

# **CNH CAPITAL CANADA RECEIVABLES TRUST**

**Management's Discussion and Analysis  
March 31, 2006**

# CNH CAPITAL CANADA RECEIVABLES TRUST

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED MARCH 31, 2006 (In Canadian Dollars) (Unaudited)

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### *General*

Management's Discussion and Analysis ("MD&A") should be read in conjunction with the audited financial statements for the years ended December 31, 2005 and 2004. Management is responsible for the reliability and timeliness of the information disclosed in the MD&A.

### *Business of the Trust*

CNH Capital Canada Receivables Trust (the "Trust") was established by The Canada Trust Company (formerly TD Trust Company), as Issuer Trustee, under the laws of the Province of Ontario by Declaration of Trust dated September 11, 2000. BNY Trust Company of Canada is the indenture trustee for the Notes issued by the Trust.

The Trust's activities are limited to the acquisition and administration of retail installment and finance lease contracts and certain related assets (the "Purchased Assets") from CNH Capital Canada Ltd. ("CNH Capital Canada"), and financing these purchases through the issuance of asset-backed notes and loans and subordinated loans. Collections on the Purchased Assets are used to pay the obligations of the Trust, including the payment of interest and principal owing on the securities issued by it.

Pursuant to the Administration Agreement between the Issuer Trustee and CNH Capital Canada, as administrative agent, and the Sale and Servicing Agreements between the Issuer Trustee and CNH Capital Canada, as Servicer, CNH Capital Canada carries out certain administrative and management activities for and on behalf of the Trust, including the administration, servicing, and collection of the Purchased Assets. The Trust pays a nominal fee to CNH Capital Canada for the performance of the activities and fulfillment of its responsibilities under the Administration Agreement. For the three months ended March 31, 2006, the Trust paid CNH Capital Canada \$2,000 in administration fees. No fee is payable by the Trust to CNH Capital Canada for the servicing of the Purchased Assets pursuant to the Sales and Servicing Agreements since the Purchased Assets are sold to the Trust by CNH Capital Canada on a fully-serviced basis. The Trust has no employees.

The Trust believes that interim financial statements, together with a management discussion and analysis of the Trust's financial condition and results of operations would not provide meaningful information to the holders of the Trust's Notes due to the structure of the securitization transaction and the nature of the rights of the holders of each Series of Notes. As a result, this Management Discussion and Analysis is limited to a discussion of the Notes issued by the Trust, the Purchased Assets, and the performance of the pool of Purchased Assets during the relevant period.

The attached Quarterly Report provides further details on each Series of the Trust's Notes. During the three months ended March 31, 2006, the Trust paid \$37,831,590, \$18,071,172 and \$14,378,987 in principal to the VPN Noteholders of the Series 2005-1, Series 2004-1 and Series 2003-1, respectively. For the Series 2002-1, the Trust paid \$8,547,027 in principal to the Class A lender during the three months ended March 31, 2006.

### *Pool Performance*

Information regarding the principal balances of the Notes and distributions of principal and interest thereon for the period ended March 31, 2006, is as set forth in the monthly servicer reports made available to the Noteholders.

For the period ended March 31, 2006, the pool balance of Purchased Assets was \$483,820,728 and the total collections were \$73,690,428. There was \$312,015 of credit losses with respect to the Purchased Assets.

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The Trust had no income other than scheduled interest income derived from the Purchased Assets and investment earnings from the restricted cash and cash equivalents. The Trust's expenses included interest expense incurred in connection with the Notes and Residual Purchase Price paid to the Seller as well as payment of the administrative and beneficiary fees.

### *Net Loss Ratio and Delinquency Rate*

Activity during the period resulted in a negligible net loss ratio and a delinquency rate of 0.58%.

### *Internal Controls*

The Trust has updated its internal controls by upgrading its accounting systems and procedures.