

# **CNH CAPITAL CANADA WHOLESALE TRUST**

**Management's Discussion and Analysis  
September 30, 2009**

# CNH CAPITAL CANADA WHOLESALE TRUST

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009 (In Canadian Dollars) (Unaudited)

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### *General*

Management's Discussion and Analysis ("MD&A"), dated November 30, 2009, should be read in conjunction with the audited financial statements for the years ended December 31, 2008 and 2007. Management is responsible for the reliability and timeliness of the information disclosed in the MD&A.

### *Business of the Trust*

CNH Capital Canada Wholesale Trust (the "Trust") was established by The Canada Trust Company as Issuer Trustee (the "Issuer Trustee"), under the laws of the Province of Ontario by Declaration of Trust dated April 30, 2004. BNY Trust Company of Canada is the Indenture Trustee.

The Trust is a special purpose trust whose business is specifically limited to (i) purchasing finance receivables and certain related rights and assets (collectively, the "Purchased Assets") from CNH Capital Canada Ltd. ("CNH Capital Canada"), which Purchased Assets were acquired with proceeds from asset-backed securities issued by the Trust (the "Notes") and through residual indebtedness of the Trust to CNH Capital Canada, (ii) holding, managing and disposing of Purchased Assets, (iii) making payments on its securities, and (iv) engaging in incidental and ancillary activities. 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 Administrator, and the Sale and Servicing Agreement 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 fee to CNH Capital Canada for the performance of the activities and fulfillment of its responsibilities under the Administration Agreement. No fee is payable by the Trust to CNH Capital Canada for the servicing of the Purchased Assets pursuant to the Sales and Servicing Agreement 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 management's 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 Trust's securitization transaction and the nature of the rights of the holders of each Series of Notes. As a result, this MD&A 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.

In July 2004, the Trust issued the following asset-backed securities: (i) the CNH Capital Canada Wholesale Trust Floating Rate Wholesale Receivables Backed Notes, Series CW2004-1, Classes A and B, which were offered to the public pursuant to a prospectus; (ii) the CNH Capital Canada Wholesale Trust Floating Rate Wholesale Receivables Backed Notes, Series CW2004-2, Classes A and B, which were offered to the public pursuant to a prospectus; and (iii) the CNH Capital Canada Wholesale Trust Variable Funding Wholesale Receivables-Backed Note, Series CW2004-3, which was privately placed with a qualified institutional buyer.

In August 2005, the Trust issued the CNH Capital Canada Wholesale Trust Floating Variable Funding Receivables Backed Notes, Series CW2004-4, which was privately placed with a qualified institutional buyer.

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In July 2006, the Trust issued the CNH Capital Canada Wholesale Trust Floating Rate Wholesale Receivables Backed Notes, Series CW2006-1, Classes A and B, which we offered to the public pursuant to a prospectus. In August 2006, the Trust paid \$150,000,000 in principal to the holders of the Series CW2004-1 Class A Notes and \$12,303,000 in principal to the holders of the Series CW2004-1 Class B Notes.

In August 2007, the Trust paid \$175,000,000 in principal to the holders of the Series CW2004-2 Class A Notes and \$14,353,000 in principal to the holders of the Series CW2004-2 Class B Notes. In addition, the Trust reduced the maximum limit of the Wholesale VFN from \$250,000,000 to \$150,000,000.

In April 2008 and May 2008, the Trust paid \$93,670,000 and \$56,330,000, respectively, in principal to the holders of the Series CW2004-4 CNH Capital Canada Wholesale Trust Floating Variable Funding Receivables Backed Notes.

In August 2009, the Trust paid \$175,598,000 in principal to the holders of the Series CW2006-1 CNH Capital Canada Wholesale Trust Floating Rate Class A Wholesale Receivables-Backed Notes, and \$14,402,000 in principal to the holders of the Series CW2006-1 CNH Capital Canada Wholesale Trust Floating Rate Class B Wholesale Receivables-Backed Notes.

As at September 30, 2009, there are no Series of Notes outstanding and there have been no additional Series of Notes issued to date. **On November 25, 2009**, a final prospectus was filed for an offering by the Trust of \$325,000,000 initial principal amount Series CW2009-1 Notes, with an expected issuance on **November 30, 2009**.

### *Pool Performance*

Information regarding the principal balances of the Notes and distributions of principal and interest thereon for the period ended September 30, 2009, is as set forth in the monthly servicer reports made available to the Noteholders. The monthly servicer reports are also available on the System for Electronic Document Analysis and Retrieval ("SEDAR") website at [www.sedar.com](http://www.sedar.com).

For the period ended September 30, 2009, the pool balance of Purchased Assets was \$694,773,221 and the principal collections were \$1,261,766,287. There were \$167,485 of credit losses with respect to the Purchased Assets.

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 Seller's interest 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 0.06%.

### *IFRS Changeover Plan*

With respect to the CSA Staff Notice 52-320, *Disclosure of Expected Changes in Accounting Policies Relating to International Financial Reporting Standards*, it is expected that any significant changes to the Trust's financial statements will result from the application of the revised International Accounting Standard 39, *Financial Instruments: Recognition and Measurement* ("IAS 39") which was recently issued for comment and is not expected

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to be finalized by the International Accounting Standards Board until 2010 at the earliest and, as such, the impact of such standard on the Trust's financial statements is not known at this time. The Trust will continue to monitor the progress of IAS 39 and ensure that any required disclosure, as applicable to the Trust, is made in its annual MD&A and financial statements in the years leading up to implementation in 2011.

### *Additional Information*

Additional information relating to the Trust is available on SEDAR at [www.sedar.com](http://www.sedar.com).