on how global security interests trade, but we do not know what that effect will be.

Special Situations When Global Security Will Be Terminated. In a few special situations described below, a global security will terminate and interests in it will be exchanged for physical certificates representing new notes. After that exchange, the choice of whether to hold the notes directly or in "street name" will be up to each investor. Investors must consult their own bank or brokers to find out how to have their interests in new notes transferred to their own name, so that they will be direct holders. The rights of "street name" "investors and direct holders in the new notes have been previously described in the subsections entitled "Street Name' and Other Indirect Holders" on page 39 ad "Direct Holders" on page 39.

The special situations for termination of a global security are:

- When the depositary notifies us that it is unwilling, unable or no longer qualified to continue as depositary.

- When an Event of Default on the new notes has occurred and has not been cured. We discuss defaults below under "Events of Default" on page 49.

When a global security terminates, the depositary (and not we or the trustee) is responsible for deciding the names of the institutions that will be the initial direct holders.

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In the remainder of this description "you" means direct holders and not "street name" or other indirect holders of notes. Indirect holders should read the previous subsection on page 39 entitled 'Street Name' and Other Indirect Holders".

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Overview of Remainder of this Description

The remainder of this description summarizes:

- Additional mechanics relevant to the new notes under normal circumstances, such as how you transfer ownership and where we make payments;

- Your rights under several special situations, such as if we merge with another company, or if we want to change a term of the new notes;

- Promises we make to you about how we will run our business, or business actions we promise not to take (known as "restrictive covenants"); and

- Your rights if we default or experience other financial difficulties.

Additional Mechanics

Form, Exchange and Transfer

The new notes will be issued:

. only in fully registered form

. without interest coupons

. in a minimum denomination of $1,000 and integral multiples of $1,000.

You may have your new notes broken into more new notes of smaller denominations (subject to minimum denomination requirements) or combined into fewer new notes of larger denominations, as long as the total principal amount is not changed. (Section 305) This is called an "exchange."

You may exchange or transfer new notes at the office of the trustee. The trustee acts as our agent for registering new notes in the names of holders and transferring new notes. We may change this appointment to another entity or perform it ourselves. The entity performing the role of maintaining the list of registered holders is called the "security registrar." It will also perform transfers. (Section 305)

You will not be required to pay a service charge to transfer or exchange new notes, but you may be required to pay for any tax or other governmental charge associated with the exchange or transfer. The transfer or exchange will only be made if the security registrar is satisfied with your proof of ownership.

We may cancel the designation of any particular transfer agent. We may also approve a change in the office through which any transfer agent acts. (Section 1002)

Payment and Paying Agents

We will pay interest to you if you are a direct holder listed in the trustee's records at the close of business on a particular day in advance of each due date for interest, even if you no longer own the new note on the interest due date. That particular day, usually about two weeks in advance of the interest due date, is called the "regular record date." (Section 307) Holders buying and selling new notes must work out between them how to compensate for the fact that we will pay all the interest for an interest period to the one who is the registered holder on the regular record date. The most common manner is to adjust the sales price of the new notes to pro-rate interest fairly between buyer and seller. This pro-rated interest amount is called "accrued interest".

We will pay interest, principal and any other money due on the new notes at the corporate trust office of the trustee in Dallas, Texas. That office is currently located at 1201 Main Street, 18th Floor, Dallas, Texas 75202. You may elect to have your payments picked up at or wired from that office. We may also choose to pay interest by mailing checks.

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"Street name" and other indirect holders should consult their banks or brokers for information on how they will receive payments.
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We may also arrange for additional payment offices, and may cancel or change these offices, including our use of the trustee's corporate trust office. These offices are called "paying agents." We may also choose to act as our own paying agent. We must notify the trustee of changes in the paying agents. (Section 1002)

Notices

We and the trustee will send notices regarding the new notes only to direct holders, using their addresses as listed in the trustee's records. (Sections 101 and 106)

Regardless of who acts as paying agent, all money paid by us to a paying agent that remains unclaimed at the end of two years after the amount is due to direct holders will be repaid to us. After that two-year period, you may look only to us for payment and not to the trustee, any other paying agent or anyone else. (Section 1003)

Special Situations

Mergers and Similar Events

Under the indenture, we are generally permitted to consolidate or merge with another company or entity. We are also permitted to sell substantially all of our assets to another entity. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell substantially all of our assets, the other entity may not be organized under a foreign country's laws (that is, it must be a corporation, partnership or trust organized under the laws of a State or the District of Columbia or under federal law) and it must agree to be legally responsible for the new notes.

- The merger, sale of assets or other transaction must not cause a default on the new notes, and we must not already be in default (unless the merger or other transaction would cure the default). For purposes of this no-default test, a default would include an Event of Default that has occurred and not been cured, as described later on page 49 under "What is An Event of Default." A default for this purpose would also include any event that would be an Event of Default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

- It is possible that the merger, sale of assets or other transaction would cause some of our property to become subject to a mortgage or other legal mechanism giving lenders preferential rights in that property over other lenders or over our general creditors if we fail to pay them back. We have promised to limit these preferential rights on our property, called "Liens," as discussed later on page 45 under "Certain Covenants--Restrictions on Liens". If a merger or other transaction would create any Liens on our property, we must comply with that covenant. We would do this either by deciding that the Liens were permitted, or by following the requirements of

the covenant to grant an equivalent or higher-ranking Lien on the same property to you and the other direct holders of the new notes. (Section 801)

Modification and Waiver

There are three types of changes we can make to the indenture and the new notes.

Changes Requiring Your Approval. First, there are changes that we cannot make to the indenture or your new notes without your specific approval. We cannot do the following without your specific approval:

- change the stated maturity of the principal or interest on a new note;
- reduce any amounts due on a new note;
- reduce the amount of principal payable upon acceleration of the Maturity of a new note following a default;
- change the place or currency of payment on a new note;
- impair your right to sue for payment;
- reduce the percentage of holders of new notes whose consent is needed to modify or amend the indenture;
- reduce the percentage of holders of new notes whose consent is needed to waive compliance with certain provisions of the indenture or to waive certain defaults; and
- modify any other aspect of the provisions dealing with modification and waiver of the indenture. (Section 902).

Changes Requiring a Majority or 50% Vote. Second, there are change that we cannot make to the indenture or the new notes without a vote in favor by holders of notes owning not less than 50% of the principal amount of the particular series affected. Most changes fall into this category, except for clarifying changes and certain other changes that would not adversely affect holders of the new notes. A majority vote would be required for us to obtain a waiver of all or part of the covenants described below, or a waiver of a past default. However, we cannot obtain a waiver of a payment default or any other aspect of the indenture or the new notes listed in the first category described above on this page 44 under "Changes Requiring Your Approval" unless we obtain your individual consent to the waiver. (Section 513)

Changes Not Requiring Approval. The third type of change does not require any vote by holders of the new notes. This type is limited to clarifications and certain other changes that would not adversely affect holders of the new notes. (Section 901)

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a new note.

The new notes will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for you money for their payment or redemption. New notes will also not be eligible to vote if they have been fully defeased as described below on page 48 under "Full Defeasance." (Section 101)

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding new notes that are entitled to vote or take other action under the indenture. In certain limited circumstances, the trustee will be entitled to set a record date for action by holders. If we or the trustee set a record date for a vote or other action to be taken by holders, that vote or action may be taken only by persons who are holders of outstanding new notes on the record date and must be taken within 180 days following the record date or another shorter period that we may specify (or as the trustee may specify, if it set the record date). We may shorten or lengthen (but not beyond 180 days) this period from time to time. (Section 104)

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"Street name" and other indirect holders should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the indenture or the new notes or request a waiver.
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No Protection in the Event of a Change of Control

The new notes will not contain any provisions which may afford holders of the new notes protection in the event of a change in control of our company or in the event of a highly leveraged transaction (whether or not such transaction results in a change in control) which could adversely affect Holders of the new notes.

Certain Covenants

The indenture does not contain provisions that would afford protection to you in the event of a highly leveraged transaction involving the Company.

Restrictions on Liens. Some of our property may be subject to a mortgage or other legal mechanism that gives our lenders preferential rights in that property over other lenders (including you and any other holders of the our debt securities) or over our general creditors if we fail to pay them back. These preferential rights are called "Liens". We promise that we will not place a Lien on any of our Principal Properties, or on any shares of stock or debt of any of our Restricted Subsidiaries, to secure new debt unless we grant an equivalent or higher-ranking Lien on the same property to you and any other holders of the new notes. (Section 1008)

However, we do not need to comply with this restriction if the amount of all debt that would be secured by Liens on Principal Properties (including the new debt and all "Attributable Debt", as described under "Restriction on Sales and Leasebacks" below, that results from a sale

and leaseback transaction involving Principal Properties) is less than the greater of $400 million or 10% of our Consolidated Net Assets.

This Restriction on Liens also does not apply to certain types of Liens, and we can disregard these Liens when we calculate the limits imposed by this restriction. We may disregard a Lien on any Principal Property or on any shares of stock or debt of any Restricted Subsidiary if:

- the Lien existed on the date of the indenture, or
- the Lien existed at the time the property was acquired or at the time an entity became a Restricted Subsidiary, or
- the Lien secures Debt that is no greater than the Acquisition Cost or the Cost of Construction on a Principal Property or Restricted Subsidiary (if the Lien is created no later than 24 months after such acquisition or completion of construction), or
- the Lien is in favor of us or any Subsidiary, or
- the Lien is granted in order to assure our performance of any tender or bid on any project (and other similar Liens).

Subject to certain limitations, we may also disregard any Lien that extends, renews or replaces any of these types of Liens.

We and our subsidiaries are permitted to have as much unsecured debt as we may choose and except as provided in this Restriction on Liens, the indenture does not contain provisions that would afford protection to you in the event of a highly leveraged transaction involving our company.

Restrictions on Sales and Leasebacks. We promise that neither we nor any of our Restricted Subsidiaries will enter into any sale and leaseback transaction involving a Principal Property, unless we comply with this covenant. A "sale and leaseback transaction" generally is an arrangement between us or a Restricted Subsidiary and any lessor (other than the Company or a Subsidiary) where we or the Restricted Subsidiary lease a Principal Property for a period in excess of three years, if such property was or will be sold by us or such Restricted Subsidiary to that lender or investor.

We can comply with this promise in either of two different ways. First, we will be in compliance if we or a Restricted Subsidiary could grant a Lien on the Principal Property in an amount equal to the Attributable Debt for the sale and leaseback transaction without being required to grant an equivalent or higher-ranking Lien to you and the other holders of the new notes under the Restriction on Liens described above. Second, we can comply if we retire an amount of Debt ranking on a parity with, or senior to, the new notes, within 240 days of the transaction, equal to at least the net proceeds of the sale of the Principal Property that we lease in the transaction or the fair value of that property, whichever is greater. (Section 1009)

Certain Definitions Relating to our Covenants. Following are the meanings of the terms that are important in understanding the covenants previously described. (Section 101)

"Attributable Debt" means the total present value of the minimum rental payments called for during the term of the lease (discounted at the rate that the lessee could borrow over a similar term at the time of the transaction).

"Consolidated Net Assets" is the consolidated assets (less reserves and certain other permitted deductible items), after subtracting all current liabilities (other than the current portion of long-term debt and Capitalized Lease Obligations) as such amounts appear on our most recent consolidated balance sheet and computed in accordance with generally accepted accounting principles.

"Debt" means notes, bonds, debentures or other similar evidences of indebtedness for borrowed money or any guarantee thereof.

A "Restricted Subsidiary" means any Subsidiary:

- organized and existing under the laws of the United States, and
- the principal business of which is carried on within the United States of America, and
- which either (1) owns or is a lessee pursuant to a capital lease of any real estate or depreciable asset which has a net book value in excess of 2% of Consolidated Net Assets, or (2) in which the investment of the Company and all its Subsidiaries exceeds 5% of Consolidated Net Assets.

The definition of a Restricted Subsidiary does not include any Subsidiaries principally engaged in our company's timeshare or senior living services businesses, or the major part of whose business consists of finance, banking, credit, leasing, insurance, financial services or other similar operations, or any combination thereof. The definition also does not include any Subsidiary formed or acquired after the date of the indenture for the purpose of developing new assets or acquiring the business or assets of another person and which does not acquire all or any substantial part of our business or assets or those of any Restricted Subsidiary.

A "Subsidiary" is a corporation in which we and/or one or more of our other subsidiaries owns at least 50% of the voting stock, which is a kind of stock that ordinarily permits its owners to vote for the election of directors.

A "Principal Property" is any parcel or groups of parcels of real estate or one or more physical facilities or depreciable assets, the net book value of which exceeds 2% of the Consolidated Net Assets.

Defeasance

Full Defeasance. If there is a change in federal tax law, as described below, we can legally release ourselves from any payment or other obligations on the new notes (called "full defeasance") if we put in place the following other arrangements for you to be repaid:

- We must deposit in trust for your benefit and the benefit of all other direct holders of the new notes a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the new notes on their various due dates.

- There must be a change in current federal tax law or an IRS ruling that lets us make the above deposit without causing you to be taxed on the new notes any differently than if we did not make the deposit and just repaid the new notes ourselves. (Under current federal tax law, the deposit and our legal release from the new notes would be treated as though we took back your new notes and gave you your share of the cash and notes or bonds deposited in trust. In that event, you could be required to recognize gain or loss on the new notes you give back to us.)

- We must deliver to the trustee a legal opinion of our counsel confirming the tax law change or ruling described above.

If we ever did accomplish full defeasance, as described above, you would have to rely solely on the trust deposit for repayment on the new notes. You could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

Covenant Defeasance. Under current federal tax law, we can make the same type of deposit described above and be released from some of the covenants in the new notes. This is called "covenant defeasance." In that event, you would lose the protection of those covenants but would gain the protection of having money and securities set aside in trust to repay the new notes. In order to achieve covenant defeasance, we must, among other things, do the following:

- We must deposit in trust for your benefit and the benefit of all other direct holders of the new notes a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the new notes on their various due dates.

- We must deliver to the trustee a legal opinion of our counsel confirming that under current federal income tax law we may make the above deposit without causing you to be taxed on the new notes any differently than if we did not make the deposit and just repaid such new notes ourselves.

If we accomplish covenant defeasance, the following provisions of the indenture with respect to the new notes would no longer apply:

- Our promises regarding conduct of our business previously described on pages 45-47 under "Certain Covenants."

- The condition regarding the treatment of Liens when we merge or engage in similar transactions, as previously described on page 43 under "Mergers and Similar Events."

- The Events of Default relating to breach of covenants and acceleration of the maturity of other debt, described later on page 49 under "What Is an Event of Default?"

If we accomplish covenant defeasance, you can still look to us for repayment of the new notes if there were a shortfall in the trust deposit. In fact, if one of the remaining Events of Default occurred (such as our bankruptcy) and the new notes become immediately due and payable, there may be such a shortfall. Depending on the event causing the default, you may not be able to obtain payment of the shortfall. (Sections 1303 and 1304)

Default and Related Matters

Events of Default

You will have special rights if an Event of Default occurs and is not cured, as described later in this subsection.

What Is An Event of Default? The term "Event of Default" means any of the following:

- We do not pay the principal or any premium on a new note on its due date.

- We do not pay interest on a new note within 30 days of its due date.

- We remain in breach of a covenant described on pages 45-47 or any other term of the indenture for 60 days after we receive a notice of default stating we are in breach. The notice must be sent by either the trustee or holders of 25% of the principal amount of new notes.

- We or any Restricted Subsidiary default on other debt (excluding any non-recourse debt) which totals over $100 million (or 4% of our Consolidated Net Assets, whichever amount is greater) and the lenders of such debt shall have taken affirmative action to enforce the payment of such debt, and this repayment obligation remains accelerated for 10 days after we receive a notice of default as described in the previous paragraph.

- We file for bankruptcy or certain other events in bankruptcy, insolvency or reorganization occur. (Section 501)

A payment default or other default under one series of new notes may, but will not necessarily, cause a default to occur under any other series of new notes issued under the indenture.

Remedies If an Event of Default Occurs. If an Event of Default has occurred and has not been cured, the trustee or the holders of 25% in principal amount of the new notes may declare the entire principal amount of all the new notes to be due and immediately payable. This is called a declaration of acceleration of maturity. If an Event of Default occurs because of certain events in bankruptcy, insolvency or reorganization, the principal amount of all the new notes will be automatically accelerated, without any action by the trustee or any Holder. A declaration of acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the new notes. (Section 502)

Except in cases of default, where the trustee has some special duties, the trustee is not required to take any action under the indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability (called an "indemnity"). (Section 603) If reasonable indemnity is provided, the holders of a majority in principal amount of the outstanding new notes may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the indenture. (Section 512)

Before you bypass the trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the new notes, the following must occur:

- You must give the trustee written notice that an Event of Default has occurred and remains uncured.

- The holders of 25% in principal amount of all outstanding new notes must make a written request that the trustee take action because of the default, and must offer reasonable indemnity to the trustee against the cost and other liabilities of taking that action.

- The trustee must have not taken action for 60 days after receipt of the above notice and offer of indemnity. (Section 507)

However, you are entitled at any time to bring a lawsuit for the payment of money due on your new notes on or after its due date. (Section 508)

- ---

"Street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and to make or cancel a declaration of acceleration.

- ---

We will furnish to the trustee every year a written statement of certain of our officers certifying that to their knowledge we are in compliance with the indenture and the new notes, or else specifying any default. (Section 1004)

Regarding the Trustee

The Chase Manhattan Bank is the trustee, security registrar and paying agent under the indenture. We have certain existing banking relationships with The Chase Manhattan Bank, including that one of its affiliates is a lender under our revolving credit facility.

If an Event of Default (or an event that would be an Event of Default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded) occurs, the trustee may be considered to have a conflicting interest with respect to the new notes for purposes of the Trust Indenture Act of 1939. In that case, the trustee may be required to resign as trustee under the indenture and we would be required to appoint a successor trustee.

Book-Entry System

The global security will be deposited with, or on behalf of, DTC and registered in the name of DTC or its nominee. Ownership of beneficial interests in the global security will be limited to DTC participants and to persons that may hold interests through institutions that have accounts with DTC, known as participants. Beneficial interests in such global security will be shown on, and transfers of those ownership interests will be effected only through, records maintained by DTC and its participants for such global security.

DTC holds the securities of its participants and facilitates the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry changes in the accounts of its participants. The electronic book entry system eliminates the need for physical transfer and delivery of certificates. DTC's participants include:

- securities brokers and dealers;
- banks;
- trust companies;
- clearing corporations; and
- certain other organizations, some of which, and/or their representatives, own DTC.

Banks, brokers, dealers, trust companies and others that clear through or maintain a custodial relationship with a participant, either directly or indirectly, also have access to DTC's book-entry system.

The conveyance of notices and other communications by DTC to its participants and by its participants to owners of beneficial interests in the new notes represented by a global security will be governed by arrangements among them, subject to any statutory or regulatory requirements in effect.

Principal and interest payments on any new notes represented by a global security will be made to DTC or its nominee, as the case may be, as the sole registered owner and the sole holder of the new notes represented by such global security for all purposes under the indenture. Accordingly, we, the trustee and any paying agent will have no responsibility or liability for:

- any aspect of DTC's records relating to, or payments made on account of, beneficial ownership interests in any new notes represented by a global security;

- any other aspect of the relationship between DTC and its participants or the relationship between such participants and the owners of beneficial interests in a global security held through such participants; or

- the maintenance, supervision or review of any of DTC's records relating to such beneficial ownership interests.

DTC has advised us that upon receipt of any payment of principal of or interest on a note represented by a global security, DTC will immediately credit, on its book-entry registration and transfer system, the accounts of participants with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global note as shown on DTC's records. Payments by participants to owners of beneficial interests in a global security will be governed by standing instructions and customary practices, as is the case with securities held for customer accounts registered in "street name," and will be the sole responsibility of those participants.

A global security can only be transferred:

- as a whole by DTC to one of its nominees;

- as a whole by a nominee of DTC to DTC or another nominee of DTC; or

- as a whole by DTC or a nominee of DTC to a successor of DTC or a nominee of such successor.

Except as described above under "--Special Situations When a Global Security Will Be Terminated" and "--Exchanges Between Global Notes", (1) owners of beneficial interests in a global security will not be entitled to receive physical delivery of new notes in definitive form and will not be considered the holders of the new notes for any purpose under the indenture and (2) no new notes represented by a global security will be exchangeable. Accordingly, each person owning a beneficial interest in a global security must rely on the procedures of DTC, and if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the indenture or such global security. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of the securities in definitive form. Such laws may impair the ability to transfer beneficial interests in a global security.

We understand that under existing industry practices, if we request holders to take any action, or if an owner of a beneficial interest in a global security desires to take any action which a holder is entitled to take under the indenture, then (1) DTC would authorize the participants holding the relevant beneficial interests to take such action and (2) such participants would authorize the beneficial owners owning through such participants to take such action or would otherwise act upon the instructions of beneficial owners owning through them.

DTC has provided the following information to us. DTC is:

- a limited-purpose trust company organized under the laws of the State of New York;
- a "banking organization" within the meaning of the New York Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and
- a "clearing agency" registered under the Exchange Act.

PLAN OF DISTRIBUTION

This prospectus, as it may be amended or supplemented from time to time, may be used by Participating Broker-Dealers in connection with resales of new notes received in exchange for initial notes where such initial notes were acquired as a result of market-making activities or other trading activities. Each Participating Broker-Dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes.

We will not receive any proceeds from any sale of new notes by broker-dealers. New notes received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the new notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such new notes. Any Participating Broker-Dealer that acquired initial notes as a result of market making activities or other trading activities and who resells new notes that were received by it pursuant to the exchange offer and any broker or dealer that participates in a distribution of such new notes may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of new notes and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a Participating Broker-Dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

LEGAL MATTERS

The validity of the new notes will be passed upon for us by our Law Department. Certain federal income tax matters will be passed upon for us by Gibson, Dunn & Crutcher LLP, Washington, D.C. Attorneys in our Law Department own shares of our common stock, and hold stock options, deferred stock and restricted stock awards under our 1998 Comprehensive Stock and Cash Incentive Plan and may receive additional awards under such plan in the future.

INDEPENDENT PUBLIC ACCOUNTANTS

The financial statements and schedules incorporated by reference in this prospectus and elsewhere in the registration statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their reports with respect thereto, and are incorporated by reference herein in reliance upon the authority of said firm as experts in giving such reports.

$300,000,000

Exchange Offer

LOGO

Marriott International, Inc.

$300,000,000 7% Series E Notes due 2008

PROSPECTUS

PART II -- INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of Directors and Officers.

Article Eleventh and Article Sixteenth of the Company's Amended and Restated Certificate of Incorporation (the "Certificate") and Section 7.7 of the Company's Restated Bylaws limit the personal liability of directors to the Company or its shareholders for monetary damages for breach of fiduciary duty. These provisions of the Company Certificate and Bylaws are collectively referred to herein as the "Director Liability and Indemnification Provisions."

The Director Liability and Indemnification Provisions define and clarify the rights of individuals, including Company directors and officers, to indemnification by the Company in the event of personal liability or expenses incurred by them as a result of litigation against them. These provisions are consistent with Section 102(b)(7) of the Delaware General Corporation Law, which is designed, among other things, to encourage qualified individuals to serve as directors of Delaware corporations by permitting Delaware corporations to include in their certificates of incorporation a provision limiting or eliminating directors' liability for monetary damages and with other existing Delaware General Corporation Law provisions permitting indemnification of certain individuals, including directors and officers. The limitations of liability in the Director Liability and Indemnification Provisions may not affect claims arising under the federal securities laws.

In performing their duties, directors of a Delaware corporation are obligated as fiduciaries to exercise their business judgment and act in what they reasonably determine in good faith, after appropriate consideration, to be the best interests of the corporation and its shareholders. Decisions made on that basis are protected by the so-called "business judgment rule." The business judgment rule is designed to protect directors from personal liability to the corporation or its shareholders when business decisions are subsequently challenged. However, the expense of defending lawsuits, the frequency with which unwarranted litigation is brought against directors and the inevitable uncertainties with respect to the outcome of applying the business judgment rule to particular facts and circumstances mean that, as a practical matter, directors and officers of a corporation rely on indemnity from, and insurance procured by, the corporation they serve, as a financial backstop in the event of such expenses or unforeseen liability. The Delaware legislature has recognized that adequate insurance and indemnity provisions are often a condition of an individual's willingness to serve as director of a Delaware corporation. The Delaware General Corporation law has for some time specifically permitted corporations to provide indemnity and procure insurance for its directors and officers.

This description of the Director Liability and Indemnification Provisions is intended as a summary only and is qualified in its entirety by reference to the Company Certificate and the Company Bylaws, each of which has been filed with the SEC.

Item 21. Exhibits and Financial Statement Schedules.

(a) Exhibits

3.1	Third Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3 to our Form 10-Q for fiscal quarter ended June 18, 1999)
3.2	Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.3 to our Form 10-K for the fiscal year ended January 1, 1999)
3.3	Amended and Restated Rights Agreement dated as of August 9, 1999 with the Bank of New York, as rights Agent (incorporated by reference to Exhibit No. 4.1 to our Form 10-Q for fiscal quarter ended September 10, 1999)
3.4	Certificate of Designation, Preferences and Rights of the Marriott International, Inc. ESOP Convertible Preferred Stock (incorporated by reference to Exhibit No. 3.1 to our Form 10-Q for fiscal quarter ended June 16, 2000)
3.5	Certificate of Designation, Preferences and Rights of the Marriott International, Inc. Capped Convertible Preferred Stock (incorporated by reference to Exhibit No. 3.2 to our Form 10-Q for fiscal quarter ended June 16, 2000)
4.1	Indenture between the Company and The Chase Manhattan Bank, as trustee, dated as of November 16, 1998 (incorporated by reference to Exhibit 4.1 to our Form 10-K for the fiscal year ended January 1, 1999)
4.2	Registration Rights Agreement among the Company and Merrill Lynch, Pierce, Fenner & Smith, Incorporated, Banc of America Securities LLC, Banc One Capital Markets, Inc., Deutsche Bank Securities Inc., Lehman Brothers Inc., Salomon Smith Barney Inc. and Scotia Capital (USA) Inc., dated as of January 16, 2001
4.3	Form of 7% Series E Note due 2008.
5.1	Opinion of Marriott International, Inc.'s Law Department regarding the legal validity of the securities being registered for issuance
8.1	Opinion of Gibson, Dunn & Crutcher LLP regarding certain federal income tax matters
12	Statement re Computation of Ratios (incorporated by reference to Exhibit 12 to our Form 10-K for the fiscal year ended December 29, 2000)
23.1	Consent of Arthur Andersen LLP
23.2	Consent of Marriott International, Inc.'s Law Department (included in its opinion filed as Exhibit 5.1 hereto)
23.3	Consent of Gibson, Dunn & Crutcher LLP (included in its opinion filed as Exhibit 8.1 hereto)
24.1	Powers of Attorney (included on the signature page hereto)
25.1	Statement of eligibility of trustee under the indenture, on Form T-1
99.1	Form of Letter of Transmittal

(b) Financial Statement Schedules

Schedules are omitted because of the absence of conditions under which they are required under the pertinent portion of the instructions for Form S-4.

(c) Opinion Materially Relating to the Transaction

None.

Item 22. Undertakings.

(1) The undersigned hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(2) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suite or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

(3) The undersigned registrant hereby undertakes that (1) for the purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance on Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective and (2) for the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

(4) The undersigned registrant hereby undertakes to respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11, or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(5) The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-4 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the County of Montgomery, State of Maryland, on April 4, 2001.

MARRIOTT INTERNATIONAL, INC.

By: /s/ J.W. Marriott, Jr.

J.W. Marriott, Jr.
Chairman of the Board and
Chief Executive Officer

POWERS OF ATTORNEY

Each person whose signature appears below constitutes and appoints each of J.W. Marriott, Jr. and Arne M. Sorenson, acting singly, as his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for such person and in his or her name, place and stead, in any and all capacities, to sign any or all further amendments (including post-effective amendments) to this Registration Statement (and any additional Registration Statement related hereto permitted by Rule 462(b) promulgated under the Securities Act of 1933 (and all further amendments, including post-effective amendments, thereto)), and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the date indicated.

Signature	Title	Date
/s/ J.W. Marriott, Jr. - ---------- J.W. Marriott, Jr.	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	April 4, 2001
/s/ Arne M. Sorenson - ---------- Arne M. Sorenson	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	April 4, 2001
/s/ Linda A. Bartlett - ---------- Linda A. Bartlett	Vice President - Finance and Controller (Principal Accounting Officer)	April 4, 2001

/s/ William J. Shaw William J. Shaw	President, Chief Operating Officer and Director	April 4, 2001
/s/ Richard E. Marriott Richard E. Marriott	Director	April 4, 2001
/s/ Henry Cheng Kar-Shun Henry Cheng Kar-Shun	Director	April 4, 2001
/s/ Gilbert M. Grosvenor Gilbert M. Grosvenor	Director	April 4, 2001
/s/ Floretta Dukes McKenzie Floretta Dukes McKenzie	Director	April 4, 2001
/s/ Harry J. Pearce Harry J. Pearce	Director	April 4, 2001
/s/ W. Mitt Romney W. Mitt Romney	Director	April 4, 2001
/s/ Roger W. Sant Roger W. Sant	Director	April 4, 2001
/s/ Lawrence M. Small Lawrence M. Small	Director	April 4, 2001

EXHIBIT 4.2

Registration Rights Agreement

Dated As of January 16, 2001

among

Marriott International, Inc.

and

Merrill Lynch, Pierce, Fenner & Smith Incorporated

Banc of America Securities LLC

Banc One Capital Markets, Inc.

Deutsche Bank Securities Inc.

Lehman Brothers Inc.

Salomon Smith Barney Inc.

Scotia Capital (USA) Inc.

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (the "Agreement") is made and entered into this 16/th/ day of January, 2001, between Marriott International, Inc., a Delaware corporation (the "Company"), and Merrill Lynch, Pierce, Fenner & Smith Incorporated, Banc of America Securities LLC, Banc One Capital Markets, Inc., Deutsche Bank Securities Inc., Lehman Brothers Inc., Salomon Smith Barney Inc., and Scotia Capital (USA) Inc. (the "Initial Purchasers").

This Agreement is made pursuant to the Purchase Agreement, dated January 10, 2001, among the Company and the Initial Purchasers (the "Purchase Agreement"), which provides for the sale by the Company to the Initial Purchasers of an aggregate of $300 million principal amount of the Company's 7% Series E Notes due January 15, 2008 (the "Securities"). In order to induce the Initial Purchasers to enter into the Purchase Agreement, the Company has agreed to provide to the Initial Purchasers and their direct and indirect transferees the registration rights set forth in this Agreement. The execution of this Agreement is a condition to the closing under the Purchase Agreement.

In consideration of the foregoing, the parties hereto agree as follows:

1. Definitions.

As used in this Agreement, the following capitalized defined terms shall have the following meanings:

"1933 Act" shall mean the Securities Act of 1933, as amended from time to time.

"1934 Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"Closing Date" shall mean the Closing Time as defined in the Purchase Agreement.

"Company" shall have the meaning set forth in the preamble and shall also include the Company's successors.

"Depositary" shall mean The Depository Trust Company, or any other depositary appointed by the Company, provided, however, that such depositary must have an address in the Borough of Manhattan, in the City of New York.

"Exchange Offer" shall mean the exchange offer by the Company of Exchange Securities for Registrable Securities pursuant to Section 2.1 hereof.

"Exchange Offer Registration" shall mean a registration under the 1933 Act effected pursuant to Section 2.1 hereof.

"Exchange Offer Registration Statement" shall mean an exchange offer registration statement on Form S-4 (or, if applicable, on another appropriate form), and all amendments and supplements to such registration statement, including the Prospectus contained therein, all exhibits thereto and all documents incorporated by reference therein.

"Exchange Period" shall have the meaning set forth in Section 2.1 hereof.

"Exchange Securities" shall mean the 7% Series E Notes due January 15, 2008 issued by the Company under the Indenture, containing terms identical to the Series E Notes in all material respects (except for references to certain interest rate provisions, restrictions on transfers and restrictive legends), to be offered to Holders of Securities in exchange for Registrable Securities pursuant to the Exchange Offer.

"Holder" shall mean each Initial Purchaser, for so long as it owns any Registrable Securities, and each of its successors, assigns and direct and indirect transferees who become registered owners of Registrable Securities under the Indenture and each Participating Broker-Dealer that holds Exchange Securities for so long as such Participating Broker-Dealer is required to deliver a prospectus meeting the requirements of the 1933 Act in connection with any resale of such Exchange Securities.

"Indenture" shall mean the Indenture relating to the Securities, dated as of November 16, 1998, between the Company and The Chase Manhattan Bank, as trustee, as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms thereof.

"Initial Purchasers" shall have the meaning set forth in the preamble.

"Majority Holders" shall mean the Holders of a majority of the aggregate principal amount of Outstanding (as defined in the Indenture) Registrable Securities; provided that whenever the consent or approval of Holders of a specified percentage of Registrable Securities is required hereunder, Registrable Securities held by the Company and other obligors on the Securities or any Affiliate (as defined in the Indenture) of the Company shall be disregarded in determining whether such consent or approval was given by the Holders of such required percentage amount.

"Participating Broker-Dealer" shall mean any of Merrill Lynch, Pierce, Fenner & Smith Incorporated and any other broker-dealer which makes a market in the Securities and exchanges Registrable Securities in the Exchange Offer for Exchange Securities.

"Person" shall mean an individual, partnership (general or limited), corporation, limited liability company, trust or unincorporated organization, or a government or agency or political subdivision thereof.

"Private Exchange" shall have the meaning set forth in Section 2.1 hereof.

"Private Exchange Securities" shall have the meaning set forth in Section 2.1 hereof.

"Prospectus" shall mean the prospectus included in a Registration Statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any prospectus supplement, including any such prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by a Shelf Registration Statement, and by all other amendments and supplements to a prospectus, including post-effective amendments, and in each case including all material incorporated by reference therein.

"Purchase Agreement" shall have the meaning set forth in the preamble.

"Registrable Securities" shall mean the Securities and, if issued, the Private Exchange Securities; provided, however, that Securities and, if issued, the Private Exchange Securities, shall cease to be Registrable Securities when (i) a Registration Statement with respect to such Securities shall have been declared effective under the 1933 Act and such Securities shall have been disposed of pursuant to such Registration Statement, (ii) such Securities have been sold to the public pursuant to Rule l44 (or any similar provision then in force, but not Rule 144A) under the 1933 Act, (iii) such Securities shall have ceased to be outstanding or (iv) the Exchange Offer is consummated (except in the case of Securities purchased from the Company and continued to be held by the Initial Purchasers).

"Registration Expenses" shall mean any and all expenses incident to performance of or compliance by the Company with this Agreement, including without limitation: (i) all SEC, or National Association of Securities Dealers, Inc. (the "NASD") registration and filing fees, (ii) all fees and expenses incurred in connection with compliance with state securities or blue sky laws, (iii) all expenses of any Persons in preparing or assisting in preparing, word processing, printing and distributing any Registration Statement, any Prospectus, any amendments or supplements thereto, any underwriting agreements, securities sales agreements and other documents relating to the performance of and compliance with this Agreement, (iv) all rating agency fees, (vi) the fees and disbursements of counsel for the Company and of the independent public accountants of the Company, including the expenses of any special audits or "cold comfort" letters required by or incident to such performance and compliance, (vi) the fees and expenses of the Trustee, and any escrow agent or custodian, (vii) the reasonable fees and expenses of counsel to the Initial Purchasers in connection therewith, (ix) the reasonable fees and

disbursements of Piper Marbury Rudnick & Wolfe LLP, special counsel representing the Holders of Registrable Securities and (x) any fees and disbursements of the underwriters customarily required to be paid by issuers or sellers of securities and the fees and expenses of any special experts retained by the Company in connection with any Registration Statement, but excluding underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of Registrable Securities by a Holder.

"Registration Statement" shall mean any registration statement of the Company which covers any of the Exchange Securities or Registrable Securities pursuant to the provisions of this Agreement, and all amendments and supplements to any such Registration Statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"SEC" shall mean the Securities and Exchange Commission or any successor agency or government body performing the functions currently performed by the United States Securities and Exchange Commission.

"Series E Notes" shall have the meaning set forth in the preamble.

"Shelf Registration" shall mean a registration effected pursuant to Section 2.2 hereof.

"Shelf Registration Statement" shall mean a "shelf" registration statement of the Company pursuant to the provisions of Section 2.2 of this Agreement which covers all of the Registrable Securities or all of the Private Exchange Securities on an appropriate form under Rule 415 under the 1933 Act, or any similar rule that may be adopted by the SEC, and all amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"Special Counsel" shall mean Piper Marbury Rudnick & Wolfe LLP, in its capacity as special counsel representing the Holders of Registrable Securities.

"Trustee" shall mean the trustee with respect to the Securities under the Indenture.

2. Registration Under the 1933 Act.

2.1 Exchange Offer. The Company shall, for the benefit of the Holders, at the Company's cost, (A) prepare and not later than 90 calendar days following the Closing Date, file with the SEC an Exchange Offer Registration Statement on an appropriate form under the 1933 Act with respect to a proposed Exchange Offer and the issuance and delivery to the Holders, in exchange for the Registrable Securities (other than Private Exchange Securities), of

a like principal amount of Exchange Securities, (B) use its reasonable efforts to cause the Exchange Offer Registration Statement to be declared effective under the 1933 Act within 180 calendar days of the Closing Date, (C) use its reasonable efforts to keep the Exchange Offer Registration Statement effective until the closing of the Exchange Offer and (D) use its reasonable efforts to cause the Exchange Offer to be consummated not later than 210 calendar days following the Closing Date. The Exchange Securities will be issued under the Indenture. Upon the effectiveness of the Exchange Offer Registration Statement, within the agreed-upon time limits, the Company shall commence the Exchange Offer, it being the objective of such Exchange Offer to enable each Holder eligible and electing to exchange Registrable Securities for Exchange Securities (assuming that such Holder (a) is not an affiliate of the Company within the meaning of Rule 405 under the 1933 Act, (b) is not a broker-dealer tendering Registrable Securities acquired directly from the Company for its own account, (c) acquired the Exchange Securities in the ordinary course of such Holder's business and (d) has no arrangements or understandings with any Person to participate in the Exchange Offer for the purpose of distributing the Exchange Securities) to transfer such Exchange Securities from and after their receipt without any limitations or restrictions under the 1933 Act and under state securities or blue sky laws.

In order to participate in the Exchange Offer, each Holder must represent to the Company at the time of the Consummation of the Exchange Offer that it (a) is not an affiliate of the Company within the meaning of Rule 405 under the 1933 Act, (b) is not a broker-dealer tendering Registrable Securities acquired directly from the Company for its own account, (c) acquired the Exchange Securities in the ordinary course of such Holder's business and (d) has no arrangements or understandings with any Person to participate in the Exchange Offer for the purpose of distributing the Exchange Securities.

In connection with the Exchange Offer, the Company shall:

(a) mail as promptly as practicable to each Holder a copy of the Prospectus forming part of the Exchange Offer Registration Statement, together with an appropriate letter of transmittal and related documents;

(b) keep the Exchange Offer open for acceptance for a period of not less than 30 calendar days after the date notice thereof is mailed to the Holders (or longer at the option of the Company or if required by applicable law) (such period referred to herein as the "Exchange Period");

(c) utilize the services of the Depositary for the Exchange Offer;

(d) permit Holders to withdraw tendered Registrable Securities at any time prior to 5:00 p.m. (Eastern Time), on the last business day of the Exchange Period, by sending to the institution specified in the notice, a telegram, telex, facsimile transmission or letter setting forth the name of such Holder, the principal amount of Registrable Securities

delivered for exchange, and a statement that such Holder is withdrawing such Holder's election to have such Securities exchanged;

(e) notify each Holder that any Registrable Security not tendered will remain outstanding and continue to accrue interest, but will not retain any rights under this Agreement (except in the case of the Initial Purchasers and Participating Broker-Dealers as provided herein); and

(f) otherwise comply in all respects with all applicable laws relating to the Exchange Offer.

If, prior to consummation of the Exchange Offer, the Initial Purchasers hold any Securities acquired by them and having the status of an unsold allotment in the initial distribution, the Company upon the request of any Initial Purchasers shall, simultaneously with the delivery of the Exchange Securities in the Exchange Offer, issue and deliver to such Initial Purchasers in exchange (the "Private Exchange") for the Securities held by such Initial Purchasers, a like principal amount of debt securities of the Company on a senior basis, that are identical (except that such securities shall bear appropriate transfer restrictions) to the Exchange Securities (the "Private Exchange Securities").

The Exchange Securities and the Private Exchange Securities shall be issued under (i) the Indenture or (ii) an indenture identical in all material respects to the Indenture and which, in either case, has been qualified under the Trust Indenture Act of 1939, as amended (the "TIA"), or is exempt from such qualification and shall provide that the Exchange Securities shall not be subject to the transfer restrictions set forth in the Indenture but that the Private Exchange Securities shall be subject to such transfer restrictions. The Indenture or such indenture shall provide that the Exchange Securities, the Private Exchange Securities and the Securities shall vote and consent together on all matters as one class and that none of the Exchange Securities, the Private Exchange Securities or the Securities will have the right to vote or consent as a separate class on any matter. The Private Exchange Securities shall be of the same series as and the Company shall use all commercially reasonable efforts to have the Private Exchange Securities bear the same CUSIP numbers as the Exchange Securities. The Company shall not have any liability under this Agreement solely as a result of such Private Exchange Securities not bearing the same CUSIP numbers as the Exchange Securities.

As soon as practicable after the close of the Exchange Offer and/or the Private Exchange, as the case may be, the Company shall:

(i) accept for exchange all Registrable Securities duly tendered and not validly withdrawn pursuant to the Exchange Offer in accordance with the terms of the Exchange Offer Registration Statement and the letter of transmittal which shall be an exhibit thereto;

(ii) accept for exchange all Securities properly tendered pursuant to the Private Exchange;

(iii) deliver to the Trustee for cancellation all Registrable Securities so accepted for exchange; and

(iv) cause the Trustee promptly to authenticate and deliver Exchange Securities or Private Exchange Securities, as the case may be, to each Holder of Registrable Securities so accepted for exchange in a principal amount equal to the principal amount of the Registrable Securities of such Holder so accepted for exchange.

Interest on each Exchange Security and Private Exchange Security will accrue from the last date on which interest was paid on the Registrable Securities surrendered in exchange therefor or, if no interest has been paid on the Registrable Securities, from the date of original issuance. The Exchange Offer and the Private Exchange shall not be subject to any conditions, other than (i) that the Exchange Offer or the Private Exchange, or the making of any exchange by a Holder, does not violate applicable law or any applicable interpretation of the staff of the SEC, (ii) the due tendering of Registrable Securities in accordance with the Exchange Offer and the Private Exchange, (iii) that each Holder of Registrable Securities exchanged in the Exchange Offer shall have represented that all Exchange Securities to be received by it shall be acquired in the ordinary course of its business and that at the time of the consummation of the Exchange Offer it shall have no arrangement or understanding with any person to participate in the distribution (within the meaning of the 1933 Act) of the Exchange Securities and shall have made such other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to render the use of Form S-4 or other appropriate form under the 1933 Act available and (iv) that no action or proceeding shall have been instituted or threatened in any court or by or before any governmental agency with respect to the Exchange Offer or the Private Exchange which, in the Company's judgment, would reasonably be expected to impair the ability of the Company to proceed with the Exchange Offer or the Private Exchange. The Company shall inform the Initial Purchasers of the names and addresses of the Holders to whom the Exchange Offer is made, and the Initial Purchasers shall have the right to contact such Holders and otherwise facilitate the tender of Registrable Securities in the Exchange Offer.

2.2 Shelf Registration. If

(i) because of any changes in law, SEC rules or regulations or applicable interpretations thereof by the staff of the SEC occurring after the Closing Date, the Company is not permitted to effect the Exchange Offer as contemplated by Section 2.1 hereof,

(ii) for any other reason the Exchange Offer Registration Statement is not declared effective within 180 calendar days following the original issue of the Registrable Securities or the Exchange Offer is not consummated within 210 calendar days following the Closing Date

(provided that if the Exchange Offer Registration Statement shall be declared effective after such 180-day period or if the Exchange Offer shall be consummated after such 210-day period, then the Company's obligations under this clause (ii) arising from failure of the Exchange Offer Registration Statement to be declared effective within such 180-day period or failure of the Exchange Offer to be consummated within such 210-day period, respectively, shall terminate),

(iii) any of the Initial Purchasers requests within 90 calendar days after the consummation of the Exchange Offer with respect to Notes or Private Exchange Notes which are not eligible to be exchanged for Exchange Notes in the Exchange Offer and are held by it following the consummation of the Exchange Offer, or

(iv) because of any changes in law, SEC rules or regulations or applicable interpretations thereof by the staff of the SEC occurring after the Closing Date, a Holder is not permitted to participate in the Exchange Offer or does not receive fully transferable Exchange Securities pursuant to the Exchange Offer,

then in case of each of clauses (i) through (iv) the Company shall, at its cost:

(a) No later than the later of (i) 90 calendar days after the date of the original issue of the Registrable Securities and (ii) 60 calendar days after so required or requested pursuant to this Section 2.2, file with the SEC, and thereafter shall use its reasonable efforts to cause to be declared effective no later than 60 calendar days after such filing is made, a Shelf Registration Statement relating to the offer and sale of the Registrable Securities by the Holders from time to time in accordance with the methods of distribution elected by the Majority Holders participating in the Shelf Registration and set forth in such Shelf Registration Statement.

(b) Subject to the provisions of the fourth paragraph of Section 2.5, use its reasonable efforts to keep the Shelf Registration Statement continuously effective in order to permit the Prospectus forming part thereof to be usable by Holders for a period of two years from the Closing Date, or for such shorter period that will terminate when all Registrable Securities covered by the Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement or cease to be outstanding or otherwise to be Registrable Securities (the "Effectiveness Period"); provided, however, that the Effectiveness Period in respect of the Shelf Registration Statement shall be extended to the extent required to permit dealers to comply with the applicable prospectus delivery requirements of Rule 174 under the 1933 Act and as otherwise provided herein.

(c) Notwithstanding any other provisions hereof, use its reasonable efforts to ensure that (i) any Shelf Registration Statement and any amendment thereto, at the time each such registration statement or amendment thereto becomes effective, and any Prospectus as of the date thereof forming part thereof

and any supplement thereto complies in all material respects with the 1933 Act and the rules and regulations thereunder, (ii) any Shelf Registration Statement and any amendment thereto does not, when it becomes effective, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading and (iii) any Prospectus forming part of any Shelf Registration Statement, and any supplement to such Prospectus (as amended or supplemented from time to time)(each, as of the date thereof), does not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements, in light of the circumstances under which they were made, not misleading; provided that clauses (ii) and (iii) of this paragraph shall not apply to any information provided by the Initial Purchasers or any Holder.

The Company further agrees, if necessary, to supplement or amend the Shelf Registration Statement, as required by Section 3(b) below, and to furnish to the Holders of Registrable Securities copies of any such supplement or amendment promptly after its being used or filed with the SEC.

No Holder may use the Shelf Registration Statement unless it (i) provides the Company with the information required by Section 3(v) of this Agreement on a timely basis and (ii) agrees in writing to be bound by this Agreement, including the indemnification provisions.

2.3 Expenses. The Company shall pay all Registration Expenses in connection with the registration pursuant to Section 2.1 or 2.2. Each Holder shall pay all underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of such Holder's Registrable Securities pursuant to the Shelf Registration Statement.

2.4. Effectiveness. An Exchange Offer Registration Statement pursuant to Section 2.1 hereof or a Shelf Registration Statement pursuant to Section 2.2 hereof will not be deemed to have become effective unless it has been declared effective by the SEC; provided, however, that if, after it has been declared effective, the offering of Registrable Securities pursuant to an Exchange Offer Registration Statement or a Shelf Registration Statement is interfered with by any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court, such Registration Statement will be deemed not to have become effective during the period of such interference, until the offering of Registrable Securities pursuant to such Registration Statement may legally resume.

2.5 Interest. The Company agrees that in the event that either (a) the Exchange Offer Registration Statement is not filed with the Commission on or prior to the 90th calendar day following the date of original issue of the Securities, (b) the Exchange Offer Registration Statement has not been declared effective on or prior to the 180th calendar day following the date of original issue of the Securities, (c) the Exchange Offer is not consummated on or prior to the 210th calendar day following the Closing Date or (d) a Shelf Registration Statement is not filed on or prior to the deadline for such filing pursuant to Section 2.2(a) or is

not declared effective on or prior to the 60th calendar day following the date of filing of the Shelf Registration Statement (each such event referred to in clauses (a) through (d) above, a "Registration Default"), the interest rate borne by the Securities shall be increased ("Additional Interest") immediately upon occurrence of a Registration Default by one-quarter of one percent (0.25%) per annum with respect to the first 90-day period while one or more Registration Defaults is continuing, which rate will increase by one-quarter of one percent (0.25%) at the beginning of each subsequent 90-day period while one or more Registration Default is continuing, until all Registration Defaults have been cured, provided that the maximum aggregate increase in the interest rate will in no event exceed one-half of one percent (0.50%) per annum, and provided further that Additional Interest shall accrue only for those days that a Registration Default occurs and is continuing. Such Additional Interest shall be calculated based on a year consisting of 360 days comprised of twelve 30-day months. Following the cure of all Registration Defaults the accrual of Additional Interest will cease and the interest rate will revert to the original rate. Additional Interest shall not be payable with respect to the Registration Defaults described in clauses (a), (b) and (c) above for any period during which a Shelf Registration Statement is effective and usable by the Holders.

If the Shelf Registration Statement is unusable by the Holders for any reason, then the interest rate borne by the Securities will be increased by one-quarter of one percent (0.25%) per annum of the principal amount of the Securities for the first 90-day period (or portion thereof) that such Shelf Registration Statement ceases to be usable, which rate shall be increased by an additional one-quarter of one percent (0.25%) per annum of the principal amount of the Securities at the beginning of each subsequent 90-day period, provided that the maximum aggregate increase in the interest rate will in no event exceed one-half of one percent (0.50%) per annum. Any amounts payable under this paragraph shall also be deemed "Additional Interest" for purposes of this Agreement. Upon the Shelf Registration Statement once again becoming usable, the interest rate borne by the Securities will be reduced to the original interest rate if the Company is otherwise in compliance with this Agreement at such time. Additional Interest shall be computed based on the actual number of days elapsed in each 90-day period in which the Shelf Registration Statement is unusable.

The Company shall notify the Trustee within three business days after each and every date on which an event occurs in respect of which Additional Interest is required to be paid (an "Event Date"). Additional Interest shall be paid by depositing with the Trustee, in trust, for the benefit of the Holders of Registrable Securities, on or before the applicable semiannual interest payment date, immediately available funds in sums sufficient to pay the Additional Interest then due. The Additional Interest due shall be payable on each interest payment date to the record Holder of Securities entitled to receive the interest payment to be paid on such date as set forth in the Indenture. Each obligation to pay Additional Interest shall be deemed to accrue from and including the day following the applicable Event Date.

Notwithstanding anything else contained herein, no Additional Interest shall be payable in relation to the applicable Shelf Registration Statement or the related prospectus if (i) such Additional Interest is payable solely as a result of (x) the filing of a post-effective

amendment to such Shelf Registration Statement to incorporate annual audited or, if required by the rules and regulations under the 1933 Act, quarterly unaudited financial information with respect to the Company where such post-effective amendment is not yet effective and needs to be declared effective to permit Holders to use the related prospectus or (y) for a period not to exceed an aggregate of 45 days in any calendar year, other material events or developments with respect to the Company that would need to be described in such Shelf Registration Statement or the related prospectus and (ii) in the case of clause (y), the Company is proceeding promptly and in good faith to amend or supplement such Shelf Registration Statement and related prospectus to describe such events; provided, however, that in no event shall the Company be required to disclose the business purpose for such suspension if the Company determines in good faith that such business purpose must remain confidential. Notwithstanding the foregoing, the Company shall not be required to pay Additional Interest with respect to the Securities to Holder if the failure arises from the Company' failure to file, or cause to become effective, a Shelf Registration Statement within the time periods specified in this Section 2 by reason of the failure of such Holder to provide such information as (i) the Company may reasonably request, with reasonable prior written notice, for use in the Shelf Registration Statement or any prospectus included therein to the extent the Company reasonably determine that such information is required to be included therein by applicable law, (ii) the NASD or the Commission may request in connection with such Shelf Registration Statement or (iii) is required to comply with the agreements of such Holder as contained herein to the extent compliance thereof is necessary for the Shelf Registration Statement to be declared effective.

3. Registration Procedures.

In connection with the obligations of the Company with respect to Registration Statements pursuant to Sections 2.1 and 2.2 hereof, the Company shall:

(a) prepare and file with the SEC a Registration Statement, within the relevant time period specified in Section 2, on the appropriate form under the 1933 Act, which form (i) shall be selected by the Company, (ii) shall, in the case of a Shelf Registration, be available for the sale of the Registrable Securities by the selling Holders thereof, (iii) shall, at the time of effectiveness, comply as to form in all material respects with the requirements of the applicable form and include or incorporate by reference all financial statements required by the SEC to be filed therewith or incorporated by reference therein, and (iv) shall comply in all material respects with the requirements of Regulation S-T under the 1933 Act, and use its best efforts to cause such Registration Statement to become effective and remain effective in accordance with Section 2 hereof;

(b) subject to the limitations contained in the fourth paragraph of Section 2.5, prepare and file with the SEC such amendments and post-effective amendments to each Registration Statement as may be necessary under applicable law to keep such Registration Statement effective for the applicable period; and cause each Prospectus to be supplemented by any required prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 (or any similar provision then in force) under the 1933 Act and comply with the provisions of

the 1933 Act, the 1934 Act and the rules and regulations thereunder applicable to them with respect to the disposition of all securities covered by each Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the selling Holders thereof (including sales by any Participating Broker-Dealer) (provided, however, that nothing contained herein shall imply that the Company is liable for any action or inaction of any Holder (including any Participating Broker-Dealer));

(c) in the case of a Shelf Registration, (i) notify each Holder of Registrable Securities, at least five business days prior to filing, that a Shelf Registration Statement with respect to the Registrable Securities is being filed and advising such Holders that the distribution of Registrable Securities will be made in accordance with the method selected by the Majority Holders participating in the Shelf Registration; (ii) furnish to each Holder of Registrable Securities and to each underwriter of an underwritten offering of Registrable Securities, if any, without charge, as many copies of each Prospectus, including each preliminary Prospectus, and any amendment or supplement thereto and such other documents as such Holder or underwriter may reasonably request, including financial statements and schedules and, if the Holder so requests, all exhibits in order to facilitate the public sale or other disposition of the Registrable Securities; and (iii) hereby consent to the use of the Prospectus or any amendment or supplement thereto by each of the selling Holders of Registrable Securities in connection with the offering and sale of the Registrable Securities covered by the Prospectus or any amendment or supplement thereto;

(d) use its reasonable efforts to register or qualify the Registrable Securities under all applicable state securities or "blue sky" laws of such jurisdictions as any Holder of Registrable Securities covered by a Registration Statement and each underwriter of an underwritten offering of Registrable Securities shall reasonably request by the time the applicable Registration Statement is declared effective by the SEC, and do any and all other acts and things which may be reasonably necessary or advisable to enable each such Holder and underwriter to consummate the disposition in each such jurisdiction of such Registrable Securities owned by such Holder; provided, however, that the Company shall not be required to (i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(d), or (ii) take any action which would subject it to general service of process or taxation in any such jurisdiction where it is not then so subject;

(e) notify promptly Special Counsel and, with respect to clauses (i), (iii), (iv) and (v) of this paragraph only, each Holder of Registrable Securities under a Shelf Registration or any Participating Broker-Dealer who has notified the Company that it is utilizing the Exchange Offer Registration Statement as provided in paragraph (f) below and, if requested by such Holder or Participating Broker-Dealer, confirm such advice in writing promptly (i) when a Registration Statement has become effective and when any post-effective amendments and supplements thereto become effective, (ii) of any request by the SEC or any state securities authority for post-effective amendments and supplements to a Registration Statement and Prospectus or for additional information after the Registration Statement has become effective,

(iii) of the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of a Registration Statement or the initiation of any proceedings for that purpose, (iv) of the happening of any event or the discovery of any facts during the period a Shelf Registration Statement is effective which makes any statement made in such Registration Statement or the related Prospectus untrue in any material respect or which requires the making of any changes in such Registration Statement or Prospectus in order to make the statements therein not misleading, (v) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities or the Exchange Securities, as the case may be, for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose and (vi) of any determination by the Company that a post-effective amendment to such Registration Statement would be appropriate;

(f) in the case of the Exchange Offer Registration Statement (i) include in the Exchange Offer Registration Statement a section entitled "Plan of Distribution" which section shall be reasonably acceptable to Merrill Lynch on behalf of the Participating Broker-Dealers, and which shall contain a summary statement of the positions taken or policies made by the staff of the SEC with respect to the potential "underwriter" status of any broker-dealer that holds Registrable Securities acquired for its own account as a result of market-making activities or other trading activities and that will be the beneficial owner (as defined in Rule 13d-3 under the Exchange Act) of Exchange Securities to be received by such broker-dealer in the Exchange Offer, whether such positions or policies have been publicly disseminated by the staff of the SEC or such positions or policies, in the reasonable judgment of Merrill Lynch on behalf of the Participating Broker-Dealers and its counsel, represent the prevailing views of the staff of the SEC, including a statement that any such broker-dealer who receives Exchange Securities for Registrable Securities pursuant to the Exchange Offer may be deemed a statutory underwriter and must deliver a prospectus meeting the requirements of the 1933 Act in connection with any resale of such Exchange Securities, (ii) furnish to each Participating Broker-Dealer who has delivered to the Company the notice referred to in Section 3(e), without charge, as many copies of each Prospectus included in the Exchange Offer Registration Statement, including any preliminary prospectus, and any amendment or supplement thereto, as such Participating Broker-Dealer may reasonably request, (iii) hereby consent to the use of the Prospectus forming part of the Exchange Offer Registration Statement or any amendment or supplement thereto, by any Person subject to the prospectus delivery requirements of the SEC, including all Participating Broker-Dealers, in connection with the sale or transfer of the Exchange Securities covered by the Prospectus or any amendment or supplement thereto, and (iv) include in the transmittal letter or similar documentation to be executed by an exchange offeree in order to participate in the Exchange Offer (x) the following provision:

> "If the exchange offeree is a broker-dealer holding Registrable Securities acquired for its own account as a result of market-making activities or other trading activities, it will deliver a prospectus meeting the requirements of the 1933 Act in connection with any resale of Exchange Securities received in respect of such Registrable Securities pursuant to the Exchange Offer;" and

(y) a statement to the effect that by a broker-dealer making the acknowledgment described in clause (x) and by delivering a Prospectus in connection with the exchange of Registrable Securities, the broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the 1933 Act; and

(g) (i) in the case of an Exchange Offer, furnish counsel for the Initial Purchasers and (ii) in the case of a Shelf Registration, furnish Special Counsel copies of any comment letters received from the SEC or any other request by the SEC or any state securities authority for amendments or supplements to a Registration Statement and Prospectus or for additional information;

(h) make every reasonable effort to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement at the earliest possible moment ;

(i) in the case of a Shelf Registration, furnish to each Holder of Registrable Securities upon request, and each underwriter, if any, without charge, at least one conformed copy of each Registration Statement and any post-effective amendment thereto, including financial statements and schedules (without documents incorporated therein by reference and all exhibits thereto, unless requested);

(j) in the case of a Shelf Registration, cooperate with the selling Holders of Registrable Securities to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends; and enable such Registrable Securities to be in such denominations (consistent with the provisions of the Indenture) and registered in such names as the selling Holders or the underwriters, if any, may reasonably request at least three business days prior to the closing of any sale of Registrable Securities;

(k) in the case of a Shelf Registration, upon the occurrence of any event or the discovery of any facts, each as contemplated by Sections 3(e)(iv) and 3(e)(v) hereof, as promptly as practicable after the occurrence of such an event, use its best efforts to prepare a supplement or post-effective amendment to the Registration Statement or the related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Securities or Participating Broker-Dealers, such Prospectus will not contain at the time of such delivery any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or will remain so qualified. At such time as such public disclosure is otherwise made or the Company determines that such disclosure is not necessary, in each case to correct any misstatement of a material fact or to include any omitted material fact, the Company agrees promptly to notify each Holder of such determination and to furnish each Holder such number of copies of the Prospectus as amended or supplemented, as such Holder may reasonably request;

(l) [reserved];

(m) obtain a CUSIP number for all Exchange Securities, Private Exchange Securities or Registrable Securities, as the case may be, not later than the effective date of a Registration Statement, and provide the Trustee with printed certificates for the Exchange Securities, Private Exchange Securities or the Registrable Securities, as the case may be, in a form eligible for deposit with the Depositary;

(n) (i) cause the Indenture to be qualified under the TIA in connection with the registration of the Exchange Securities or Registrable Securities, as the case may be, (ii) cooperate with the Trustee and the Holders to effect such changes to the Indenture as may be required for the Indenture to be so qualified in accordance with the terms of the TIA and (iii) execute, and use its best efforts to cause the Trustee to execute, all documents as may be required to effect such changes, and all other forms and documents required to be filed with the SEC to enable the Indenture to be so qualified in a timely manner;

(o) in the case of a Shelf Registration, enter into agreements (including, if requested, an underwriting agreement in customary form containing customary representations, warranties, terms and conditions, provided that the Company shall not be required to enter into such agreement more than once with respect to all the Registrable Securities and may delay entering into such agreement until the consummation of any underwritten public offering which the Company may have then undertaken) and take all other customary and appropriate actions in order to expedite or facilitate the disposition of such Registrable Securities and in such connection whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration.

(p) in the case of a Shelf Registration or if a Prospectus is required to be delivered by any Participating Broker-Dealer in the case of an Exchange Offer, make available for inspection by a representative of the Holders of the Registrable Securities, any underwriters participating in any disposition pursuant to a Shelf Registration Statement, any Participating Broker-Dealer and Special Counsel, all relevant financial and other records, pertinent corporate documents and properties of the Company reasonably requested by any such persons, and use reasonable efforts to have the respective officers, directors, employees, and any other agents of the Company supply all relevant information reasonably requested by any such representative, underwriter, Special Counsel or accountant in connection with a Registration Statement, in each case, as is customary for similar due diligence investigations;

(q) a reasonable time prior to the filing of any Exchange Offer Registration Statement or Shelf Registration Statement, any Prospectus forming a part thereof, any amendment to an Exchange Offer Registration Statement or Shelf Registration Statement or amendment or supplement to such Prospectus, provide copies of such document to the Initial Purchasers, Special Counsel and to the underwriter or underwriters of an underwritten offering of Registrable Securities, if any, and make such changes in any Shelf Registration Statement, any Prospectus forming a part thereof or amendment or supplement thereto prior to the filing

thereof as Special Counsel may reasonably request within three business days of being sent a draft thereof and make the representatives of the Company available for discussion of such documents as shall be reasonably requested by the Initial Purchasers;

(r) [reserved];

(s) in the case of a Shelf Registration, use its best efforts to cause the Registrable Securities to be rated by the appropriate rating agencies, if so requested by the Majority Holders, or if requested by the underwriter or underwriters of an underwritten offering of Registrable Securities, if any;

(t) otherwise comply with all applicable rules and regulations of the SEC and make available to its security holders, as soon as reasonably practicable, an earnings statement covering at least 12 months which shall satisfy the provisions of Section 11(a) of the 1933 Act and Rule 158 thereunder;

(u) cooperate and assist in any filings required to be made with the National Association of Securities Dealers, Inc. ("NASD") and

(v) upon consummation of an Exchange Offer or a Private Exchange, obtain a customary opinion of counsel to the Company addressed to the Trustee for the benefit of all Holders of Registrable Securities participating in the Exchange Offer or Private Exchange, and which includes an opinion that (i) the Company has duly authorized, executed and delivered the Exchange Securities and/or Private Exchange Securities, as applicable, and the related indenture, and (ii) each of the Exchange Securities and related indenture constitute a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its respective terms (with customary exceptions).

In the case of a Shelf Registration Statement, the Company may (as a condition to the participation of such Holder and the beneficial owner of Registrable Securities in the Shelf Registration) require each Holder of Registrable Securities to furnish to the Company prior to the 30th day following the Company's filing of such request for information with the Trustee for delivery to the Holders such information regarding the Holder and the proposed distribution by such Holder or beneficial owner of such Registrable Securities as the Company may from time to time reasonably request in writing.

In the case of a Shelf Registration Statement, each Holder agrees that, upon receipt of any notice from the Company of the happening of any event or the discovery of any facts, each of the kind described in Section 3(e)(v) hereof, such Holder will forthwith discontinue disposition of Registrable Securities pursuant to a Registration Statement until such Holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 3(k) hereof, and, if so directed by the Company, such Holder will deliver to the Company (at its expense) all copies in such Holder's possession, other than permanent file

copies then in such Holder's possession, of the Prospectus covering such Registrable Securities current at the time of receipt of such notice.

If any of the Registrable Securities covered by any Shelf Registration Statement are to be sold in an underwritten offering, the underwriter or underwriters and manager or managers that will manage such offering will be selected by the Majority Holders of such Registrable Securities included in such offering and shall be acceptable to the Company. No Holder of Registrable Securities may participate in any underwritten registration hereunder unless such Holder (a) agrees to sell such Holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements.

4. Indemnification; Contribution.

(a) The Company agrees to indemnify and hold harmless the Initial Purchasers, each Holder, each Participating Broker-Dealer, each Person who participates as an underwriter (any such Person being an "Underwriter") and each Person, if any, who controls any Holder or Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or any amendment or supplement thereto) pursuant to which Exchange Securities or Registrable Securities were registered under the 1933 Act, including all documents incorporated therein by reference, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading, or arising out of any untrue statement or alleged untrue statement of a material fact contained in any Prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 4(d) below) any such settlement is effected with the written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by any indemnified party), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or

proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under subparagraph (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by the Holder or Underwriter expressly for use in a Registration Statement (or any amendment thereto) or any Prospectus (or any amendment or supplement thereto).

(b) Each Holder severally, but not jointly, agrees to indemnify and hold harmless the Company, the Initial Purchasers, each Underwriter and the other selling Holders, and each of their respective directors and officers, and each Person, if any, who controls the Company, the Initial Purchasers, any Underwriter or any other selling Holder within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act, against any and all loss, liability, claim, damage and expense described in the indemnity contained in Section 4(a) hereof, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Shelf Registration Statement (or any amendment thereto) or any Prospectus included therein (or any amendment or supplement thereto) in reliance upon and in conformity with written information with respect to such Holder furnished to the Company by such Holder expressly for use in the Shelf Registration Statement (or any amendment thereto) or such Prospectus (or any amendment or supplement thereto); provided, however, that no such Holder shall be liable for any claims hereunder in excess of the amount of net proceeds received by such Holder from the sale of Registrable Securities pursuant to such Shelf Registration Statement.

(c) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action or proceeding commenced against it in respect of which indemnity may be sought hereunder, but failure so to notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. An indemnifying party may participate at its own expense in the defense of such action; provided, however, that counsel to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying party or parties be liable for the fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which

indemnification or contribution could be sought under this Section 4 (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 4(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

(e) If the indemnification provided for in this Section 4 is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, in such proportion as is appropriate to reflect the relative benefit received by the indemnified party, on the one hand, and the indemnifying party, on the other hand, in connection with the Exchange Offer and the Shelf Registration and the relative fault of the Company on the one hand and the Holders and the Initial Purchasers on the other hand in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative fault of the Company on the one hand and the Holders and the Initial Purchasers on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company, the Holders or the Initial Purchasers and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company, the Holders and the Initial Purchasers agree that it would not be just and equitable if contribution pursuant to this Section 4 were determined by pro rata allocation (even if the Initial Purchasers were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 4. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 4 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 4, no Initial Purchasers shall be required to contribute any amount in excess of the amount by which the total price at which the Securities sold by it were offered exceeds the amount of any damages which such Initial Purchasers has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 4, each Person, if any, who controls an Initial Purchasers or Holder within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as such Initial Purchasers or Holder, and each director of the Company, and each Person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company. The Initial Purchasers' respective obligations to contribute pursuant to this Section 7 are several in proportion to the principal amount of Securities set forth opposite their respective names in Schedule A to the Purchase Agreement and not joint.

5. Miscellaneous.

5.1 [reserved]

5.2 No Inconsistent Agreements. The Company has not entered into and the Company will not after the date of this Agreement enter into any agreement which is inconsistent with the rights granted to the Holders of Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof. The rights granted to the Holders hereunder do not and will not for the term of this Agreement in any way conflict with the rights granted to the holders of the Company's other issued and outstanding securities under any such agreements.

5.3 Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given unless the Company has obtained the written consent of Holders of at least a majority in aggregate principal amount of the outstanding Registrable Securities affected by such amendment, modification, supplement, waiver or departure.

5.4 Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand delivery, registered first-class mail, telex, telecopier, or any courier guaranteeing overnight delivery (a) if to a Holder, at the most current address given by such Holder to the Company by means of a notice given in accordance with the provisions of this Section 5.4, which address initially is the address set forth in the Purchase Agreement with respect to the Initial Purchasers; and (b) if to the Company, initially at the

Company's address set forth in the Purchase Agreement, and thereafter at such other address of which notice is given in accordance with the provisions of this Section 5.4.

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; two business days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt is acknowledged, if telecopied; and on the next business day if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands, or other communications shall be concurrently delivered by the person giving the same to the Trustee under the Indenture, at the address specified in such Indenture.

5.5 Successor and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors, assigns and transferees of each of the parties, including, without limitation and without the need for an express assignment, subsequent Holders; provided that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Securities in violation of the terms of the Purchase Agreement or the Indenture. If any transferee of any Holder shall acquire Registrable Securities, in any manner, whether by operation of law or otherwise, such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities such person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement, including the restrictions on resale set forth in this Agreement and, if applicable, the Purchase Agreement, and such person shall be entitled to receive the benefits hereof.

5.6 Third Party Beneficiaries. The Initial Purchasers (even if the Initial Purchasers are not Holders of Registrable Securities) shall be third party beneficiaries to the agreements made hereunder between the Company, on the one hand, and the Holders, on the other hand, and shall have the right to enforce such agreements directly to the extent they deem such enforcement necessary or advisable to protect their rights or the rights of Holders hereunder. Each Holder of Registrable Securities shall be a third party beneficiary to the agreements made hereunder between the Company, on the one hand, and the Initial Purchasers, on the other hand, and shall have the right to enforce such agreements directly to the extent it deems such enforcement necessary or advisable to protect its rights hereunder.

5.7. Specific Enforcement. Without limiting the remedies available to the Initial Purchasers and the Holders, the Company acknowledges that any failure by the Company to comply with its obligations under Sections 2.1 through 2.4 hereof may result in material irreparable injury to the Initial Purchasers or the Holders for which there is no adequate remedy at law, that it would not be possible to measure damages for such injuries precisely and that, in the event of any such failure, the Initial Purchasers or any Holder may obtain such relief as may be required to specifically enforce the Company's obligations under Sections 2.1 through 2.4 hereof.

5.8. [reserved]

5.9 Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

5.10 Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

5.11 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICT OF LAWS THEREOF.

5.12 Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

MARRIOTT INTERNATIONAL, INC.

By: /s/ Carolyn B. Handlon

Name: Carolyn B. Handlon
Title: Senior Vice President and Treasurer

Confirmed and accepted as of the date first above written:

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
BANC OF AMERICA SECURITIES LLC
BANC ONE CAPITAL MARKETS, INC.
DEUTSCHE BANK SECURITIES INC.
LEHMAN BROTHERS INC.
SALOMON SMITH BARNEY INC.
SCOTIA CAPITAL (USA) INC.

BY: MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

By: /s/ Michael Santini

Name: Michael Santini
Title: Vice President

EXHIBIT 4.3

This Security is a Global Security within the meaning of the Indenture hereinafter referred to and is registered in the name of a Depositary or a nominee thereof. This Security may not be exchanged in whole or in part for a Security registered, and no transfer of this Security in whole or in part may be registered, in the name of any Person other than such Depositary or a nominee thereof, except in the limited circumstances described in the Indenture.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge, or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Marriott International, Inc.
7% Series E Notes due January 15, 2008

No. R-2 $ _____
CUSIP 571900 AU 3

Marriott International, Inc., a corporation duly organized and existing under the laws of Delaware (herein called the "Company," which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of _____ ($_____) on January 15, 2008, and to pay interest thereon from January 16, 2001, semi-annually on January 15 and July 15 in each year, commencing July 15, 2001, at the rate of 7% per annum, until the principal hereof is paid or made available for payment. All such payments of principal, interest and premium, if any, shall be paid in immediately available funds. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the December 31 and June 30 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.

Payment of the principal of (and premium, if any) and interest on this Security will be made at the office or agency of the Trustee maintained for that purpose in Dallas, Texas, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register; and provided, further, that notwithstanding the foregoing, the Person in whose name this Security is registered may elect to receive payments of interest on this Security (other than at Maturity) by electronic funds transfer of immediately available funds to an account maintained by such Person, provided such Person so elects by giving written notice to a Paying Agent designating such account, no later than the December 15 or the June 15 immediately preceding the January 15 or July 15 Interest Payment Date, as the case may be. Unless such designation is revoked by such Person, any such designation made by such Person with respect to such Securities shall remain in effect with respect to any future payments with respect to such Securities payable to such Person.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

In Witness Whereof, the Company has caused this instrument to be duly executed under its corporate seal.

Dated: January 16, 2001

Marriott International, Inc.

By.....
Carolyn B. Handlon
Senior Vice President
and Treasurer

Attest:

.....

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

The Chase Manhattan Bank,
as Trustee

By.....
Authorized Officer

[Reverse of Security]

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of November 16, 1998 (herein called the "Indenture", which term shall have the meaning assigned to it in such instrument), between the Company and The Chase Manhattan Bank, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof, limited in aggregate principal amount to $300,000,000.

The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Security or certain restrictive covenants and Events of Default with respect to this Security, in each case upon compliance with certain conditions set forth in the Indenture.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of 50% in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted

by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of and any premium and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

Pursuant to the Registration Rights Agreement, the Company will be obligated upon the occurrence of certain events to consummate an exchange offer pursuant to which the holders of this Security shall, subject to certain limitations, have the right to exchange this Security for an Exchange Security (as defined in such agreement), which will be registered under the Securities Act, in like principal amount and having terms identical in all material respects as this Security. The Holders shall be entitled to receive certain additional interest in the event such exchange offer is not consummated and upon certain other conditions, all pursuant to and in accordance with the terms of the Registration Rights Agreement.

The Securities of this series are issuable only in registered form without coupons in denominations of $1,000 and integral multiples of $1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

_____

The following abbreviations, when used in the inscription on the face of the within Security, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM --	as tenants in common	UNIF GIFT MIN Act -_____Custodian_____
TEN ENT --	as tenants by the entireties	(Cust) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act _____ (State)

Additional abbreviations may also be used though not in the above list

_____

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

_____

_____

_____

(Name and Address of Assignee, including zip code, must be printed or typewritten)

_____

the within Security, and all rights thereunder, hereby irrevocably constituting and appointing

_____ Attorney to transfer said Security on the books of the Company, with full power of substitution in the premises.

Dated:

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Security in every particular, without alteration or enlargement of any change whatever.

EXHIBIT 5.1

April 4, 2001

Marriott International, Inc.
10400 Fernwood Road
Bethesda, Maryland 20817

Ladies and Gentlemen:

We have acted as counsel for Marriott International, Inc., a Delaware corporation (the "Company"), in connection with the Company's registration of up to $300,000,000 aggregate principal amount of its 7% Series E Notes due 2008 (the "New Notes") on a Registration Statement on Form S-4 (the "Registration Statement") to be filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Act"). The New Notes will be offered in exchange for like principal amounts of the Company's 7% Series E Notes due 2008 (the "Old Notes") pursuant to that certain Exchange and Registration Rights Agreement between the Company and Merrill Lynch, Pierce, Fenner & Smith, Incorporated, Banc of America Securities LLC, Banc One Capital Markets, Inc., Deutsche Bank Securities Inc., Lehman Brothers Inc., Salomon Smith Barney Inc. and Scotia Capital (USA) Inc., dated as of January 16, 2001, which was executed in connection with the private placement of the Old Notes. The New Notes will be issued pursuant to that certain Indenture between the Company and The Chase Manhattan Bank, as trustee, dated as of November 16, 1998 (the "Indenture").

We are familiar with the actions taken and to be taken by the Company in connection with the offering of the New Notes. On the basis of such knowledge and such investigations as we have deemed necessary or appropriate, we are of the opinion that the New Notes have been duly authorized by the Company and, when issued in exchange for the Old Notes pursuant to the Indenture and the terms of the exchange offer described in the Registration Statement, will be validly issued and will constitute legal and binding obligations of the Company. Our opinions are subject to the assumptions and qualifications that (a) at the time the New Notes are issued, the Registration Statement will be effective and all applicable "Blue Sky" and state securities laws will have been complied with; and (b) the Indenture shall have been qualified under the Trust Indenture Act of 1939, as amended.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to the Company's Law Department in the prospectus that forms a part of the Registration Statement.

Very truly yours,

Marriott International, Inc.
Law Department

By: /s/ Joseph Ryan

    Joseph Ryan
    Executive Vice President and General Counsel

EXHIBIT 8.1

April 4, 2001

(202) 955-8500 C 58129-00069

Marriott International, Inc.
One Marriott Drive, Dept. 52/923.23
Washington, D.C. 20058

Re: Exchange of 7% Series E Notes Due 2008

Ladies and Gentlemen:

We have acted as special counsel for Marriott International, Inc., a Delaware corporation (the "Company"), in connection with the issuance by the Company of its 7% Series E Notes Due 2008 (the "Exchange Notes") in exchange for any and all of its 7% Series E Notes Due 2008 (the "Old Notes"). The terms of the Old Notes and the Exchange Notes are described in the Prospectus of even date herewith (the "Prospectus") and the operative documents described therein. The terms of the exchange offer, which are set forth in the Prospectus, are incorporated herein by reference.

In formulating our opinion as to the matters certified, we have examined such documents as we have deemed appropriate, including the Prospectus, and we have made such other legal and factual examinations as we have deemed necessary or appropriate for purposes of this opinion. Our opinion relates only to the federal income tax laws of the United States, and we express no opinion with respect to other federal laws or with respect to the laws of any other jurisdiction. No opinion is expressed on any matters other than those specifically referred to herein.

Based upon the terms of the exchange offer, as set forth in the Prospectus, we hereby confirm our opinion in the Prospectus described under the caption "Certain Federal Income Tax Considerations".

This opinion is based on current provisions of the United States Internal Revenue Code of 1986, as amended, the Treasury Regulations promulgated thereunder (including proposed

Treasury Regulations), published pronouncements of the Internal Revenue Service, and case law, any of which may be changed at any time with retroactive effect. Any variation or difference in the facts from those set forth in the Prospectus or the operative documents described therein may affect the conclusions stated herein.

We hereby consent to the use of our name and opinion under the caption "Certain U.S. Federal Income Tax Considerations".

Very Truly Yours,

GIBSON, DUNN & CRUTCHER LLP

EXHIBIT 23.1

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in Marriott International, Inc.'s registration statement on Form S-4 of our report dated January 30, 2001, included in Marriott International, Inc.'s Form 10-K for the year ended December 29, 2000 and to all references to our Firm included in this registration statement.

/s/ Arthur Andersen LLP
- ----------------------

Vienna, Virginia
April 2, 2001

EXHIBIT 25.1

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF
A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF
A TRUSTEE PURSUANT TO SECTION 305(b)(2) _____

THE CHASE MANHATTAN BANK
(Exact name of trustee as specified in its charter)

New York (State of incorporation if not a national bank)	13-4994650 (I.R.S. employer identification No.)
270 Park Avenue New York, New York	10017
(Address of principal executive offices)	(Zip Code)

William H. McDavid
General Counsel
270 Park Avenue
New York, New York 10017
Tel: (212) 270-2611
(Name, address and telephone number of agent for service)

Marriott International, Inc.
(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	52-0936594 (I.R.S. employer identification No.)
Marriott Drive Washington, D.C.	20058
(Address of principal executive offices)	(Zip Code)

7% Series E Notes due January 15, 2008

- ---

(Title of the indenture securities)

GENERAL

Item 1. General Information.

Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

New York State Banking Department, State House, Albany, New York 12110.

Board of Governors of the Federal Reserve System, Washington, D.C., 20551

Federal Reserve Bank of New York, District No. 2, 33 Liberty Street, New York, N.Y.

Federal Deposit Insurance Corporation, Washington, D.C., 20429.

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

Item 2. Affiliations with the Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

Item 16. List of Exhibits

List below all exhibits filed as a part of this Statement of Eligibility.

1. A copy of the Articles of Association of the Trustee as now in effect, including the Organization Certificate and the Certificates of Amendment dated February 17, 1969, August 31, 1977, December 31, 1980, September 9, 1982, February 28, 1985, December 2, 1991 and July 10, 1996 (see Exhibit 1 to Form T-1 filed in connection with Registration Statement No. 333-06249, which is incorporated by reference).

2. A copy of the Certificate of Authority of the Trustee to Commence Business (see Exhibit 2 to Form T-1 filed in connection with Registration Statement No. 33-50010, which is incorporated by reference. On July 14, 1996, in connection with the merger of Chemical Bank and The Chase Manhattan Bank (National Association), Chemical Bank, the surviving corporation, was renamed The Chase Manhattan Bank).

3. None, authorization to exercise corporate trust powers being contained in the documents identified above as Exhibits 1 and 2.

4. A copy of the existing By-Laws of the Trustee (see Exhibit 4 to Form T-1 filed in connection with Registration Statement No. 333-76439, which is incorporated by reference).

5. Not applicable.

6. The consent of the Trustee required by Section 321(b) of the Act (see Exhibit 6 to Form T-1 filed in connection with Registration Statement No. 33-50010, which is incorporated by reference. On July 14, 1996, in connection with the merger of Chemical Bank and The Chase Manhattan Bank (National Association), Chemical Bank, the surviving corporation, was renamed The Chase Manhattan Bank).

7. A copy of the latest report of condition of the Trustee, published pursuant to law or the requirements of its supervising or examining authority.

8. Not applicable.

9. Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939 the Trustee, The Chase Manhattan Bank, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York and State of New York, on the 3rd day of April, 2001.

THE CHASE MANHATTAN BANK

By /s/ Marvin Kierstead

Marvin Kierstead
Authorized Officer

Bank Call Notice

RESERVE DISTRICT NO. 2
CONSOLIDATED REPORT OF CONDITION OF

Exhibit 7 to Form T-1

The Chase Manhattan Bank
of 270 Park Avenue, New York, New York 10017
and Foreign and Domestic Subsidiaries,
a member of the Federal Reserve System,

at the close of business December 31, 2000, in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

ASSETS	Dollar Amounts in Millions
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	$ 22,648
Interest-bearing balances	6,608
Securities:	
Held to maturity securities	556
Available for sale securities	66,556
Federal funds sold and securities purchased under agreements to resell	35,508
Loans and lease financing receivables:	
Loans and leases, net of unearned income	$158,034
Less: Allowance for loan and lease losses	2,399
Less: Allocated transfer risk reserve	0
Loans and leases, net of unearned income, allowance, and reserve	155,635
Trading Assets	59,802
Premises and fixed assets (including capitalized leases)	4,398
Other real estate owned	20
Investments in unconsolidated subsidiaries and associated companies	338
Customers' liability to this bank on acceptances outstanding	367
Intangible assets	4,794
Other assets	19,886
TOTAL ASSETS	$377,116

LIABILITIES

Deposits	
In domestic offices	$132,165
Noninterest-bearing	$ 54,608
Interest-bearing	77,557
In foreign offices, Edge and Agreement subsidiaries and IBF's	106,670
Noninterest-bearing	$ 6,059
Interest-bearing	100,611
Federal funds purchased and securities sold under agreements to repurchase	45,967
Demand notes issued to the U.S. Treasury	500
Trading liabilities	41,384
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases):	
With a remaining maturity of one year or less	6,722
With a remaining maturity of more than one year through three years	0
With a remaining maturity of more than three years	276
Bank's liability on acceptances executed and outstanding	367
Subordinated notes and debentures	6,349
Other liabilities	14,515
TOTAL LIABILITIES	354,915

EQUITY CAPITAL

Perpetual preferred stock and related surplus	0
Common stock	1,211
Surplus (exclude all surplus related to preferred stock)	12,614
Undivided profits and capital reserves	8,658
Net unrealized holding gains (losses) on available-for-sale securities	(298)
Accumulated net gains (losses) on cash flow hedges	0
Cumulative foreign currency translation adjustments	16
TOTAL EQUITY CAPITAL	22,201
TOTAL LIABILITIES AND EQUITY CAPITAL	$377,116

I, Joseph L. Sclafani, E.V.P. & Controller of the above-named bank, do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true to the best of my knowledge and belief.

JOSEPH L. SCLAFANI

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the in-structions issued by the appropriate Federal regulatory authority and is true and correct.

WILLIAM B. HARRISON, JR.)
HANS W. BECHERER)DIRECTORS
H. LAURANCE FULLER)

EXHIBIT 99.1

Letter of Transmittal

MARRIOTT INTERNATIONAL, INC.

Offer To Exchange Its
New 7% Series E Notes due 2008
That Have Been Registered Under The Securities Act of 1933
For Any And All Of Its Outstanding
7% Series E Notes due 2008

Pursuant to the Prospectus dated April __, 2001

THIS EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON _____, 2001, UNLESS EXTENDED (THE "EXPIRATION DATE"). TENDERS MAY BE WITHDRAWN PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE. If you wish to accept the Exchange Offer (as defined below), this Letter of Transmittal should be completed, signed and submitted to:

THE CHASE MANHATTAN BANK, as Exchange Agent

By Registered or Certified Mail or Overnight Courier:	By Hand:
The Chase Manhattan Bank	The Chase Manhattan Bank
Attn: Marvin Kierstead	Attn: Marvin Kierstead
One Liberty Place	One Liberty Place
1650 Market Street, Suite 5210	1650 Market Street, Suite 5210
Philadelphia, PA 19103	Philadelphia, PA 19103

By Facsimile:
(For Eligible Institutions Only)
The Chase Manhattan Bank
Attn: Marvin Kierstead
(215) 972-8372

Confirm by telephone:
(215) 988-1331

Delivery of this Letter of Transmittal to an address other than as set forth above or transmission of this Letter of Transmittal via facsimile to a number other than as set forth above does not constitute a valid delivery. The instructions contained in this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed. Capitalized terms used but not defined in this Letter of Transmittal have the same meaning given them in the Prospectus (as defined below).

The Registration Statement on Form S-4 (File No. 333-_____) of which such Prospectus is a part was declared effective by the Securities and Exchange Commission on April __, 2001.

Holders of Initial Notes (as defined below) should complete this Letter of Transmittal either if Initial Notes are to be forwarded herewith or if tenders of Initial Notes are to be made by book-entry transfer to an account maintained by the Exchange Agent (as defined below) at The Depository Trust Company ("DTC") pursuant to the procedures set forth in "The Exchange Offer--Procedures for Tendering Initial Notes" in the Prospectus and an "Agent's Message" (as defined below) is not delivered. Tenders by book-entry transfer may also be made by delivering an Agent's Message in lieu of this Letter of Transmittal.

Holders of Initial Notes whose certificates (the "Certificates") for such Initial Notes are not immediately available or who cannot deliver their Certificates and all other required documents to the Exchange Agent on or

prior to the Expiration Date or who cannot complete the procedures for book-entry transfer on a timely basis, must tender their Initial Notes according to the guaranteed delivery procedures set forth in "The Exchange Offer--Procedures for Tendering Initial Notes" in the Prospectus. See Instruction 1. Delivery of documents to DTC does not constitute delivery to the Exchange Agent.

Ladies and Gentlemen:

The undersigned hereby tenders to Marriott International, Inc., a Delaware corporation (the "Company"), the aggregate principal amount of the Company's outstanding 7% Series E Notes due 2008 (the "Initial Notes") described in Box 1 below, in exchange for a like aggregate principal amount of the Company's new 7% Series E Notes due 2008 (the "New Notes") that have been registered under the Securities Act of 1933 (the "Securities Act"), upon the terms and subject to the conditions set forth in the Prospectus dated _____, 2001 (as it may be amended or supplemented from time to time, the "Prospectus"), receipt of which is acknowledged, and in this Letter of Transmittal (which, together with the Prospectus, constitutes the "Exchange Offer").

Subject to, and effective upon, the acceptance for exchange of all or any portion of the Initial Notes tendered herewith in accordance with the terms and conditions of the Exchange Offer (including, if the Exchange Offer is extended or amended, the terms and conditions of any such extension or amendment), the undersigned hereby sells, assigns and transfers to or upon the order of the Company all right, title and interest in and to such Initial Notes as are being tendered herewith. The undersigned hereby irrevocably constitutes and appoints The Chase Manhattan Bank (the "Exchange Agent") as its agent and attorney-in-fact (with full knowledge that the Exchange Agent is also acting as agent of the Company in connection with the Exchange Offer) with respect to the tendered Initial Notes, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), subject only to the right of withdrawal described in the Prospectus, to (i) deliver Certificates for Initial Notes to the Company together with all accompanying evidences of transfer and authenticity to, or upon the order of, the Company, upon receipt by the Exchange Agent, as the undersigned's agent, of the New Notes to be issued in exchange for such Initial Notes, (ii) present Certificates for such Initial Notes for transfer, and to transfer the Initial Notes on the books of the Company, and (iii) receive for the account of the Company all benefits and otherwise exercise all rights of beneficial ownership of such Initial Notes, all in accordance with the terms and conditions of the Exchange Offer.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, exchange, sell, assign and transfer the Initial Notes tendered hereby and that, when the same are accepted for exchange, the Company will acquire good, marketable and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances, and that the Initial Notes tendered hereby are not subject to any adverse claims or proxies. The undersigned will, upon request, execute and deliver any additional documents deemed by the Company or the Exchange Agent to be necessary or desirable to complete the exchange, assignment and transfer of the Initial Notes tendered hereby, and the undersigned will comply with its obligations under the Registration Rights Agreement dated as of January 16, 2001 (the "Registration Rights Agreement"). The undersigned has read and agrees to all of the terms of the Exchange Offer.

The name(s) and address(es) of the registered holder(s) of the Initial Notes tendered hereby should be printed in Box 1 below, if they are not already set forth therein, as they appear on the Certificates representing such Initial Notes. The Certificate number(s) and the aggregate principal amount of Initial Notes that the undersigned wishes to tender should also be indicated in Box 1 below.

If any tendered Initial Notes are not exchanged pursuant to the Exchange Offer for any reason, or if Certificates are submitted for more Initial Notes than are tendered or accepted for exchange, Certificates for such nonexchanged or nontendered Initial Notes will be returned (or, in the case of Initial Notes tendered by book-entry transfer, such Initial Notes will be credited to an account maintained at DTC), without expense to the tendering holder, promptly following the expiration or termination of the Exchange Offer.

The undersigned understands that tenders of Initial Notes pursuant to any one of the procedures described under "The Exchange Offer--Procedures for Tendering Initial Notes" in the Prospectus and in the instructions hereto will, upon the Company's acceptance for exchange of such tendered Initial Notes, constitute a binding agreement between the undersigned and the Company upon the terms and subject to the conditions of the Exchange Offer.

The Exchange Offer is subject to certain conditions as set forth in the Prospectus under the caption "The Exchange Offer--Conditions." The undersigned recognizes that as a result of these conditions (which may be waived by the Company, in whole or in part, in the reasonable discretion of the Company), as more particularly set forth in the Prospectus, the Company may not be required to exchange any of the Initial Notes tendered hereby and, in such event, the Initial Notes not exchanged will be returned to the undersigned at the address shown in Box 1.

Unless otherwise indicated herein in the box entitled "Special Exchange Instructions" below (Box 7), the undersigned hereby directs that the New Notes be issued in the name(s) of the undersigned or, in the case of a book-entry transfer of Initial Notes, that such New Notes be credited to the account indicated below maintained at DTC. If applicable, substitute Certificates representing Initial Notes not exchanged or not accepted for exchange will be issued to the undersigned or, in the case of a book-entry transfer of Initial Notes, will be credited to the account indicated below maintained at DTC. Similarly, unless otherwise indicated herein in the box entitled "Special Delivery Instructions" below (Box 8), the undersigned hereby directs that the New Notes be delivered to the undersigned at the address shown below the undersigned's signature.

The Exchange Offer is not being made to any broker-dealer who purchased Initial Notes directly from the Company for resale pursuant to Rule 144A under the Securities Act or any person that is an "affiliate" of the Company within the meaning of Rule 405 under the Securities Act. The undersigned understands and agrees that the Company reserves the right not to accept tendered Initial Notes from any tendering holder if the Company determines, in its discretion, that such acceptance could result in a violation of applicable securities laws or interpretations thereof.

By tendering Initial Notes and executing this Letter of Transmittal, the undersigned hereby represents and agrees that (i) the undersigned is not an "affiliate" of the Company (within the meaning of Rule 405 under the Securities Act), (ii) any New Notes to be received by the undersigned are being acquired in the ordinary course of its business and (iii) the undersigned is not participating, does not intend to participate and has no arrangement or understanding with any person to participate, in a distribution (within the meaning of the Securities Act) of New Notes to be received in the Exchange Offer. By tendering Initial Notes pursuant to the Exchange Offer and executing this Letter of Transmittal, a holder of Initial Notes that is a broker-dealer acknowledges, consistent with certain interpretive letters issued by the staff of the Division of Corporation Finance of the Securities and Exchange Commission to third parties described under "The Exchange Offer--Registration Rights" in the Prospectus, that such Initial Notes were acquired by such broker-dealer for its own account not directly from the Company, but as a result of market-making activities or other trading activities (such a broker-dealer tendering Initial Notes is herein referred to as a "Participating Broker-Dealer") and agrees that it will deliver the Prospectus (as amended or supplemented from time to time) meeting the requirements of the Securities Act in connection with any resale of such New Notes (provided that, by so acknowledging and by delivering a Prospectus, such Participating Broker-Dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act).

Each Participating Broker-Dealer should check the box under the caption "Participating Broker-Dealer" (Box 5) in order to receive additional copies of the Prospectus, and any amendments and supplements thereto, for use in connection with resales of the New Notes, as well as any notices from the Company to suspend and resume use of the Prospectus.

Each New Note will bear interest from the most recent date on which interest has been paid or duly provided for on the Initial Note surrendered in exchange for such New Note or, if no such interest has been paid or duly provided for on such Initial Note, from January 16, 2001. Holders of Initial Notes whose Initial Notes are accepted for exchange will not receive accrued interest on such Initial Notes for any period from and after the last Interest Payment Date to which interest has been paid or duly provided for on such Initial Notes prior to the original issue date of the New Notes or, if no such interest has been paid or duly provided for, will not receive any accrued interest on such Initial Notes, and will be deemed to have waived the right to receive any interest on such Initial Notes accrued from and after such Interest Payment Date or, if no such interest has been paid or duly provided for, from and after January 16, 2001.

The undersigned understands that the delivery and surrender of the Initial Notes is not effective, and the risk of loss of the Initial Notes does not pass to the Exchange Agent, until receipt by the Exchange Agent of this Letter of Transmittal, or a manually signed facsimile hereof, properly completed and duly executed, with any

required signature guarantees, together with all accompanying evidences of authority and any other required documents in form satisfactory to the Company. All questions as to form of all documents and the validity (including time of receipt) and acceptance of tenders and withdrawals of Initial Notes will be determined by the Company, in its sole discretion, which determination will be final and binding.

All authority conferred or agreed to be conferred in this Letter of Transmittal will survive the death or incapacity of the undersigned and any obligation of the undersigned hereunder will be binding upon the undersigned's heirs, executors, administrators, personal representatives, trustees in bankruptcy, legal representatives, successors and assigns. Except pursuant to the withdrawal rights as set forth in the Prospectus, this tender is irrevocable.

Please read this entire Letter of Transmittal carefully before completing the boxes below and follow the instructions included herewith.

The Exchange Offer is not being made to (nor will tenders of Initial Notes be accepted from or on behalf of) holders in any jurisdiction in which the making or acceptance of the Exchange Offer would not be in compliance with the laws of such jurisdiction.

Your bank or broker can assist you in completing this form. The instructions included with this Letter of Transmittal must be followed. Questions and requests for assistance or for additional copies of the Prospectus, this Letter of Transmittal and the Notice of Guaranteed Delivery may be directed to the Exchange Agent, whose address and telephone number appear on the front cover of this Letter of Transmittal. See Instruction 8.

All Tendering Holders Complete Box 1:

BOX 1
DESCRIPTION OF INITIAL NOTES TENDERED
(See Instructions 3 and 4 Below)

If blank, please Print Name(s) and Address(es) of Registered Holder(s), Exactly as Name(s) Appear(s) on Initial Note Certificate(s)	Certificate Number(s) of Initial Notes*	Aggregate Principal Amount Represented by Certificates*	Aggregate Principal Amount of Initial Notes Being Tendered**
Total			

* Need not be completed by book-entry holders (see below)

** The minimum permitted tender is $1,000 in principal amount. All tenders must be in integral multiples of $1,000 in principal amount. The aggregate principal amount of all Initial Note Certificates identified in this Box 1, or delivered to the Exchange Agent herewith, will be deemed tendered unless a lesser number is specified in this column. See Instruction 4.

BOX 2
BOOK-ENTRY TRANSFER
(See Instruction 1 Below)

[_] Check here if tendered Initial Notes are being delivered by book-entry transfer to the account maintained by the Exchange Agent with DTC and complete the following:

Name of Tendering Institution:_____

DTC Account Number:_____

Transaction Code Number:_____

Holders of Initial Notes may tender Initial Notes by book-entry transfer by crediting the Initial Notes to the Exchange Agent's account at DTC in accordance with DTC's Automated Tender Offer Program ("ATOP") and by complying with applicable ATOP procedures with respect to the Exchange Offer, and all Holders of Initial Notes who hold through DTC and who wish to accept the Exchange Offer must do so. DTC participants that are accepting the Exchange Offer should transmit their acceptance to DTC, which will edit and verify the acceptance and execute a book-entry delivery to the Exchange Agent's account at DTC. DTC will then send a computer-generated message (an "Agent's Message") to the Exchange Agent for its acceptance in which the holder of the Initial Notes acknowledges and agrees to be bound by the terms of, and makes the representations and warranties contained in, this Letter of Transmittal, and the DTC participant confirms on behalf of itself and the beneficial owners of such Initial Notes all provisions of this Letter of Transmittal (including any representations and warranties) applicable to it and such beneficial owner as fully as if it had completed the information required herein and executed and transmitted this Letter of Transmittal to the Exchange Agent. Delivery of the Agent's Message by DTC will satisfy the terms of the Exchange Offer as to execution and delivery of a Letter of Transmittal by the participant identified in the Agent's Message. DTC participants may also accept the Exchange Offer by submitting a Notice of Guaranteed Delivery through ATOP.

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BOX 3
NOTICE OF GUARANTEED DELIVERY
(See Instruction 1 Below)

[_] Check here and enclose a photocopy of the Notice of Guaranteed Delivery if tendered Initial Notes are being delivered pursuant to a Notice of Guaranteed Delivery previously sent to the Exchange Agent and complete the following:

Name of Registered Holder(s):_____

Window Ticket Number (if any):_____

Date of Execution of Notice of Guaranteed Delivery:_____

Name of Institution which Guaranteed Delivery:_____

If Guaranteed Delivery is to be made by Book-Entry Transfer:

Name of Tendering Institution:_____

DTC Account Number:_____

Transaction Code Number:_____

- ---

- ---

BOX 4
RETURN OF NON-EXCHANGED INITIAL NOTES
TENDERED BY BOOK-ENTRY TRANSFER
(See Instruction 1 Below)

[_] Check here if tendered by book-entry transfer and non-exchanged Initial Notes are to be returned by crediting the DTC account number set forth above.

- ---

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BOX 5
PARTICIPATING BROKER-DEALER

[_] Check here if you are a broker-dealer who acquired the Initial Notes for your own account as a result of market-making or other trading activities (a "Participating Broker-Dealer") and wish to receive additional copies of the Prospectus and of any amendments or supplements thereto, as well as any notices from the Company to suspend and resume use of the Prospectus. Provide the name of the individual who should receive, on behalf of the holder, additional copies of the Prospectus, and amendments and supplements thereto, and any notices to suspend and resume use of the Prospectus.

Name:_____

Address:_____

Telephone No.:_____

Facsimile No.:_____

- ---

BOX 6
TENDERING HOLDER SIGNATURE
(See Instructions 1 and 5)
In Addition, Complete Substitute Form W-9

x _____

x _____
(Signature of registered holder(s) or Authorized Signatory(ies))

Note: The above lines must be signed by the registered holder(s) of Initial Notes as their name(s)appear(s) on the Initial Notes or by person(s) authorized by the registered holder(s) (evidence of which authorization must be transmitted with this Letter of Transmittal). If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must set forth his or her full title below. See Instruction 5.

Name(s): _____

Capacity: _____

Address: _____

_____

_____
(include Zip Code)

Area Code and Telephone Number:

_____

Tax Identification or Social Security Number: _____

Signature Guarantee
(If required by Instruction 5)

Authorized Signature

x _____

Name: _____
(please print)

Title: _____

Name of Firm: _____
(Must be an Eligible Institution as defined in Instruction 1)

Address: _____

_____

_____
(include Zip Code)

Area Code and Telephone Number:

_____

Dated: _____

BOX 7	BOX 8
SPECIAL EXCHANGE INSTRUCTIONS (See Instructions 1, 5 and 6 Below)	SPECIAL DELIVERY INSTRUCTIONS (See Instructions 1, 5 and 6 Below)
To be completed ONLY if Certificates for the Initial Notes not exchanged and/or Certificates for the New Notes are to be issued in the name of someone other than the registered holder(s) of the Initial Notes whose name(s) appear(s) above.	To be completed ONLY if Certificates for the Initial Notes not exchanged and/or Certificates for the New Notes are to be sent to someone other than the registered holder of the Initial Notes whose name(s) appear(s) above, or to such registered holder(s) at an address other than that shown above.
Name:	Name:
(Please Print)	(Please Print)
Address:	Address:
(Include Zip Code)	(Include Zip Code)
(Tax Identification or Social Security Number)	(Tax Identification or Social Security Number)

BOX 9

PAYOR'S NAME: THE CHASE MANHATTAN BANK

SUBSTITUTE Form W-9 Department of the Treasury Internal Revenue Service	Name (if joint names, list first and circle the name of the person or entity whose number you enter in Part 1 below. See instructions if your name has changed): _____ _____ Address _____ City, State and Zip Code List account number(s) here (optional):
	Part 1 - Please provide your taxpayer identification number ("TIN") and certify by signing and dating below. Social Security Number or TIN _____ (if awaiting TIN, write "Applied For")
	Part 2 - Check the box if you are NOT subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code because (1) you have not been notified that you are subject to backup withholding as a result of failure to report all interest or dividends or (2) the Internal Revenue Service has notified you that you are no longer subject to backup withholding. [_] Not subject to withholding
PAYOR'S Request for TIN	Certification - Under the penalties of perjury I certify that the information provided on this form is true, correct and complete. Signature: _____ Date:_____

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE EXCHANGE OFFER. PLEASE REVIEW THE ENCLOSED "GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W - 9" FOR ADDITIONAL DETAILS.

- ---

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE
IF YOU WROTE "APPLIED FOR" IN PART 1 OF THE SUBSTITUTE FORM W-9
CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of payment, 31% of all payments made to me on account of the New Notes will be retained until I provide a taxpayer identification number to the Exchange Agent and that if I do not provide my taxpayer identification number within 60 days, such retained amounts will be remitted to the Internal Revenue Service as backup withholding and 31% of all reportable payments made to me thereafter will be withheld and remitted to the Internal Revenue Service until I provide a taxpayer identification number.

Signature: _____

Date: _____

- ---

INSTRUCTIONS TO LETTER OF TRANSMITTAL
FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

General

Please do not send Certificates for Initial Notes directly to the Company. Your Series E Initial Note Certificates, together with your signed and completed Letter of Transmittal and any required supporting documents, should be mailed or otherwise delivered to the Exchange Agent at the address indicated on the first page hereof. The method of delivery of Certificates, this Letter of Transmittal and all other required documents is at your sole option and risk and the delivery will be deemed made only when actually received by the Exchange Agent. If delivery is by mail, registered mail with return receipt requested, properly insured, or overnight delivery service is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

1. Delivery of Letter of Transmittal and Certificates; Guaranteed Delivery Procedures

This Letter of Transmittal is to be completed by holders of Initial Notes (which term, for purposes of the Exchange Offer, includes any participant in DTC whose name appears on a security position listing as the holder of such Initial Notes) if either (a) Certificates for such Initial Notes are to be forwarded herewith or (b) tenders are to be made pursuant to the procedures for tender by book-entry transfer set forth in "The Exchange Offer--Procedures for Tendering Initial Notes" in the Prospectus, and an Agent's Message is not delivered. Tenders by book-entry transfer may also be made by delivering an Agent's Message in lieu of this Letter. The term "Agent's Message" means a message, transmitted by DTC to and received by the Exchange Agent and forming a part of a book-entry confirmation, which states that DTC has received an express acknowledgment from the tendering Participant, which acknowledgment states that such Participant has received and agrees to be bound by, and makes the representations and warranties contained in, this Letter of Transmittal and that the Company may enforce this Letter of Transmittal against such Participant. Certificates representing the tendered Initial Notes, or timely confirmation of a book-entry transfer of such Initial Notes into the Exchange Agent's account at DTC, as well as a properly completed and duly executed copy of this Letter of Transmittal, or a facsimile hereof (or, in the case of a book-entry transfer, an Agent's Message), a substitute Form W-9 and any other documents required by this Letter of Transmittal, must be received by the Exchange Agent at its address set forth herein on or prior to 5:00 p.m., New York City time, on the Expiration Date, or the tendering holder must comply with the guaranteed delivery procedures set forth below. Initial Notes may be tendered in whole or in part in the principal amount of $1,000 and integral multiples of $1,000.

Holders who wish to tender their Initial Notes and (i) whose Initial Notes are not immediately available or (ii) who cannot deliver their Initial Notes, this Letter of Transmittal and all other required documents to the Exchange Agent on or prior to the Expiration Date or (iii) who cannot complete the procedures for delivery by book-entry transfer on a timely basis, may tender their Initial Notes by properly completing and duly executing a Notice of Guaranteed Delivery pursuant to the guaranteed delivery procedures set forth in "The Exchange Offer--Procedures for Tendering Initial Notes" in the Prospectus and by completing Box 3. Pursuant to these procedures: (i) such tender must be made by or through an Eligible Institution (as defined below); (ii) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by the Company, must be received by the Exchange Agent on or prior to the Expiration Date; and (iii) the Certificates (or a Book-Entry Confirmation (as defined in the Prospectus)) representing all tendered Initial Notes of such holder, in proper form for transfer, together with a Letter of Transmittal (or facsimile thereof), properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message) and any other documents required by this Letter of Transmittal, must be received by the Exchange Agent within three New York Stock Exchange trading days after the date of execution of such Notice of Guaranteed Delivery, all as provided in "The Exchange Offer--Procedures for Tendering Initial Notes" in the Prospectus.

The Notice of Guaranteed Delivery may be delivered by hand or transmitted by facsimile or mail to the Exchange Agent, and must include a guarantee by an Eligible Institution in the form set forth in such Notice. For Initial Notes to be properly tendered pursuant to the guaranteed delivery procedure, the Exchange Agent must receive a Notice of Guaranteed Delivery on or prior to the Expiration Date. As used herein, "Eligible Institution" means a firm or other entity identified in Rule 17Ad-15 under the Exchange Act as "an eligible guarantor institution," including (as such terms are defined therein) (i) a bank; (ii) a broker, dealer, municipal securities broker

or dealer or government securities broker or dealer; (iii) a credit union; (iv) a national securities exchange, registered securities association or clearing agency; or (v) a savings association that is a participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or the Stock Exchange Medallion Program.

The Company will not accept any alternative, conditional or contingent tenders. Each tendering holder, by execution of a Letter of Transmittal (or facsimile thereof), waives any right to receive any notice of the acceptance of such tender.

2. Guarantee of Signatures

No signature guarantee on this Letter of Transmittal is required if:

(i) this Letter of Transmittal is signed by the registered holder (which term, for purposes of this document, shall include any participant in DTC whose name appears on a security position listing as the owner of the Initial Notes) of Initial Notes tendered herewith, unless such holder(s) has (have) completed either the box entitled "Special Exchange Instructions" (Box 7) or the box entitled "Special Delivery Instructions" (Box 8) above; or

(ii) such Initial Notes are tendered for the account of a firm that is an Eligible Institution.

In all other cases, an Eligible Institution must guarantee the signature(s) in Box 6 on this Letter of Transmittal. See Instruction 5.

3. Inadequate Space

If the space provided in the box captioned "Description of Initial Notes Tendered" is inadequate, the Certificate number(s) and/or the principal amount of Initial Notes and any other required information should be listed on a separate, signed schedule and attached to this Letter of Transmittal.

4. Partial Tenders and Withdrawal Rights

Tenders of Initial Notes will be accepted only in the principal amount of $1,000 and integral multiples of $1,000. If less than all the Initial Notes evidenced by any Certificate submitted are to be tendered, fill in the principal amount of Initial Notes that are to be tendered in Box 1 under the column "Aggregate Principal Amount of Initial Notes Being Tendered." In such case, new Certificate(s) for the remainder of the Initial Notes that were evidenced by the Initial Notes Certificate(s) will be sent to the holder of the Initial Notes promptly after the Expiration Date. All Initial Notes represented by Certificates delivered to the Exchange Agent will be deemed to have been tendered unless otherwise indicated.

Except as otherwise provided herein, tenders of Initial Notes may be withdrawn at any time on or prior to the Expiration Date. In order for a withdrawal to be effective, a written or facsimile transmission of such notice of withdrawal must be timely received by the Exchange Agent at its address set forth above on or prior to the Expiration Date. Any such notice of withdrawal must (i) specify the name of the person having deposited the Initial Notes to be withdrawn (the "Depositor"), (ii) identify the Initial Notes to be withdrawn (including the Certificate number(s) and principal amount of such Initial Notes, or, in the case of Initial Notes transferred by book-entry transfer, the name and number of the account at DTC to be credited), (iii) be signed by the holder in the same manner as the original signature on the Letter of Transmittal by which such Initial Notes were tendered (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the Trustee register the transfer of such Initial Notes into the name of the person withdrawing the tender and (iv) specify the name in which any such Initial Notes are to be registered, if different from that of the Depositor. All questions as to the validity, form and eligibility (including time of receipt) of such notices will be determined by the Company, whose determination will be final and binding on all parties. If Initial Notes have been tendered pursuant to the procedures for book-entry transfer set forth in the Prospectus under "The Exchange Offer--Procedures for Tendering Initial Notes," the notice of withdrawal must specify the name and number of the account at DTC to be credited with

the withdrawal of Initial Notes, in which case a notice of withdrawal will be effective if delivered to the Exchange Agent by written or facsimile transmission. Initial Notes properly withdrawn will not be deemed validly tendered for purposes of the Exchange Offer. Withdrawals of tenders of Initial Notes may not be rescinded, but such Initial Notes may be retendered at any subsequent time on or prior to the Expiration Date by following any of the procedures described in the Prospectus under "The Exchange Offer--Procedures for Tendering Initial Notes."

Neither the Company, any affiliates or assigns of the Company, the Exchange Agent nor any other person will be under any duty to give any notification of any irregularities in any notice of withdrawal or incur any liability for failure to give such notification (even if such notice is given to other persons). Any Initial Notes that have been tendered but are withdrawn will be returned to the holder thereof without cost to such holder promptly after withdrawal.

5. Signatures on Letter of Transmittal, Assignments and Endorsements

If this Letter of Transmittal is signed by the registered holder(s) of the Initial Notes tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the Certificate(s) without alteration, addition or any change whatsoever.

If any of the Initial Notes tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If any tendered Initial Notes are registered in different names on several Certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal (or facsimiles thereof) as there are different registrations of Certificates.

If this Letter of Transmittal or any Certificates or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and, unless waived by the Company, must submit proper evidence satisfactory to the Company, in its sole discretion, of such persons' authority to so act.

When this Letter of Transmittal is signed by the registered owner(s) of the Initial Notes listed and transmitted hereby, no endorsement(s) of Certificate(s) or separate bond power(s) are required unless New Notes are to be issued in the name of a person other than the registered holder(s). If New Notes are to be issued in the name of a person other than the registered holder(s), however, signature(s) on such Certificate(s) or bond power(s) must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered owner(s) of the Initial Notes listed, the Certificates must be endorsed or accompanied by appropriate bond powers, signed exactly as the name or names of the registered owner(s) appear(s) on the Certificates, and also must be accompanied by such opinions of counsel, certifications and other information as the Company or the trustee for the Initial Notes may require in accordance with the restrictions on transfer applicable to the Initial Notes. Signatures on such Certificates or bond powers must be guaranteed by an Eligible Institution.

6. Special Issuance and Delivery Instructions

If New Notes are to be issued in the name of a person other than the signer of this Letter of Transmittal, or if New Notes are to be sent to someone other than the signer of this Letter of Transmittal or to an address other than that shown above, the Boxes 7 and 8 on this Letter of Transmittal should be completed. Certificates for Initial Notes not exchanged will be returned by mail or, if tendered by book-entry transfer, by crediting the account indicated above maintained at DTC. See Instruction 4.

7. Determination of Validity

The Company will determine, in its sole discretion, all questions as to the form and execution of documents, validity, eligibility (including time of receipt) and acceptance for exchange, or withdrawal, of any tender

of Initial Notes, which determination will be final and binding on all parties. The Company reserves the absolute right to reject any and all tenders determined by it not to be in proper form or the acceptance of which, or exchange for, may, in the view of counsel to the Company, be unlawful. The Company also reserves the absolute right, subject to applicable law, to waive any of the conditions of the Exchange Offer set forth in the Prospectus under "The Exchange Offer--Conditions" or any conditions or irregularity in any tender of Initial Notes of any particular holder whether or not similar conditions or irregularities are waived in the case of other holders.

The Company's interpretation of the terms and conditions of the Exchange Offer (including this Letter of Transmittal and the instructions hereto) will be final and binding. No tender of Initial Notes will be deemed to have been validly made until all irregularities with respect to such tender have been cured or waived. Neither the Company, any affiliates or assigns of the Company, the Exchange Agent, nor any other person will be under any duty to give notification of any irregularities in tenders or incur any liability for failure to give such notification (even if such notice is given to other persons).

8. Questions and Requests for Assistance and Additional Copies

Questions and requests for assistance may be directed to the Exchange Agent at its address and telephone number set forth on the front of this Letter of Transmittal. Additional copies of the Prospectus, the Notice of Guaranteed Delivery and the Letter of Transmittal may be obtained from the Exchange Agent.

9. 31% Backup Withholding; Substitute Form W-9

For U.S. Federal income tax purposes, holders are required, unless an exemption applies, to provide the Exchange Agent with such holder's correct taxpayer identification number ("TIN") on Substitute Form W-9 (Box 9) and to certify, under penalty of perjury, that such number is correct and that he or she is not subject to backup withholding. If the Exchange Agent is not provided with the correct TIN, the Internal Revenue Service (the "IRS") may subject the holder or other payee to a $50 penalty. In addition, payments to such holders or other payees with respect to Initial Notes exchanged pursuant to the Exchange Offer, or with respect to New Notes following the Exchange Offer, may be subject to 31% backup withholding.

The tendering holder may write "Applied For" in Part 1 of the Substitute Form W-9 (Box 9) if the tendering holder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future. If "Applied For" is written, the holder or other payee must also complete the Certificate of Awaiting Taxpayer Identification Number following Substitute Form W-9 in order to avoid backup withholding. Notwithstanding that "Applied For" is written and the Certificate of Awaiting Taxpayer Identification Number is completed, the Exchange Agent will withhold 31% of all payments made prior to the time a properly certified TIN is provided to the Exchange Agent.

The holder is required to give the Exchange Agent the TIN (i.e., social security number or employer identification number) of the registered owner of the Initial Notes or of the last transferee appearing on the transfers attached to, or endorsed on, the Initial Notes. If the Initial Notes are registered in more than one name or are not in the name of the actual owner, consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional guidance on which number to report.

If the tendering holder is a nonresident alien or foreign entity not subject to backup withholding, such holder must give the Company a completed Form W-8, Certificate of Foreign Status. A copy of the Form W-8 may be obtained from the Exchange Agent. Please consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional guidance on which holders are exempt from backup withholding.

Backup withholding is not an additional U.S. Federal income tax. Rather, the U.S. Federal income tax liability of a person subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained.

10. Lost, Destroyed or Stolen Certificates

If any Certificate(s) representing Initial Notes have been lost, destroyed or stolen, the holder should promptly notify the Exchange Agent. The holder will then be instructed as to the steps that must be taken in order to replace the Certificate(s). This Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost, destroyed or stolen Certificate(s) have been completed.

11. Security Transfer Taxes

Holders who tender their Initial Notes for exchange will not be obligated to pay any transfer taxes in connection therewith. If, however, New Notes are to be delivered to, or are to be issued in the name of, any person other than the registered holder of the Initial Notes tendered, or if a transfer tax is imposed for any reason other than the exchange of Initial Notes in connection with the Exchange Offer, then the amount of any such tax (whether imposed on the registered holder or any other persons) is payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the Letter of Transmittal, the amount of such taxes will be billed directly to such tendering holder.

Important: This Letter of Transmittal (or facsimile thereof) and all other required documents must be received by the Exchange Agent on or prior to the Expiration Date.