



**CNH Capital LLC
CNH Capital America LLC
New Holland Credit Company, LLC**

Offer to Exchange

\$500,000,000 3.250% Notes due 2017

**that have been registered under
the Securities Act of 1933, as amended
for
\$500,000,000 3.250% Notes due 2017**

We are offering to exchange our 3.250% Notes due 2017, or the “new notes,” for our currently outstanding 3.250% Notes due 2017, or the “old notes.” We sometimes refer to the new notes and the old notes collectively as the “notes.” The old notes are, and the new notes will be, guaranteed by CNH Capital America LLC and New Holland Credit Company, LLC, each a wholly-owned subsidiary of CNH Capital LLC.

- The exchange offer expires at 5:00 p.m., New York City time, on January 22, 2014, unless extended.
- We will exchange all old notes that are validly tendered and not validly withdrawn prior to the expiration of the exchange offer.
- You may withdraw tendered old notes at any time prior to the expiration of the exchange offer.
- The new notes are substantially identical to the old notes, except that the new notes have been registered under the Securities Act of 1933, as amended, and will not contain restrictions on transfer or have registration rights. The new notes will represent the same debt as the old notes, and we will issue the new notes under the same indenture.
- We do not intend to apply for listing of the new notes on any securities exchange or to arrange for them to be quoted on any quotation system.
- The exchange offer is not subject to any conditions other than that the exchange offer does not violate applicable law or any applicable interpretation of the staff of the Securities and Exchange Commission.
- The exchange of old notes for new notes will not be a taxable event for U.S. federal income tax purposes. See “Material United States Federal Income Tax Considerations.”
- We will not receive any proceeds from the exchange offer.

Each 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. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act of 1933, as amended. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, starting on the expiration date of the exchange offer and ending on the close of business one year after the expiration date, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See “Plan of Distribution.”

For a discussion of factors that you should consider before you participate in the exchange offer, see “Risk Factors” beginning on page 19.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities 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.

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You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus. This prospectus is an offer to exchange only the Notes offered by this prospectus and only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is accurate only as of its date.

PRESENTATION OF FINANCIAL AND CERTAIN OTHER INFORMATION

CNH Industrial N.V. (“CNHI” and, together with its consolidated subsidiaries, “CNH Industrial”), the indirect parent company of CNH Capital LLC, is incorporated in and under the laws of The Netherlands. CNH Industrial is a leading global capital goods company engaged in the design, production, marketing, sale and financing of agricultural and construction equipment, trucks, commercial vehicles, buses and specialized vehicles for firefighting, defense and other uses, as well as engines and transmissions for those vehicles and engines for marine and power generation applications. CNH Industrial’s worldwide agricultural equipment and construction equipment operations are collectively referred to as “Agricultural and Construction Equipment.” Following the merger of CNH Global N.V. with and into CNHI on September 29, 2013, CNH Industrial prepares its consolidated financial statements in accordance with international financial reporting standards (“IFRS”) and its consolidated financial statements are expressed in euros. On November 29, 2013, the noon buying rate for cable transfers in New York City as certified for customs purposes by the Federal Reserve Bank of New York for euros against the U.S. dollar was €1.3606 = \$1.00.

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Our consolidated financial statements are expressed in U.S. dollars and, unless otherwise indicated, all financial data set forth in this prospectus are expressed in U.S. dollars.

In this prospectus, we refer to information and statistics regarding the industries and markets in which we operate. We obtained this market data from independent industry sources, other publicly available information or our own estimates and research. While we believe that such information from third-party sources is reliable, we have not ascertained the underlying economic assumptions relied upon therein, and we do not make any representation as to the accuracy of such information. Furthermore, while we believe the information from our estimates and research with respect to our markets is reliable, it has not been verified by independent sources and we cannot assure you that it is accurate.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact contained in this prospectus, including statements regarding our competitive strengths; business strategy; future financial position or operating results; budgets; projections with respect to revenue, income, capital expenditures, capital structure or other financial items; costs; and plans and objectives of management regarding operations, products and services, are forward-looking statements. These statements may include terminology such as “may,” “will,” “expect,” “could,” “should,” “intend,” “estimate,” “anticipate,” “believe,” “outlook,” “continue,” “remain,” “on track,” “design,” “target,” “objective,” “goal,” or similar terminology.

Our outlook is predominantly based on our interpretation of what we consider to be key economic assumptions and involves risks and uncertainties that could cause actual results to differ (possibly materially) from such forward-looking statements. Macro-economic factors including monetary policy, interest rates, currency exchange rates, inflation, deflation, credit availability and government intervention in an attempt to influence such factors may have a material impact on our customers and the demand for our financing products and services. The demand for CNH North America’s products and, in turn, our financing products and services is influenced by a number of factors, including, among other things: general economic conditions; demand for food; commodity prices, raw material and component prices and stock levels; net farm income levels; availability of credit; developments in biofuels; infrastructure spending rates; housing starts; commercial construction; seasonality of demand; changes and uncertainties in the monetary and fiscal policies of various governmental and regulatory

entities; CNH North America's ability to maintain key dealer relationships; currency exchange rates and interest rates; pricing policies by CNH North America or its competitors; political, economic and legislative changes; and the other risks described in "Risk Factors." Some of the other significant factors which may affect our results include our access to credit, restrictive covenants in our debt agreements, actions by rating agencies concerning the ratings on our debt and asset-backed securities and the credit rating of CNHI, weather, climate change and natural disasters, actions taken by our competitors, the effect of changes in laws and regulations, the results of legal proceedings and employee relations.

Furthermore, in light of ongoing economic uncertainty, both globally and in the industries in which we operate, it is particularly difficult to forecast our results and any estimates or forecasts of particular periods that we provide are uncertain. We can give no assurance that the expectations reflected in our forward-looking statements will prove to be correct. Our actual results could differ materially from those anticipated in these forward-looking statements. All written and oral forward-looking statements attributable to us are expressly qualified in their entirety by the factors we disclose that could cause our actual results to differ materially from our expectations. We undertake no obligation to update or revise publicly any forward-looking statements.

You should read carefully the section of this prospectus under the heading "Risk Factors" beginning on page 19.

SUMMARY

This summary highlights information located elsewhere in this prospectus. It does not contain all the information that is important to you. You should read this summary together with the more detailed information and consolidated financial statements and notes appearing elsewhere in this prospectus. You should carefully consider, among other factors, the matters discussed under “Risk Factors” in this prospectus. Unless otherwise indicated or the context otherwise requires, as used in this prospectus, (1) the terms “CNH Capital,” “the Company,” “we” and “our” refer to CNH Capital LLC and its consolidated subsidiaries, (2) the term “CNHI” refers to CNH Industrial N.V. (excluding its consolidated subsidiaries), a Netherlands corporation that indirectly owns 100% of the equity interests in CNH Capital LLC, (3) the term “CNH Industrial” refers to CNHI and its consolidated subsidiaries, (4) the term “CNH Global” refers to, prior to its merger with and into CNHI on September 29, 2013, CNH Global N.V., a Netherlands corporation and the former indirect parent of CNH Capital LLC and (5) the term “Financial Services” refers to, prior to the merger of CNH Global with and into CNHI on September 29, 2013, the worldwide financial services operations of CNH Global’s subsidiaries. Unless the context otherwise requires or except as otherwise indicated, information about CNH Capital in this prospectus is presented on a consolidated basis and relates to CNH Capital LLC and its consolidated subsidiaries, including CNH Capital America LLC and New Holland Credit Company, LLC.

Our Business

Overview

CNH Capital LLC is an indirect wholly-owned subsidiary of CNHI and is headquartered in Racine, Wisconsin. As a captive finance company, our primary business is to underwrite and manage financing products for end-use customers and dealers of CNH America LLC (“CNH America”) and CNH Canada Ltd. (collectively, “CNH North America”) and provide other related financial products and services to support the sale of agricultural and construction equipment manufactured by CNH North America. We also provide wholesale and retail financing related to new and used agricultural and construction equipment manufactured by entities other than CNH North America. We are often able to offer financing to customers at advantageous interest rates or other terms (such as longer contract terms, longer warranty terms or gift cards redeemable for parts or services), due to our participation in subsidized financing programs sponsored by CNH North America, which reimburses us for some or all of the difference between market interest rates and the interest rates we offer to a customer and for some of the cost of such other advantageous terms. The primary operating subsidiaries of CNH Capital LLC include CNH Capital America LLC (“CNH Capital America”), New Holland Credit Company, LLC (“New Holland Credit”) and CNH Capital Canada Ltd. (“CNH Capital Canada”). CNH Capital America is the primary financing and business entity of CNH Capital for the United States that enters into retail and wholesale financing arrangements with end-use customers and equipment dealers, while New Holland Credit acts as the servicer for retail and wholesale receivables originated by CNH Capital America. As of September 30, 2013, CNH Capital America and New Holland Credit had total assets of \$5.9 billion and \$0.2 billion, respectively, and subsidiaries of CNH Capital LLC other than CNH Capital America and New Holland Credit had total assets of \$13.7 billion (before intercompany eliminations). The old notes are, and the new notes will be, issued by CNH Capital LLC and guaranteed by CNH Capital America and New Holland Credit. Neither CNHI nor any of its subsidiaries (other than CNH Capital LLC, CNH Capital America and New Holland Credit) will have any liability with respect to the notes at any time. CNH Capital LLC and the guarantors, collectively, accounted for approximately 46% and 50% of our total revenues for the year ended December 31, 2012 and the nine months ended September 30, 2013, respectively, and 32% and 31% of our total assets as of December 31, 2012 and September 30, 2013, respectively (in each case with such percentages calculated before intercompany eliminations).

CNH Capital offers retail loan and lease financing to end-use customers for the purchase of new and used equipment and components, as well as commercial revolving account (“CRA”) financing and other financial services. CNH Capital also provides wholesale financing to CNH North America equipment dealers and distributors (almost all of which are independently owned and operated). Wholesale financing consists primarily of dealer floorplan financing and gives dealers the ability to maintain a representative inventory of new products. In addition, CNH Capital provides financing to dealers for used equipment taken in trade, equipment utilized in dealer-owned rental yards, parts inventory, working capital and other financing needs. As a holding company, CNH Capital LLC generally does not conduct operations of its own but relies on its subsidiaries for the generation and distribution of profits.

To help fund its retail and wholesale financing business, CNH Capital participates in the asset-backed securitization markets. CNH Capital periodically transfers retail and wholesale receivables originated from end-use customers and dealers to special purpose entities, in exchange for cash proceeds from asset-backed securities issued by these special purpose entities. Investors in these asset-backed securities in turn receive payments on their securities based on the cash flows from the transferred receivables. CNH Capital continues to service the transferred receivables and may hold some retained interests in the transferred receivables (with its retained interests totaling \$2.8 million as of September 30, 2013). These special purpose entities and the investors in the asset-backed securities have no recourse beyond CNH Capital’s retained interests for failure of any end-use customers or dealers to make payments on the transferred receivables when due.

CNH Capital is not required by CNHI to extend financing to all dealers or end-use customers that wish to purchase CNH North America equipment. CNH Capital independently underwrites the creditworthiness of all potential wholesale and retail customers to determine whether to make an offer to extend financing and, if so, on what terms. In 2012, approximately 8% of retail credit applications to CNH Capital were rejected and approximately 28% of retail credit applications accepted by CNH Capital were approved with terms less favorable than those initially sought by the respective applicants. While CNH North America dealers generally have incentives to obtain wholesale financing from CNH Capital due to subsidies offered by CNH North America to these dealers from time to time (such as an interest-free period), we believe many dealers also obtain funding from other financing sources. As of December 31, 2012 and September 30, 2013, our wholesale receivables, which represent receivables from wholesale financing to CNH North America dealers, amounted to \$3.3 billion and \$4.3 billion, respectively, or 28.0% and 32% of our total managed portfolio, respectively.

CNH Capital’s revenue is primarily generated through the income of its portfolio and the income generated through marketing programs with CNH North America. The size of the portfolio is in part related to the level of equipment sales by CNH North America. The portfolio profitability is linked to the credit quality of the borrowers, the value of collateral and the difference between lending and borrowing rates. For the year ended December 31, 2012 and the nine months ended September 30, 2013, the percentage of revenue derived by us from CNH North America and other CNH affiliates was 47% for both periods.

Our retail borrowers are generally commercial entities and, in many cases, have had a previous borrowing relationship with CNH Capital. Retail loans are secured by the purchased equipment, which generally has a longer useful life than the term of the loan. Wholesale financings are likewise secured by the equipment purchased by the dealer.

CNH Capital funds its operations and lending activity through a combination of term receivables securitizations, committed asset-backed and unsecured facilities, secured and unsecured borrowings, asset sales, affiliate financing and retained earnings. CNH Capital plans to continue diversifying its funding base by issuing additional unsecured debt and reducing its reliance on affiliate and secured financing.

In addition to portfolio quality and funding costs, CNH Capital's long-term profitability is also dependent on service levels and operational effectiveness. CNH Capital performs billing and collection services, customer support, repossession and remarketing functions, reporting and data management operations and marketing activities.

As of September 30, 2013, CNH Capital had total assets of \$14.6 billion and total stockholder's equity of \$1.5 billion. For the year ended December 31, 2012 and the nine months ended September 30, 2013, CNH Capital had total revenues of \$834.0 million and \$636.2 million and net income attributable to CNH Capital of \$211.9 million and \$197.1 million, respectively. As of December 31, 2012 and September 30, 2013, CNH Capital had outstanding debt (excluding debt owed to affiliates) of \$10.6 billion and \$11.9 billion, respectively, approximately 87% and 83% of which, respectively, represented secured debt as of such dates.

Relationship with CNH Industrial

CNH Industrial is a leading global capital goods company engaged in the design, production, marketing, sale and financing of agricultural and construction equipment, trucks, commercial vehicles, buses and specialized vehicles for firefighting, defense and other uses, as well as engines and transmissions for those vehicles and engines for marine and power generation applications. CNH Industrial organizes its operations into three operating segments: Agricultural and Construction Equipment, Trucks and Commercial Vehicles and Powertrain.

Agricultural and Construction Equipment has a global, full-line operation in the agricultural and construction equipment industries, with strong and often leading positions in many geographic and product categories in both of these industries. CNH Industrial believes that it is the most geographically diversified manufacturer and distributor of agricultural and construction equipment. As of December 31, 2012, CNH Global was manufacturing products in 37 facilities throughout the world and distributing products in approximately 170 countries through a network of approximately 11,500 dealers and distributors. Agricultural and Construction Equipment's worldwide manufacturing base includes facilities in Europe, Latin America, North America and Asia. For the year ended December 31, 2012 and the nine months ended September 30, 2013, 44% and 45% of net sales of agricultural and construction equipment were generated in North America, 31% and 26% in Europe, Africa, the Middle East and the Commonwealth of Independent States, 15% and 17% in Latin America and 10% and 12% in Asia Pacific, respectively.

As of September 30, 2013, CNH Industrial had total assets of €40.0 billion and total equity of €5.6 billion. For the nine months ended September 30, 2013, CNH Industrial had net revenues of €18.8 billion, of which €12.1 billion was generated by Agricultural and Construction Equipment (before eliminations), and CNH Industrial had profit attributable to owners of the parent of €616 million.

CNH Capital is a key financing source for Agricultural and Construction Equipment's end-use customers and dealers in North America. As a captive finance business, we provide critical financing support for Agricultural and Construction Equipment's sales in North America. While CNH North America retail and wholesale customers may finance their purchases from sources other than CNH Capital, neither CNHI nor any of its subsidiaries currently operates any other finance business that competes with CNH Capital in North America. CNH North America offers subsidized financing programs, such as low-rate or interest-only periods and other sales incentive programs. We participate in and receive reimbursement for these programs, which allow us to offer financing to customers at advantageous interest rates. For the year ended December 31, 2012 and the nine months ended September 30, 2013, the revenues recognized by us from our CNH North America affiliates for marketing programs were \$389.3 million and \$298.8 million, respectively, representing 47% of our total revenues for both periods.

Although our primary focus is to finance CNH North America manufactured equipment, we also provide retail and wholesale financing related to new and used agricultural and construction equipment manufactured by entities other than CNH North America. We are dependent on CNH North America for substantially all of our business, with revenues related to financing provided to CNH North America dealers and retail customers purchasing and/or leasing from CNH North America dealers accounting for over 90% of our total revenues for each of the years ended December 31, 2010, 2011 and 2012 and with loan portfolios attributable to such financing accounting for over 90% of our total managed receivables as of each of December 31, 2011 and 2012.

The size of our portfolio is partially related to the level of equipment sales by CNH North America, which is driven in part by the strength of the agricultural and construction markets. The credit quality of our portfolio reflects the underwriting standards of CNH Capital, which are developed internally and independent of the sales volume goals of CNH North America.

We borrow from our affiliates as one of the funding sources for our operations and lending activity. As of September 30, 2013, we had outstanding affiliate borrowings of \$772.7 million, representing 6.1% of our total debt.

CNH North America also provides us with other types of operational and administrative support, such as human resources and legal assistance. For the year ended December 31, 2012 and the nine months ended September 30, 2013, we incurred fees charged by our affiliates of \$61.9 million and \$44.5 million, respectively, representing 25% and 30%, respectively, of our total administrative and operating expenses.

On November 4, 2011, we and CNH Global entered into a support agreement, pursuant to which CNH Global agreed to, among other things, (a) make cash capital contributions to us, to the extent necessary to cause our ratio of net earnings available for fixed charges to fixed charges to be not less than 1.05 for each fiscal quarter (with such ratio determined, on a consolidated basis and in accordance with U.S. GAAP, for such fiscal quarter and the immediately preceding three fiscal quarters taken as a whole), (b) generally maintain an ownership of at least 51% of the voting equity interests in us and (c) cause us to have, as of the end of any fiscal quarter, a consolidated tangible net worth of at least \$50 million. The support agreement is not intended to be and is not a guarantee by CNH Global of the payment of the principal of, or any premium or interest on, the notes. The obligations of CNH Global to us pursuant to this support agreement are to us only and do not run to, and are not enforceable directly by, any creditor of ours, including holders of the notes or the trustee under the indenture governing the notes. The support agreement may be modified, amended or terminated, at CNH Global's election, upon thirty days' prior written notice to us and the rating agencies, if (a) the modification, amendment or termination would not result in a downgrade of our rated indebtedness; (b) the modification, amendment or notice of termination provides that the support agreement will continue in effect with respect to our rated indebtedness then outstanding; or (c) we have no long-term rated indebtedness outstanding. Effective as of September 29, 2013, in connection with the merger of CNH Global with and into CNHI, CNHI assumed all of CNH Global's obligations under the support agreement.

Products and Services

CNH Capital's financing products and services fall into the following main categories:

Retail (66% of managed portfolio as of September 30, 2013): CNH Capital provides and administers retail financing to end-use customers for the purchase or lease of new and used CNH North America equipment or other agricultural and construction equipment sold primarily through CNH North America dealers and distributors. Retail financing products primarily include retail installment sales contracts and finance leases. In addition, CNH Capital leases equipment to retail customers under operating lease agreements. The terms of retail contracts, finance leases and

operating leases (collectively, “receivables”) generally range from two to six years, and interest rates on the receivables vary depending on prevailing market interest rates and certain incentive programs offered by CNH North America.

CNH Capital uses a proprietary credit scoring model as part of the retail credit approval and review process. CNH Capital also provides servicing and collection operations generally performed through its subsidiary, New Holland Credit, for the retail financing products.

Wholesale (32% of managed portfolio as of September 30, 2013): CNH Capital provides wholesale financing to dealers to finance purchases of new and used agricultural and construction equipment and parts. In addition, CNH Capital extends credit to dealers for working capital and other financing needs. Currently, CNH Capital extends credit to approximately 1,100 CNH North America dealers (with each being a separate legal entity) with approximately 2,200 locations in North America.

The dealer financing agreements provide CNH Capital with a first priority security interest in the equipment and parts financed and possibly other collateral. A majority of dealers also provide a personal or corporate guaranty (from an affiliate of the borrower). The amount of credit extended is primarily based upon the dealer’s expected annual sales, effective net worth, utilization of existing credit lines and inventory turnover. CNH Capital evaluates and assesses dealers on an ongoing basis as to their credit worthiness, and conducts audits of dealer equipment inventories on a regular basis. The amounts of credit made available to dealers are reviewed on a regular basis, which is usually annually, and such amounts are adjusted when deemed appropriate by CNH Capital.

Other (2% of managed portfolio as of September 30, 2013): CNH Capital offers other financial products and services, including CRA products and insurance.

- **CRA Products:** CNH Capital offers CRA products, which can be used to purchase parts, service, rentals, implements and attachments predominantly from CNH North America dealers. CNH Capital also provides servicing and collection operations for certain of these products.
- **Insurance:** CNH Capital finances a variety of insurance products, including physical damage insurance, extended warranty coverage and credit life insurance, for end-use customers and dealers in conjunction with the purchase of new and used equipment that are underwritten through a third-party insurer.

Our Strengths

Leading Equipment Lender with Strong Profitability. We are a leading captive lender in the North American heavy equipment industry. Our total managed portfolio consisted of \$12.8 billion of wholesale and retail receivables, operating leases and CRA products as of September 30, 2013. We and our predecessors have an operating history of over 50 years.

We have been able to maintain strong earnings in spite of elevated credit losses experienced during the most recent financial crisis by the construction equipment industry. From 2010 to 2012, income before taxes increased by 33% from \$248 million to \$330 million.

Strong Dealer Network with Long-Standing Relationships. CNH Capital maintains a strong relationship with its customers in both its wholesale and retail segments. The median length of the business relationship with U.S. agricultural and construction equipment dealers is 25 years and 13 years, respectively. In Canada, the median relationship length for agricultural and construction equipment dealers is 25 years and 11 years, respectively.

High Quality End-Use Customers. Our end-use customers are primarily farmers in the U.S. and Canada who, on average, have higher levels of income and net worth, and lower leverage ratios than the average household in those countries. The use of CNH North America equipment is typically a key component in producing the end users' income. Our customers' relationship with their local dealer is oftentimes strengthened by personal familiarity, brand loyalty and a reliance on the dealer for parts and on-site service.

Sophisticated Risk Management and Underwriting Procedures. We have certain retail underwriting and portfolio management policies and procedures that are specific to the agricultural and construction equipment businesses. This distinction allows us to reduce risk by deploying industry-specific expertise in each of these businesses.

We conduct extensive dealer credit reviews that involve collecting and analyzing financial statements, performing regular financial reviews and conducting financial risk assessments. We utilize a Dealer Risk Rating System based on a statistical regression analysis to determine credit review and audit frequency. Credit line reviews are prioritized based upon exposure and dealer risk rating.

The credit approval process for retail customers utilizes a proprietary credit scoring system empirically derived by using fact-based historical data specific to the industry, the business entity and the individuals applying for credit. Our retail loss mitigation and collection process is engaged from the first day an account is delinquent. Collection queues are updated daily, customized and prioritized based on a proprietary behavioral scoring model. Collectors are assigned specific geographic territories and work closely with the dealers in that area.

Strong and Stable Managed Receivables Performance. Our disciplined underwriting procedures and active monitoring of wholesale and retail receivables have contributed to the strong credit performance of our managed portfolio. As of September 30, 2013, our managed wholesale receivables had total past due receivables of 0.04% and our managed retail receivables had total past due receivables of 0.53% (in each case defined as greater than 30 days past due). For the twelve months ended September 30, 2013, net credit losses on the managed wholesale receivables as a percentage of average managed wholesale receivables were 0.03%. Over the same period, net credit losses on the managed retail receivables as a percentage of average managed retail receivables were 0.10%.

Strong Financial Position. We are well capitalized, with total equity of \$1.5 billion and a Debt to Equity ratio of 8.6:1.0 as of September 30, 2013. We believe our existing allowance for credit losses is sufficient to cover losses in our receivables portfolio.

Our Strategy

CNH Capital's business strategy is to remain a growing, financially secure entity in order to support the sales of CNH North America's equipment by providing dealers and end-use customers with various financial products and maintaining strong relationships with such customers. Our goal is to build upon our strengths and profitably grow our business by:

Continuing Efforts to Expand Our Market Share and Strengthen the Support for End-Use Customer Purchases of CNH North America Equipment. We intend to build upon our relationships with CNH North America dealers and end-use customers by providing competitive financing products and value-added services. We intend to continue our participation in certain marketing and financing programs sponsored by CNH North America that allow us to offer financing to customers at advantageous interest rates. Our affiliation with CNH Industrial is a competitive advantage, and we partner with CNH North America in marketing initiatives that enhance CNH North America brand loyalty in dealers and end-use customers.

Maintaining Strong Portfolio Performance. We remain focused on the discipline and integrity of the credit underwriting and risk management process. We actively evaluate and manage the key elements of our portfolio profitability: credit quality of the borrowers, the value of collateral and the interest rate environment. As we continue to support the growth of CNH North America equipment sales, our rigorous underwriting criteria will remain independent of the sales volume goals of CNH North America.

Optimizing Our Funding Structure. Historically, asset backed securities (“ABS”), secured debt, committed asset-backed facilities, and affiliate borrowing have been our primary and most economical sources of liquidity and funding for CNH Capital. The issuance of the notes hereby and our access to unsecured committed bank facilities are expected to assist CNH Capital in its progression towards optimizing its capital structure. As the costs of accessing the unsecured market continue to improve, we expect to access new funding sources and minimize the likelihood of excessive volatility during market disruptions.

Corporate Structure and Ownership

As of December 31, 2010, Fiat S.p.A. and its subsidiaries (“Fiat”) owned approximately 89% of the outstanding common shares of CNH Global (the then indirect parent of CNH Capital LLC) through Fiat’s direct, wholly-owned subsidiary Fiat Netherlands Holding N.V. (“Fiat Netherlands”). As of January 1, 2011, Fiat effected a “demerger” under Article 2506 of the Italian Civil Code. Pursuant to the demerger, Fiat transferred its ownership interest in Fiat Netherlands (including Fiat’s ownership of CNH Global) to a new holding company, Fiat Industrial S.p.A. (“Fiat Industrial”). Consequently, CNH Global became an indirect subsidiary of Fiat Industrial. In connection with the demerger transaction, shareholders of Fiat received shares of capital stock of the new holding company.

On September 29, 2013, Fiat Industrial and CNH Global completed a merger to combine their businesses, with CNHI as the surviving entity. As a result of the merger, CNH Capital LLC and its primary operating subsidiaries, including CNH Capital America, New Holland Credit and CNH Capital Canada, have become indirect wholly-owned subsidiaries of CNHI (with all of the equity interests in CNH Capital LLC owned by CNHI through intermediate companies, through which CNHI exercises indirect control over CNH Capital LLC). CNHI is incorporated in and under the laws of The Netherlands.

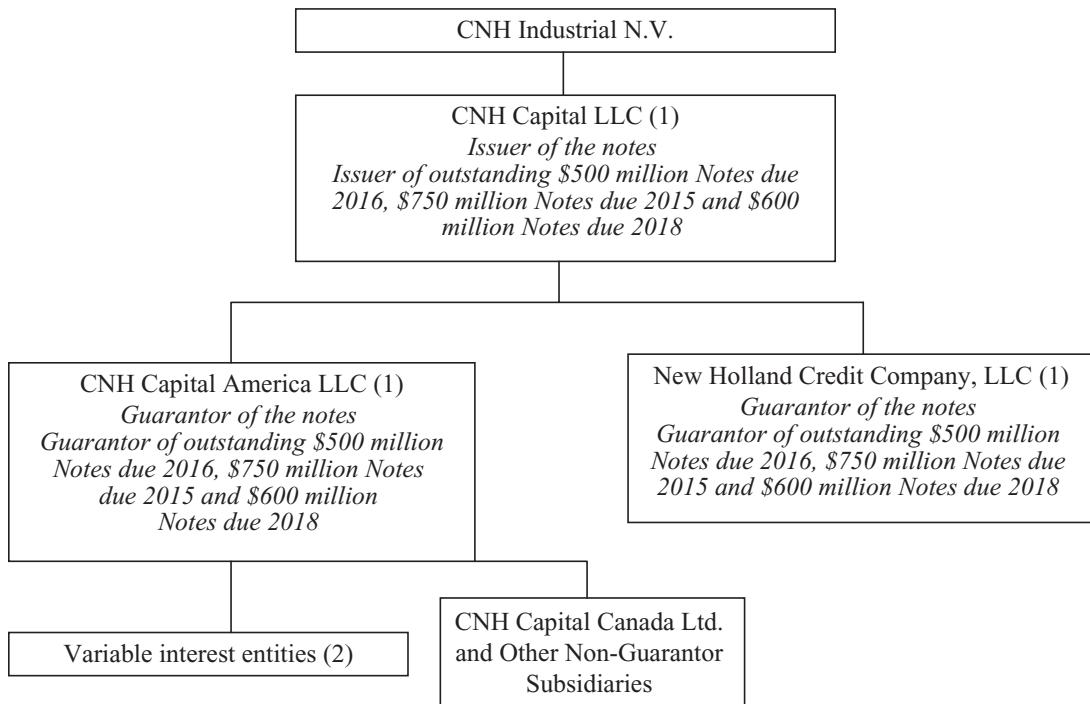
The common shares of CNHI are listed on the New York Stock Exchange under the symbol “CNHI,” as well as on the Mercato Telematico Azionario managed by Borsa Italiana. CNHI is not liable for the payment of any principal of, or interest on, the notes.

CNH Capital LLC is a Delaware limited liability company and is the issuer of the notes. The guarantors of the notes are:

- (1) CNH Capital America, a Delaware limited liability company and a direct wholly-owned subsidiary of CNH Capital LLC; and
- (2) New Holland Credit, a Delaware limited liability company and a direct wholly-owned subsidiary of CNH Capital LLC.

For further information on the guarantors, see “Description of the Notes—Guarantees.” Limited liability companies are a relatively recent form of business entities and the Delaware Limited Liability Company Act, which governs Delaware limited liability companies such as CNH Capital LLC, CNH Capital America and New Holland Credit, was not enacted until the early 1990s. Unlike Delaware corporate law, there has been limited case law interpreting the Delaware Limited Liability Company Act, including with respect to the duties owed by directors, officers or managers of a limited liability company. Therefore, there may be more uncertainty in connection with the enforcement of the rights of an investor in a Delaware limited liability company than in a Delaware corporation.

Set forth below is a simplified organizational chart showing the relationship among CNHI, CNH Capital LLC, the guarantors and certain other entities:



- (1) CNH Capital LLC and the guarantors, collectively, accounted for approximately 46% and 50% of our total revenues for the year ended December 31, 2012 and the nine months ended September 30, 2013, respectively, and 32% and 31% of our total assets as of December 31, 2012 and September 30, 2013, respectively (in each case with such percentages calculated before intercompany eliminations).
- (2) Certain of the non-guarantor subsidiaries are variable-interest entities (“VIEs”) that engage in securitization transactions. Their assets do not belong to us and cannot be used to satisfy our obligations under the notes, and the VIEs will not be restricted subsidiaries under the indenture. The following table presents certain assets and liabilities of the consolidated VIEs. The assets in the table include only those assets that can be used to settle obligations of the consolidated VIEs. The liabilities in the table include third-party liabilities of the consolidated VIEs, for which creditors do not have recourse to the general credit of CNH Capital LLC.

| | December 31, 2012 | September 30, 2013 |
|--------------------|----------------------|-----------------------|
| | (in thousands) | |
| Total Assets | \$9,139,731 | \$10,124,673 |
| Total Debt | \$8,810,963 | \$ 9,680,569 |

Corporate Information

Our principal executive offices are located at 5729 Washington Avenue, Racine, WI 53406, and our telephone number is (262) 636-6011.

The Exchange Offer

The exchange offer relates to the exchange of up to \$500,000,000 aggregate principal amount of outstanding old notes for an equal aggregate principal amount of new notes. The form and terms of the new notes are identical in all material respects to the form and terms of the old notes, respectively, except that the new notes will be registered under the Securities Act, and therefore they will not bear legends restricting their transfer. For a more complete description of the terms of the exchange offer, see “The Exchange Offer.”

Old Notes \$500,000,000 aggregate principal amount of 3.250% Notes due 2017.

The old notes were issued in transactions exempt from registration under the Securities Act and are subject to transfer restrictions.

New Notes \$500,000,000 aggregate principal amount of 3.250% Notes due 2017.

The Exchange Offer We are offering to exchange \$1,000 principal amount of our new notes that we have registered under the Securities Act for each \$1,000 principal amount of outstanding old notes. Old notes tendered in the exchange offer must be in minimum denominations of \$2,000 principal amount and any integral multiples of \$1,000 in excess thereof. In order for us to exchange your old notes, you must validly tender them to us and we must accept them. We will exchange all outstanding old notes that are validly tendered and not validly withdrawn.

Expiration Date The exchange offer will expire at 5:00 p.m., New York City time, on January 22, 2014, unless extended (the “expiration date”).

Conditions of the Exchange Offer Our obligation to consummate the exchange offer is not subject to any conditions, other than that the exchange offer does not violate any applicable law or SEC staff interpretation. See “The Exchange Offer—Conditions of the Exchange Offer.” We reserve the right to terminate or amend the exchange offer at any time prior to the expiration date if, among other things, there shall have been proposed, adopted or enacted any law, statute, rule, regulation or SEC staff interpretation which, in our judgment, could reasonably be expected to materially impair our ability to proceed with the exchange offer.

Procedures for Tendering Old Notes . Brokers, dealers, commercial banks, trust companies and other nominees who hold old notes through The Depository Trust Company (“DTC”) may effect tenders by book-entry transfer in accordance with DTC’s Automated Tender Offer Program (“ATOP”). To tender old notes for exchange by book-entry transfer, an agent’s message (as defined under “The Exchange Offer—Procedures for Tendering”) or a completed and signed letter of transmittal (or facsimile thereof), with any required signature guarantees and any other required documentation, must be delivered to the exchange agent at the address set forth in this prospectus prior to 5:00 p.m., New York City time, on the expiration date, and the old notes must be tendered in accordance with DTC’s ATOP procedures for transfer.

To tender old notes for exchange by means other than book-entry transfer, you must complete, sign and date the letter of transmittal (or facsimile thereof) in accordance with the instructions contained in this prospectus and in the letter of transmittal and mail or otherwise deliver the letter of transmittal (or facsimile thereof), together with the old notes, any required signature guarantees and any other required documentation, to the exchange agent at the address set forth in this prospectus on or prior to the expiration date.

By tendering your old notes, you represent to us that:

- you are acquiring the new notes in the ordinary course of business;
- you have no arrangement or understanding with any person to participate in a distribution of the old notes or the new notes;
- you are not an “affiliate” of us (as defined under the Securities Act) or if you are an affiliate of us, that you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable; and
- you are not engaged in, and do not intend to engage in, the distribution of the new notes.

Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes.

See “The Exchange Offer—Procedures for Tendering” and “Plan of Distribution.”

| | |
|--|--|
| Special Procedures for Beneficial Owners | If you are the beneficial owner of old notes and you registered your old notes in the name of a broker or other institution, and you wish to participate in the exchange, you should promptly contact the person in whose name you registered your old notes and instruct that person to tender the old notes on your behalf. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your outstanding old notes, either make appropriate arrangements to register ownership of the outstanding old notes in your name or obtain a properly completed bond power from the registered holder. The transfer of record ownership may take considerable time. |
| Guaranteed Delivery Procedures | If you wish to tender your old notes and time will not permit your required documents to reach the exchange agent by the expiration date, or you cannot complete the procedure for book-entry transfer on time or you cannot deliver your certificates for registered old notes on time, you may tender your old notes pursuant to the procedures described in this prospectus under the heading "The Exchange Offer—Guaranteed Delivery Procedures." |
| Acceptance of Old Notes and Delivery of New Notes | We will accept for exchange any and all old notes that are properly tendered to the exchange agent and not validly withdrawn prior to 5:00 p.m., New York City time, on the expiration date. The new notes issued pursuant to the exchange offer will be delivered promptly following the expiration date. See "The Exchange Offer—Terms of the Exchange Offer." |
| Withdrawal Rights | You may withdraw the tender of your old notes at any time prior to 5:00 p.m., New York City time, on the expiration date. |
| Exchange Agent | Wells Fargo Bank, National Association is serving as the exchange agent in connection with the exchange offer. See "The Exchange Offer—Exchange Agent." |
| Material United States Federal Income Tax Consequences | An exchange of old notes for new notes will not be subject to United States federal income tax. See "Material United States Federal Income Tax Considerations." |

| | |
|---|--|
| Consequences of Failure to Exchange the Old Notes | Any old notes that are not tendered or that are tendered but not accepted will remain subject to the restrictions on transfer. Because the old notes have not been registered under the Securities Act, they bear a legend restricting their transfer absent registration or the availability of a specific exemption from registration. Upon the completion of the exchange offer, we will have no further obligations to provide for registration of the old notes under the Securities Act. You do not have any appraisal or dissenters' rights under the indenture governing the notes in connection with the exchange offer. See "The Exchange Offer—Consequences of Failure to Exchange." |
| Use of Proceeds | We will not receive any proceeds from the issuance of new notes pursuant to the exchange offer. Old notes that are validly tendered and exchanged will be retired and canceled. We will pay all expenses incident to the exchange offer. |
| Resale of the Notes | <p>Based on interpretations by the staff of the SEC set forth in no-action letters issued to other parties, we believe that you may offer for resale, resell and otherwise transfer your new notes without compliance with the registration and prospectus delivery provisions of the Securities Act if you are not our affiliate and you acquire the new notes issued in the exchange offer in the ordinary course.</p> <p>You must also represent to us that you are not participating, do not intend to participate and have no arrangement or understanding with any person to participate in the distribution of the new notes we issue to you in the exchange offer.</p> <p>Each broker-dealer that receives new notes in the exchange offer for its own account in exchange for old notes that it acquired as a result of market-making or other trading activities must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the new notes issued in the exchange offer. You may not participate in the exchange offer if you are a broker-dealer who purchased such outstanding old notes directly from us for resale pursuant to Rule 144A or any other available exemption under the Securities Act.</p> |

The New Notes

The summary below describes the principal terms of the new notes. Some of the terms and conditions described below are subject to important limitations and exceptions. You should carefully read the “Description of the Notes” section of this prospectus for a more detailed description of the new notes.

| | |
|------------------------------|--|
| Issuer | CNH Capital LLC, a Delaware limited liability company. |
| Notes Offered | \$500,000,000 aggregate principal amount of 3.250% Notes due 2017. |
| Maturity | February 1, 2017. |
| Interest | The new notes will bear interest at a rate of 3.250% per annum. |
| Interest Payment Dates | February 1 and August 1 of each year, commencing on February 1, 2014. |
| Denominations | Each new note will have a minimum denomination of \$2,000 and will be offered only in integral multiples of \$1,000 in excess thereof. |
| Guarantors | CNH Capital America and New Holland Credit, each a Delaware limited liability company and a direct wholly owned subsidiary of CNH Capital LLC, will guarantee the new notes. |
| Ranking | <p>The new notes and the guarantees will be CNH Capital LLC’s and the guarantors’ senior unsecured obligations and will rank:</p> <ul style="list-style-type: none">equally in right of payment with any of CNH Capital LLC’s and the guarantors’ existing and future senior unsecured debt;effectively junior in right of payment to all of CNH Capital LLC’s and the guarantors’ existing and future secured indebtedness to the extent of the value of the collateral securing such indebtedness; andsenior in right of payment to any of CNH Capital LLC’s or the guarantors’ existing and future subordinated unsecured indebtedness, if any. |
| | <p>As of September 30, 2013, CNH Capital LLC and the guarantors had approximately \$139 million of secured debt outstanding.</p> <p>The new notes will also be effectively subordinated to all obligations of each of CNH Capital LLC’s direct and indirect subsidiaries that are not guarantors. As of September 30, 2013, such non-guarantor subsidiaries had \$10.6 billion of outstanding debt.</p> |
| Optional Redemption | The notes will be redeemable, in whole at any time or in part from time to time, at a price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, plus the applicable “make-whole” premium set forth in this prospectus. |

| | |
|--|--|
| Change of Control Triggering Event . . . | Upon a Change of Control Triggering Event (as defined in “Description of the Notes—Certain Definitions”), if we do not redeem the notes, each holder of notes will be entitled to require us to purchase all or a portion of its notes at a purchase price equal to 101% of the principal amount thereof, plus accrued interest thereon until the date of repurchase. Our ability to purchase the notes upon a change of control triggering event will be limited by the terms of our other debt agreements. We cannot assure you that we will have the financial resources to purchase the notes in such circumstances. See “Description of the Notes—Repurchase at the Option of Holders Upon a Change of Control Triggering Event.” |
| Support Agreement | We and CNH Global entered into a support agreement, dated November 4, 2011, pursuant to which CNH Global agreed to, among other things, (a) make cash capital contributions to us, to the extent necessary to cause our ratio of net earnings available for fixed charges to fixed charges to be not less than 1.05 for each fiscal quarter (with such ratio determined, on a consolidated basis and in accordance with U.S. GAAP, for such fiscal quarter and the immediately preceding three fiscal quarters taken as a whole), (b) generally maintain an ownership of at least 51% of the voting equity interests in us and (c) cause us to have, as of the end of any fiscal quarter, a consolidated tangible net worth of at least \$50 million. The obligations of CNH Global to us pursuant to this support agreement are to us only and do not run to, and are not enforceable directly by, any creditor of ours, including holders of the notes or the trustee under the indenture governing the notes. Effective as of September 29, 2013, in connection with the merger of CNH Global with and into CNHI, CNHI assumed all of CNH Global’s obligations under the support agreement. |
| Certain Covenants | We will issue the new notes under an indenture. The indenture, among other things, limits: <ul style="list-style-type: none"> • CNH Capital LLC’s ability and the ability of its restricted subsidiaries to incur secured debt or enter into certain sale leaseback transactions; and • CNH Capital LLC’s ability and the ability of the guarantors to consolidate, merge, convey, transfer or lease all or substantially all of our or their properties and assets. These covenants are subject to important exceptions and limitations. For more detail, see “Description of the Notes—Certain Covenants” in this prospectus. |
| Listing | We do not intend to list the new notes on any securities exchange. |

| | |
|-------------------------|---|
| Risk Factors | Investing in the new notes involves substantial risks. You should carefully consider all the information contained in this prospectus prior to investing in the new notes. In particular, we urge you to carefully consider the information set forth in the section under the heading “Risk Factors” for a description of certain risks you should consider before investing in the new notes. |
| Indenture | The new notes will be issued under the indenture, dated as of October 8, 2013, with Wells Fargo Bank, National Association, as trustee. |
| Governing Law | The indenture is, and the new notes will be, governed by the laws of the State of New York. |

Summary Historical Consolidated Financial Data

The following tables set forth summary historical consolidated financial data of CNH Capital as of the dates and for the periods indicated. The summary historical consolidated financial data as of December 31, 2010, 2011 and 2012 and for the years ended December 31, 2009, 2010, 2011 and 2012 have been derived from our audited consolidated financial statements. The summary historical consolidated financial data as of December 31, 2008 and 2009 and for the year ended December 31, 2008 have been derived from our unaudited consolidated financial statements. The summary historical consolidated financial data as of September 30, 2013 and for the nine months ended September 30, 2012 and 2013 have been derived from our unaudited condensed consolidated financial statements. The unaudited condensed consolidated financial statements include all adjustments, consisting of normal recurring adjustments, which we consider necessary for a fair presentation of our financial position and results of operations for these periods. Operating results for the nine months ended September 30, 2013 are not necessarily indicative of the results that may be expected for the year ending December 31, 2013 or for any other future period.

As of the beginning of 2010, we adopted new accounting guidance related to the accounting for transfers of financial assets to or among, and the consolidation of, our VIEs. As a significant portion of our secured debt is no longer exempt from consolidation under the new accounting guidance, we were required to consolidate the receivables and related liabilities. As a result, we recorded a \$5.7 billion increase to assets and liabilities and equity upon the adoption of this new guidance on January 1, 2010. See “Note 2: Summary of Significant Accounting Policies—New Accounting Pronouncements Adopted in Prior Years” to our audited consolidated financial statements included elsewhere in this prospectus, for additional information on the adoption of this new accounting guidance.

As we adopted the new accounting guidance prospectively, the financial statements prepared for the year ended December 31, 2010 and for subsequent periods reflect the new accounting requirements, but the financial statements for periods ended on or before December 31, 2009 reflect the accounting guidance applicable during those periods. Our statements of income for the year ended December 31, 2010 and for subsequent periods no longer reflect securitization income and initial gains or losses on new securitization transactions, but include interest income and other income associated with the securitized receivables, and interest expense associated with the debt issued from the securitization trusts and facilities. In addition, because our new securitization transactions are accounted for as secured borrowings rather than asset sales, the initial cash flows from these

transactions are presented as cash flows from financing transactions in 2010 and for subsequent periods, rather than cash flows from operating or investing activities.

| | Fiscal Year Ended December 31, | | | | | Nine Months Ended September 30, | |
|------------------------|--------------------------------|------|------|------|------|---------------------------------|------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2012 | 2013 |
| (dollars in thousands) | | | | | | | |

Statements of Income:

Revenues:

| | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Interest income on retail and other notes and finance leases | \$160,111 | \$123,559 | \$267,551 | \$238,330 | \$240,657 | \$178,572 | \$189,281 |
| Interest and other income from affiliates | 192,819 | 185,625 | 376,383 | 382,006 | 392,463 | 290,971 | 300,386 |
| Rental income on operating leases . . | 129,374 | 138,404 | 140,989 | 137,729 | 133,806 | 99,666 | 102,015 |
| Gain on retail, wholesale and commercial revolving accounts receivables sold | 78,766 | 147,461 | 38 | — | — | — | — |
| Servicing fee income | 57,929 | 57,941 | 3,340 | 1,747 | 940 | 801 | 413 |
| Other income | 59,622 | 49,210 | 75,250 | 71,187 | 66,138 | 50,877 | 44,089 |
| Total revenues | 678,621 | 702,200 | 863,551 | 830,999 | 834,004 | 620,887 | 636,184 |

Expenses:

Interest expense:

| | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Interest expense to third parties | 56,356 | 77,568 | 232,448 | 224,189 | 219,561 | 163,293 | 170,543 |
| Interest expense to affiliates | 140,372 | 102,564 | 80,584 | 44,645 | 34,512 | 27,111 | 16,861 |
| Total interest expense | 196,728 | 180,132 | 313,032 | 268,834 | 254,073 | 190,404 | 187,404 |

Administrative and operating expenses:

| | | | | | | | |
|--|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Fees charged by affiliates | 68,665 | 57,192 | 61,464 | 62,945 | 61,895 | 47,195 | 44,490 |
| Provision (benefit) for credit losses, net | 39,253 | 88,942 | 76,394 | 32,853 | 44,578 | 15,818 | (5,469) |
| Other than temporary impairment of retained interest | 42,169 | 37,468 | 4,108 | 815 | — | — | — |
| Depreciation of equipment on operating leases | 104,426 | 116,169 | 117,848 | 110,314 | 107,836 | 80,415 | 83,930 |
| Other expenses | 63,437 | 54,278 | 43,158 | 35,651 | 35,929 | 26,185 | 24,884 |
| Total administrative and operating expenses | 317,950 | 354,049 | 302,972 | 242,578 | 250,238 | 169,613 | 147,835 |
| Total expenses | 514,678 | 534,181 | 616,004 | 511,412 | 504,311 | 360,017 | 335,239 |
| Income before income taxes | 163,943 | 168,019 | 247,547 | 319,587 | 329,693 | 260,870 | 300,945 |
| Income tax provision | 74,695 | 52,301 | 85,067 | 118,053 | 116,112 | 91,784 | 102,745 |
| Net income | 89,248 | 115,718 | 162,480 | 201,534 | 213,581 | 169,086 | 198,200 |
| Net income attributed to the noncontrolling interest | (2,964) | (2,442) | (1,861) | (1,488) | (1,645) | (1,226) | (1,148) |
| Net income attributable to CNH Capital LLC | \$ 86,284 | \$ 113,276 | \$ 160,619 | \$ 200,046 | \$ 211,936 | \$ 167,860 | \$ 197,052 |

| | As of or for the Fiscal Year Ended December 31, | | | | | As of or for the Nine Months Ended September 30, |
|---|---|--------------|--------------|--------------|--------------|--|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| | (dollars in thousands) | | | | | |
| <i>Balance Sheet Data:</i> | | | | | | |
| Cash and cash equivalents . | \$ 169,441 | \$ 398,015 | \$ 420,792 | \$ 594,093 | \$ 785,913 | \$ 231,367 |
| Restricted cash | \$ 116,256 | \$ 78,507 | \$ 773,254 | \$ 767,359 | \$ 727,186 | \$ 599,854 |
| Total assets | \$ 6,551,074 | \$ 4,814,279 | \$10,883,489 | \$11,901,151 | \$13,346,529 | \$14,604,424 |
| Total third-party debt | \$ 1,749,116 | \$1,097,434 | \$ 7,919,829 | \$ 9,383,808 | \$10,551,788 | \$11,867,910 |
| Total debt | \$ 4,949,797 | \$3,220,491 | \$ 9,486,936 | \$10,203,078 | \$11,415,820 | \$12,640,599 |
| Stockholder's equity | \$ 1,251,912 | \$1,294,588 | \$ 1,147,637 | \$ 1,247,245 | \$ 1,483,411 | \$ 1,462,250 |
| <i>Other Data:</i> | | | | | | |
| Ratio of earnings to fixed charges(1) | 1.83 | 1.93 | 1.79 | 2.19 | 2.30 | 2.61 |
| On-book receivables | \$ 4,607,492 | \$2,488,864 | \$ 8,745,943 | \$ 9,493,222 | \$10,854,596 | \$12,763,381 |
| Off-book receivables | 4,989,552 | 6,078,240 | 206,101 | 108,476 | 47,367 | 18,474 |
| Total managed receivables . | 9,597,044 | 8,567,104 | 8,952,044 | 9,601,698 | 10,901,963 | 12,781,855 |
| Operating lease equipment . | 591,054 | 600,700 | 613,893 | 647,617 | 754,371 | 885,538 |
| Total managed portfolio . . . | \$10,188,098 | \$9,167,804 | \$ 9,565,937 | \$10,249,315 | \$11,656,334 | \$13,667,393 |
| Delinquency(2) | 2.79% | 3.04% | 1.49% | 0.79% | 0.51% | 0.39% |
| Average managed receivables | \$ 9,946,292 | \$9,175,997 | \$ 9,154,854 | \$ 9,515,610 | \$10,573,621 | \$11,723,077 |
| Net credit loss(3) | 0.59% | 1.04% | 0.95% | 0.46% | 0.28% | 0.10% |
| <i>Profitability(4)</i> | | | | | | |
| Average receivable yields(5) | 8.36% | 7.98% | 7.64% | 6.93% | 6.24% | 5.70% |
| Average debt cost | 4.37% | 4.08% | 3.42% | 2.79% | 2.38% | 2.14% |
| Return on average managed portfolio(6) . . | N/A | N/A | 1.67% | 1.99% | 1.90% | 2.11% |
| <i>Asset Quality</i> | | | | | | |
| Allowance for credit losses/total receivables . | 1.23% | 2.94% | 1.36% | 1.14% | 1.13% | 0.86% |

- (1) For purposes of determining the ratio of earnings to fixed charges, earnings are defined as the sum of (i) income before income taxes, (ii) fixed charges and (iii) amortization of capitalized interest, less (i) interest capitalized and (ii) noncontrolling interest in pretax income of subsidiaries that have not incurred fixed charges. Fixed charges consist of (i) interest expense, including amortization of premiums, discounts and capitalized expenses related to indebtedness, (ii) interest capitalized and (iii) an estimate of the interest component of rental expense.
- (2) Delinquency means managed receivables that are past due over 30 days, expressed as a percentage of the managed receivables as of the end of the respective period.
- (3) Net credit losses on the managed receivables means write-offs, net of recoveries, for the preceding 12 months expressed as a percentage of the respective average managed receivables.
- (4) Nine months ended September 30, 2013 annualized.
- (5) Yield on wholesale, retail and commercial revolving accounts receivables.
- (6) Net income for the period expressed as a percentage of average managed portfolio. Information for the years 2008 and 2009 has not been presented as it would not be comparable to information for subsequent periods due to our adoption of accounting guidance related to the accounting for transfers of financial assets and the consolidation of VIEs as of the beginning of 2010.

RISK FACTORS

Before participating in the exchange offer and investing in the new notes, you should consider carefully the following factors and the information contained in the rest of this prospectus.

Risks Related to Our Indebtedness and Liquidity

Credit rating changes could affect our access to funding and our cost of funds, which could in turn adversely affect our financial position and results of operations.

Our access to, and cost of, funding depends on, among other things, the credit ratings of us, CNHI and our ABS transactions. The rating agencies may change our credit ratings or take other similar actions, which could affect our access to the capital markets and the cost and terms of future borrowings and, therefore, could adversely affect our financial position and results of operations. A lack of funding could result in our inability to meet customer demand for equipment financing, while increased funding costs could lead to decreased profits and could result in our inability to meet customer demand at attractive interest rates, which in turn may adversely affect our financial position and results of operations.

We have significant outstanding indebtedness, which may limit our ability to obtain additional funding and limit our financial and operating flexibility.

As of September 30, 2013, we had an aggregate of \$12.6 billion of consolidated indebtedness and our equity was \$1.5 billion.

The extent of our indebtedness could have important consequences to our operations and financial results, including:

- we may not be able to secure additional funds for working capital, capital expenditures, debt service requirements or general corporate purposes;
- we may need to use a portion of our projected future cash flow from operations to pay principal and interest on our indebtedness, which may reduce the amount of funds available to us for other purposes;
- we may be more financially leveraged than some of our competitors, which could put us at a competitive disadvantage;
- we may not be able to adjust rapidly to changing market conditions, which may make us more vulnerable to a downturn in general economic conditions or our business; and
- we may not be able to access the capital markets on favorable terms, which may adversely affect our ability to provide competitive retail and wholesale financing programs.

Restrictive covenants in our debt agreements could limit our financial and operating flexibility.

The indentures governing our outstanding indebtedness contain, and other credit agreements to which we are a party may contain, covenants that restrict our ability and/or that of our subsidiaries to, among other things:

- incur additional debt;
- make certain investments;
- enter into certain types of transactions with affiliates;
- use assets as security in other transactions;
- enter into sale and leaseback transactions; and/or

- sell certain assets or merge with or into other companies.

These restrictive covenants could limit our financial and operating flexibility. For example:

- limits on incurring additional debt and using assets as security in other transactions could materially limit our future business prospects by restricting us from financing as many customers as we otherwise would, particularly if our traditional funding sources (including principally the ABS markets) were not available;
- limits on investments could result in a return on assets lower than that of our competitors; and
- limits on the sale of assets or merger with or into other companies could deny us a future business opportunity despite the benefits that could be realized from such a transaction.

In addition, we are required to maintain certain coverage levels for leverage and EBITDA. Our leverage ratio, defined as the ratio of total net debt to equity, is required not to exceed 9.00:1, and our EBITDA coverage ratio, defined as the ratio of EBITDA to finance charges (interest expenses on a consolidated basis), is required to be at least 1.15:1.

Our ability to meet any of these restrictive covenants may be affected by events beyond our control, which could result in material adverse consequences that negatively impact our business, results of operations and financial position. If we fail to comply with these restrictive covenants, we may be unable to borrow additional funds and our lenders or debt holders may declare a default and demand the immediate repayment of all outstanding amounts owed to them. We cannot assure you that we will continue to comply with each restrictive covenant at all times, particularly if we were to encounter challenging and volatile market conditions.

Risks Related to Our Business, Strategy and Operations

Reduced demand for equipment would reduce the opportunities for us to finance equipment.

Our business is largely dependent upon the demand for CNH North America's products and its customers' willingness to enter into financing or leasing arrangements with respect thereto, which may be negatively affected by challenging global economic conditions. As a result, a significant and prolonged decrease in demand for CNH North America's products could have a material adverse effect on our business, financial position, results of operations and cash flows. Our primary business is to provide retail and wholesale financing alternatives for CNH North America's products to CNH North America's customers and dealers. The demand for CNH North America's products and our financing products and services is influenced by a number of factors, including:

- general economic conditions, including shifts in key economic indicators such as gross domestic product;
- demand for food;
- commodity prices and stock levels;
- net farm income levels;
- availability of credit;
- developments in biofuels;
- infrastructure spending rates;
- seasonality of demand;
- changes and uncertainties in the monetary and fiscal policies of various governmental and regulatory agencies;

- CNH North America's ability to maintain effective distribution networks;
- currency exchange rates and interest rates;
- pricing policies by CNH North America and/or its competitors;
- political, economic and legislative changes;
- housing starts; and
- commercial construction.

In the equipment industry, changes in demand can occur suddenly, resulting in imbalances in inventories, product capacity, and prices for new and used equipment. If fewer pieces of equipment are sold, CNH Capital will be presented with fewer opportunities to finance equipment.

Change in support from CNH North America could limit our ability to offer competitively priced financing to our customers and reduce the percentage of CNH North America's products financed by us, which may in turn have a material adverse effect on our business, financial position, results of operations and cash flows.

We participate in certain marketing programs sponsored by CNH North America that allow us to offer financing to customers at advantageous interest rates or other terms (such as longer contract terms, longer warranty terms or gift cards redeemable for parts or services). This support from CNH North America provides a material competitive advantage in offering financing to customers of CNH North America's products. Any elimination or reduction of these marketing programs, which affects our ability to offer competitively priced financing to customers, in turn could reduce the percentage of CNH North America's products financed by us and could have a material adverse effect on our business, financial condition, results of operations and cash flows. For the year ended December 31, 2012 and the nine months ended September 30, 2013, the revenues recognized by us from CNH North America for marketing programs were \$389.3 million and \$298.8 million, respectively, representing 47% of our total revenues for both periods.

CNH North America also provides us with other types of operational and administrative support, such as human resources and legal assistance. For the year ended December 31, 2012 and the nine months ended September 30, 2013, we incurred fees charged by our affiliates of \$61.9 million and \$44.5 million, respectively, representing 25% and 30%, respectively, of our total administrative and operating expenses.

CNH North America also provides a portion of our funding. The portion of funding provided by CNH North America is based on various factors, including anticipated external funding transactions, and will fluctuate over time. As of December 31, 2012 and September 30, 2013, CNH North America had loans outstanding to us of \$849.0 million and \$772.7 million, respectively.

Any change in support from CNH North America could negatively impact our results of operations.

An increase in customer credit risk may result in higher delinquencies and defaults, and a deterioration in collateral valuation may reduce our collateral recoveries, which could increase losses on our receivables and leases and adversely affect our financial position and results of operations.

Fundamental to any organization that extends credit is the credit risk associated with its customers. The creditworthiness of each customer, and the rates of delinquencies, repossession and net losses relating to customer receivables are impacted by many factors, including:

- relevant industry and general economic conditions (in particular, those conditions most directly affecting the agricultural and construction industries);

- the availability of capital;
- changes in interest rates;
- the experience and skills of the customer's management team;
- commodity prices;
- political events;
- weather; and
- the value of the collateral securing the extension of credit.

A deterioration in the quality of our financial assets, an increase in delinquencies or a reduction in collateral recovery rates could have an adverse impact on our financial performance. These risks become more acute in any economic slowdown or recession due to decreased demand for (or the availability of) credit, declining asset values, changes in government subsidies, reductions in collateral to receivable balance ratios, and an increase in foreclosures and losses. In such circumstances, our receivable servicing and litigation costs may also increase. In addition, governments may pass laws, or implement regulations, that modify rights and obligations under existing agreements, or which prohibit or limit the exercise of contractual rights.

When receivables are unpaid and we repossess collateral securing the repayment of the receivable, our ability to sell the collateral to recover or mitigate losses is subject to the market value of such collateral. Those values are affected by levels of new and used inventory of agricultural and construction equipment on the market. They are also dependent upon the strength of the general economy and the strength of market demand for new and used agricultural and construction equipment. In addition, repossessed collateral may be in poor condition, which would reduce its value. Finally, relative pricing of used equipment, compared with new equipment, can affect levels of market demand and the resale of repossessed equipment. An industry wide decrease in demand for agricultural or construction equipment could result in lower resale values for repossessed equipment, which could increase losses on receivables and leases, adversely affecting our financial position and results of operations.

Changes in interest rates and market liquidity could have a material adverse effect on our earnings and cash flows.

Because a significant number of our receivables are generated at fixed interest rates, our business is subject to fluctuations in interest rates. Although we seek to match fund our assets, with approximately 64% of our receivables and approximately 67% of our funding at a fixed rate, respectively, as of September 30, 2013, changes in market interest rates may influence our financing costs, returns on financial investments and the valuation of derivative contracts and could reduce our earnings and/or cash flow. We also rely on the capital markets and a variety of funding programs to provide liquidity for our operations, including committed asset-backed and unsecured facilities and the issuance of secured and unsecured debt. Significant changes in market liquidity conditions could impact our access to funding and the associated funding costs and reduce our earnings and cash flow.

Although we manage interest rate and market liquidity risks with a variety of techniques, including a match funding program, the selective use of derivatives and a diversified funding program, there can be no assurance that fluctuations in interest rates and market liquidity conditions will not have a material adverse effect on our earnings and cash flow. If any of the variety of instruments and strategies we use to hedge our exposure to these various types of risk are ineffective, we may incur losses.

If we are unable to obtain funding, in particular through the ABS market and committed asset-backed facilities, at competitive rates, our ability to conduct our financing business may be severely impaired and our financial position, results of operations and cash flows may be materially and adversely affected.

We have traditionally relied upon the term ABS market and committed asset-backed facilities as a primary source of funding and liquidity. Access to funding at competitive rates is essential to our business. From mid-2007 through 2009, events occurred in the global financial markets, including weakened financial condition of several major financial institutions, problems related to subprime mortgages and other financial assets, the devaluation of various securities in secondary markets, the forced sale of asset-backed and other securities by certain investors, and the lowering of ratings on certain ABS transactions, which caused a significant reduction in liquidity in the secondary market for ABS transactions outstanding at such time and a significant increase in funding costs. During these periods, conditions in the ABS market adversely affected our ability to sell receivables on a favorable or timely basis. Similar conditions in the future could have an adverse effect on our financial position, results of operations and cash flows.

To maintain competitiveness in the capital markets and to promote the efficient use of various funding sources, additional reserve support was added to certain previously issued ABS transactions. Such optional support may be required to maintain credit ratings assigned to certain transactions if loss experiences are higher than anticipated. The provision of additional reserve support could have an adverse effect on our financial position, results of operations and cash flow.

If we breach our representations and warranties in connection with our ABS transactions, we may be required to repurchase non-conforming receivables from the securitization vehicles, which could have an adverse effect on our financial position, results of operations and cash flows.

In connection with our ABS transactions, we make customary representations and warranties regarding the receivables being securitized, as disclosed in the related offering documents. While no recourse provisions exist that allow holders of asset-backed securities issued by our trusts to require us to repurchase those securities, a breach of these representations and warranties could give rise to an obligation to repurchase non-conforming receivables from the trusts. Any future repurchases could have an adverse effect on our financial position, results of operations and cash flows.

Certain of our operations are subject to supervision and regulation by governmental authorities and changes in applicable laws or regulations may adversely impact our ability to engage in related business activities or increase the cost of our operations, thus adversely affecting our business, financial position and results of operations.

Our operations are subject, in certain instances, to supervision and regulation by various governmental authorities. These operations are also subject to various laws and judicial and administrative decisions and interpretations imposing requirements and restrictions, which among other things:

- regulate credit granting activities, including establishing licensing requirements;
- establish maximum interest rates, and finance and other charges;
- regulate customers' insurance coverage;
- require disclosure to customers;
- govern secured and unsecured transactions;
- set collection, foreclosure, repossession and claims handling procedures and other trade practices;

- prohibit discrimination in the extension of credit and administration of loans; and
- regulate the use and reporting of information related to a borrower.

For example, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act, was signed into law in July 2010. The various requirements of the Dodd-Frank Act, including the many implementing regulations yet to be released, may substantially affect our origination, servicing and securitization programs. Among its provisions, the Dodd-Frank Act strengthens the regulatory oversight of the ABS and capital market activities by the SEC and other regulatory bodies and increases the regulation of the securitization markets through, among other things, a mandated risk retention requirement for securitizers and a direction to the SEC to regulate credit rating agencies and adopt regulations governing these organizations. We will continue to monitor these developments and their impact on our access to the ABS market, as these and future SEC regulations may impact our ability to engage in these activities or increase the effective cost of asset-backed transactions in the future, which could adversely affect our financial position, results of operations and cash flows.

To the extent that applicable laws are amended or construed differently, new laws are adopted to expand the scope of regulation imposed upon us or applicable laws prohibit interest rates we charge from rising to a level commensurate with risk and market conditions, such events could adversely affect our business and our financial position and results of operations.

Weather, climate change, and natural disasters may adversely impact our operations and our results.

Poor or unusual weather conditions caused by climate change or other factors, particularly during the planting and early growing season, can significantly affect the purchasing decisions of CNH North America's agricultural equipment customers. The timing and quantity of rainfall are two of the most important factors impacting agricultural production. Insufficient levels of rain prevent farmers from planting crops or may cause growing crops to die resulting in lower yields. Excessive rain or flooding can also prevent planting or harvesting from occurring at optimal times and may cause crop loss through increased disease or mold growth. Temperature affects the rate of growth, crop maturity and crop quality. Temperatures outside normal ranges can cause crop failure or decreased yields, and may also affect disease incidence. Natural disasters such as regional floods, hurricanes, storms, and droughts can have a negative impact on agricultural production. The resulting negative impact on farm income can significantly affect demand for CNH North America's agricultural equipment, as well as our customers and their ability to repay debt.

Competitive activity or failure by us to respond to actions by our competitors could adversely affect our business, financial position and results of operations, in particular due to a cost of funds disparity between us and some of our competitors.

We operate in a highly competitive environment, with financing for owners or operators of CNH North America equipment available through a variety of sources, such as banks, finance companies and other financial institutions, including government sponsored entities. Some of our competitors enjoy certain regulatory, government support or credit rating advantages over CNH Capital today, which often enable them to access capital on favorable terms, among other things. Such cost of funds disparities between us and our competitors, or any additional regulatory, government support or credit rating changes that enhance the competitive position of our competitors, could result in our inability to effectively compete. The success of our business also depends on our ability to develop and market financing products and services and offer quality customer service that meet the evolving needs of existing and potential customers. Increasing competition may adversely affect our business if we are unable to match the products and services of our competitors. If we are unable to effectively compete, our business, financial position and results of operations will suffer.

Adverse economic conditions could place a financial strain on our dealers and adversely affect our operating results.

Economic conditions could place financial stress on our dealers. Dealer financial difficulties may impact their equipment financing and inventory management decisions, as well as their ability to provide services to their customers purchasing CNH North America equipment. Accordingly, additional financial strains on members of the CNH North America dealer network resulting from current or future economic conditions could adversely impact our financial position and results of operations.

A decrease in the residual value of the equipment that we lease could adversely affect our results.

Declines in the residual value of equipment leased by us may reduce our earnings. We determine the residual value of leased equipment, which is the estimated future wholesale market value of leased equipment at the time of the expiration of the lease term. We estimate the residual value of leased equipment at the inception of the lease based on a number of factors, including historical wholesale market sales prices, past remarketing experience and any known significant market/product trends. As of September 30, 2013, our total operating lease residual values were \$709 million. If estimated future market values significantly decline due to economic factors, obsolescence or other adverse circumstances, we may not realize such residual value, which could reduce our earnings, either through an increase in depreciation expense or a decrease in finance revenue.

Our business operations may be impacted by various types of claims, lawsuits, and other contingent obligations.

We are involved in various lawsuits and other legal proceedings that arise in the ordinary course of our business. We estimate such potential claims and contingent liabilities and, where appropriate, establish reserves to address these contingent liabilities. The ultimate outcome of the legal matters pending against us or our subsidiaries is uncertain. Further, we could in the future become subject to judgments or enter into settlements of lawsuits and claims that could have a material adverse effect on our results of operations in any particular period. In addition, while we maintain insurance coverage with respect to certain claims, we may not be able to obtain such insurance on acceptable terms in the future, if at all, and any such insurance may not provide adequate coverage against any such claims.

Our affiliates may cease to provide us with financing support.

Prior to their merger, Fiat Industrial owned approximately 87% of the outstanding common shares of CNH Global and Fiat Industrial provided financing to us. During the capital markets crisis, which had a material adverse impact on the ABS markets, we relied more heavily upon financing provided by Fiat Industrial and its predecessors. In the event of a repeat of the severe downturn in the ABS markets, we would need to look to alternative funding sources, including CNH Industrial, though CNH Industrial would have no obligation to provide such financing (other than the obligations assumed by CNHI under the support agreement, dated November 4, 2011, between us and CNH Global). To the extent CNH Industrial does not provide such financing to us when needed, we could suffer from a lack of funding and/or incur increased funding costs if funding is obtained through other third-party sources.

Our participation in cash management pools exposes us to CNH Industrial credit risk, which, in the event of a bankruptcy or insolvency of certain CNH Industrial entities, could render us unable to recover our deposits and in turn materially and adversely affect our financial position and results of operations.

We participate in a group-wide cash management system with other companies within CNH Industrial, including CNH America and CNH Canada Ltd. Our positive cash deposits with CNH Industrial, if any, are either invested by CNH Industrial treasury subsidiaries in highly rated, highly liquid money market instruments or bank deposits, or may be applied by CNH Industrial treasury

subsidiaries to meet the financial needs of other CNH Industrial entities and vice versa. While we believe participation in such CNH Industrial treasury subsidiaries' cash management pools provides us with financial benefits, it exposes us to CNH Industrial credit risk.

In the event of a bankruptcy or insolvency of CNHI (or any other CNH Industrial entity, including CNH America and CNH Canada Ltd., in the jurisdictions with set-off agreements) or in the event of a bankruptcy or insolvency of the CNH Industrial entity in whose name the deposit is pooled, we may be unable to secure the return of such funds to the extent they belong to us, and we may be viewed as a creditor of such CNH Industrial entity with respect to such deposits. It is possible that our claims as a creditor could be subordinated to the rights of third-party creditors in certain situations. If we are not able to recover our deposits, our financial position and results of operations may be materially and adversely impacted.

Our financial statements may be adversely impacted by changes in accounting standards.

Our financial statements are subject to the application of U.S. GAAP, which are periodically revised. At times, we are required to adopt new or revised accounting standards issued by recognized bodies. It is possible such changes could have a material adverse effect on our reported results of operations or financial position. See "Note 2: Summary of Significant Accounting Policies" to our audited consolidated financial statements for the year ended December 31, 2012 for additional information on the adoption of new accounting guidance.

Data security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer.

In the ordinary course of business, we collect and store sensitive data, including intellectual property, our proprietary business information and that of our customers and business partners, and personally identifiable information of our customers and employees, in our data centers and on our networks. The secure processing, maintenance, and transmission of this information by us and any contracted third parties is critical to our operations. We have not experienced any significant known or threatened data security incidents to date and we employ and seek to improve security measures and initiatives designed to reduce the impact of such risk. Despite our security measures and initiatives, our information technology and infrastructure may be subject to attacks by hackers or breached due to employee error, malfeasance, or other disruptions. Any such breach could compromise our networks and the information stored could be accessed, publicly disclosed, lost, or stolen. Any such access, disclosure or other loss could disrupt our operations, result in legal claims or proceedings and harm our business and reputation.

Risks Related to the Exchange Offer

You must carefully follow the required procedures in order to exchange your old notes.

The new notes will be issued in exchange for old notes only after timely receipt by the exchange agent of a duly executed letter of transmittal (or an agent's message (as defined under "The Exchange Offer—Procedures for Tendering")) and all other required documents. Therefore, if you wish to tender your old notes, you must allow sufficient time to ensure timely delivery. Neither we nor the exchange agent has any duty to notify you of defects or irregularities with respect to tenders of old notes for exchange. Any holder of old notes who tenders in the exchange offer for the purpose of participating in a distribution of the new notes will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. Each broker-dealer that receives new notes for its own account in exchange for old notes that were acquired in market-making or other trading activities must acknowledge that it will deliver a prospectus in connection with any resale of the new notes.

If you do not exchange old notes for new notes, transfer restrictions will continue and trading of the old notes may be adversely affected.

The old notes have not been registered under the Securities Act and are subject to substantial restrictions on transfer. Old notes that are not tendered for exchange for new notes or are tendered but not accepted will, following completion of the exchange offer, continue to be subject to existing restrictions upon transfers. We do not currently expect to register the old notes under the Securities Act. To the extent that old notes are tendered and accepted in the exchange offer, the trading market for the old notes, if any, could be adversely affected.

Late deliveries of old notes and other required documents could prevent a holder from exchanging its old notes.

Holders are responsible for complying with all exchange offer procedures. The issuance of new notes in exchange for old notes will only occur upon completion of the procedures described in this prospectus under “The Exchange Offer.” Therefore, holders of old notes who wish to exchange them for new notes should allow sufficient time for timely completion of the exchange procedure. Neither we nor the exchange agent are obligated to extend the offer or notify you of any failure to follow the proper procedure or waive any defect if you fail to follow the proper procedure.

If you are a broker-dealer, your ability to transfer the new notes may be restricted.

A broker-dealer that purchased old notes for its own account as part of market-making or trading activities must comply with the prospectus delivery requirements of the Securities Act when it sells the new notes. Our obligation to make this prospectus available to broker-dealers is limited. Consequently, we cannot guarantee that a proper prospectus will be available to broker-dealers wishing to resell their new notes.

Risks Related to the New Notes

The notes will be effectively subordinated to CNH Capital LLC’s existing and future secured debt and other secured obligations to the extent of the collateral securing such debt and other obligations, and the guarantees of the notes will be effectively subordinated to the guarantors’ existing and future secured debt and other secured obligations to the extent of the collateral securing such debt and other obligations.

Holders of CNH Capital LLC’s secured debt and any guarantor’s secured debt, both existing and future, will have claims that are prior to your claims as holders of the notes to the extent of the value of the assets securing such secured debt. The notes and the guarantees will be effectively subordinated to all such secured debt to the extent of the value of the collateral securing such secured debt. In the event of any distribution or payment of CNH Capital LLC’s or any other guarantor’s assets in any foreclosure, dissolution, winding-up, liquidation, reorganization or other bankruptcy or insolvency proceeding, holders of secured debt will have a prior claim to the assets that constitute their collateral. Holders of the notes will participate ratably with all holders of CNH Capital LLC’s and the guarantors’ unsecured senior debt, if any, and with all of their other general creditors, based upon the respective amounts owed to each such holder or creditor, in CNH Capital LLC’s and the guarantors’ respective assets remaining after payment of their secured debt, if any. In any of the foregoing events, we cannot assure you that there will be sufficient assets to pay amounts due on the notes. As a result, holders of the notes may receive less than holders of secured debt and less than they are due on the notes. As of September 30, 2013, CNH Capital LLC and the guarantors had approximately \$139 million of secured debt outstanding.

CNH Capital LLC is principally a holding company with limited direct operations and may not have sufficient cash to make payments on the notes.

CNH Capital LLC is principally a holding company with limited direct operations. Its principal assets are the equity interests and investments it holds in its subsidiaries. As a result, it depends on dividends and other payments from its subsidiaries to generate the funds necessary to meet its financial obligations, including the payment of principal of and interest on its outstanding debt. Its subsidiaries are legally distinct from it and have no obligation to pay amounts due on CNH Capital LLC's debt or to make funds available to it for such payment except as provided in the note guarantees or pursuant to affiliate notes, and in any event, such subsidiaries may not generate sufficient cash from operations to enable CNH Capital LLC to make principal and interest payments on the notes. In addition, any payments of dividends, distributions, loans or advances to us by CNH Capital LLC's subsidiaries could be subject to legal and contractual restrictions. For example, Delaware law provides that a limited liability company is prohibited from making a distribution of cash or other property to its member to the extent that, at the time of and after giving effect to the distribution, the limited liability company's liabilities exceed the fair value of its assets, subject to certain exceptions. As of December 31, 2012, the aggregate amount that may be so distributed by the guarantors to CNH Capital LLC as their member was approximately \$1.5 billion. CNH Capital LLC's subsidiaries may incur additional indebtedness in the future, the agreements or instruments governing which may restrict payments from those subsidiaries to CNH Capital LLC. The agreements governing the future indebtedness of CNH Capital LLC's subsidiaries may not permit those subsidiaries to provide CNH Capital LLC with sufficient cash to fund payments on the notes when due.

Moreover, limited liability companies are a relatively recent form of business entities and the Delaware Limited Liability Company Act, which governs Delaware limited liability companies such as CNH Capital LLC, CNH Capital America and New Holland Credit, was not enacted until the early 1990s. Unlike Delaware corporate law, there has been limited case law interpreting the Delaware Limited Liability Company Act, including with respect to the duties owed by directors, officers or managers of a limited liability company. Therefore, there may be more uncertainty in connection with the enforcement of the rights of an investor in a Delaware limited liability company than in a Delaware corporation. In addition, members of a limited liability company are generally not personally liable for the debts, obligations and liabilities of the company. As a result, none of our direct and indirect parent companies, including CNHI, will have any liability with respect to the notes at any time.

As part of our overall funding strategy, we transfer receivables into special purpose entities in connection with our ABS programs. Payments of principal of and interest on such receivables are "restricted cash," as they are payable to the ABS investors and are not expected to be available to CNH Capital LLC or its creditors. See "Note 2: Summary of Significant Accounting Policies" to our audited consolidated financial statements for the year ended December 31, 2012. The receivables subject to such securitizations are "restricted receivables" and are not expected to be available to CNH Capital LLC or its creditors. See "Note 3: Receivables" to our audited consolidated financial statements for the year ended December 31, 2012 and "Note 4: Receivables" to our unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2013. For the year ended December 31, 2012, the guarantors transferred approximately \$3.3 billion, representing 91.2% of total receivables originated by the guarantors, to special purpose entities. See "Note 14: Supplemental Condensed Consolidating Financial Information" to our audited consolidated financial statements for the year ended December 31, 2012.

CNH Capital LLC and the guarantors only account for a portion of our total revenues and assets and may not have sufficient cash to make payments on the notes.

The old notes are, and the new notes will be, issued by CNH Capital LLC and guaranteed by CNH Capital America and New Holland Credit. CNH Capital LLC and the guarantors, collectively,

accounted for approximately 46% and 50% of our total revenues for the year ended December 31, 2012 and the nine months ended September 30, 2013, respectively, and 32% and 31% of our total assets as of December 31, 2012 and September 30, 2013, respectively (in each case with such percentages calculated before intercompany eliminations). The ability of CNH Capital LLC and the guarantors to make payments on the notes will depend, in part, upon their earnings and other funds and assets available to them. There is no assurance that the business of CNH Capital LLC or the guarantors would not suffer a material adverse change in the future, which could significantly reduce their earnings and cash flows and the value of their assets. Furthermore, subject to provisions relating to successor obligors under the indenture governing the notes, CNH Capital LLC and the guarantors are generally not restricted from transferring their assets to CNHI, or other subsidiaries of CNH Capital LLC or CNHI that do not guarantee the notes, or from otherwise disposing of their assets. Such transfer or disposition of assets may reduce the value of the assets of CNH Capital LLC and the guarantors or otherwise adversely affect their ability to generate earnings or cash flows on an ongoing basis. We cannot assure you that CNH Capital LLC and the guarantors will always have sufficient funds to pay the principal of, or interest on, the notes.

Your rights as a note holder are effectively subordinated to claims of creditors of our subsidiaries that are not guarantors.

Not all of CNH Capital LLC's subsidiaries will guarantee the notes, including CNH Capital Canada. A holder of notes will not have any claim as a creditor against subsidiaries of CNH Capital LLC that are not guarantors of the notes, and the indebtedness and other liabilities, including trade payables, and the claims of other general creditors, whether secured or unsecured, of those non-guarantor subsidiaries will be effectively senior to your claims. Subject to limitations in the indenture governing the notes, non-guarantor subsidiaries may incur additional indebtedness in the future (and may incur other liabilities without limitation). In the event of a bankruptcy, liquidation or reorganization of any of our non-guarantor subsidiaries, their creditors will be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to us. As of and for the year ended December 31, 2012 and the nine months ended September 30, 2013, CNH Capital LLC and the guarantors, collectively, accounted for approximately 46% and 50% of our total revenues and 32% and 31% of our total assets, respectively (in each case with such percentages calculated before intercompany eliminations). In addition, certain of our non-guarantor subsidiaries are variable-interest entities that engage in securitization transactions. Their assets do not belong to us and cannot be used to satisfy our obligations under the notes. As of September 30, 2013, CNH Capital LLC and the guarantors had approximately \$139 million of secured debt outstanding and our non-guarantor subsidiaries had \$10.6 billion of outstanding debt, to which the notes are effectively subordinated.

If an active trading market for the notes does not develop, the liquidity and value of the notes could be reduced.

There is no existing public trading market for the notes, and we do not intend to apply for listing of the notes on any securities exchange. In addition, if no active trading market develops, you may not be able to resell your notes at their fair market value, or at all. Future trading prices of the notes will depend on, among other things, our ability to effect the exchange offer or registration of the notes, prevailing interest rates, our operating results and the market for similar securities.

If a market for the new notes does develop, it is possible that you will not be able to sell your notes at a particular time or at a favorable price. It is also possible that any trading market that does develop for the notes will not be liquid. Historically, the market for non-investment grade debt has been subject to disruptions that have caused volatility in prices. If a market for the new notes develops, it is possible that the market for the new notes will be subject to disruptions and price volatility. Any

disruptions may have a negative effect on holders of the new notes, regardless of our operating performance, financial condition and prospects.

In the event of a change of control, CNH Capital LLC may not be able to satisfy all of its obligations under the notes.

If, following the issuance of the notes, CNH Capital LLC experiences a change of control triggering event, as defined in the indenture governing the notes, CNH Capital LLC will be required to offer to repurchase all outstanding notes at 101% of the principal amount thereof plus accrued interest, if any, thereon to the date of purchase. However, we may not have sufficient funds at the time of the change of control to make the required purchase of the notes. Our failure to make or complete a change of control offer would place us in default under the indenture governing the notes.

Your rights under the guarantees may be limited by laws, including fraudulent conveyance and insolvency laws.

The new notes will be issued by CNH Capital LLC, a Delaware limited liability company, and guaranteed by limited liability companies organized under the laws of Delaware. In the event of a bankruptcy, insolvency or similar event, bankruptcy or comparable insolvency proceedings could be initiated in such jurisdiction. Your rights under the guarantees will be subject to the bankruptcy, insolvency, administrative and other laws of the United States and Delaware and there can be no assurance that you will be able to effectively enforce your rights in any such bankruptcy, insolvency or similar proceedings.

Under U.S. federal bankruptcy laws or comparable provisions of state fraudulent transfer laws, the issuance of the guarantees could be avoided, if, among other things, at the issuance of the guarantees, the applicable guarantor:

- incurred the obligations under the guarantees with an actual intent to hinder, delay or defraud any present or future creditor; or
- received less than reasonably equivalent value or fair consideration for the obligations incurred under the guarantees; and
- was insolvent or rendered insolvent by reason of the incurrence of such obligations;
- was engaged in a business or transaction for which its remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay as such debts mature.

The measures of insolvency for purposes of the foregoing considerations will vary depending upon the law applied in any proceeding with respect to the foregoing. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the value of all of its assets at a fair valuation;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liabilities on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

By its terms, the guarantee of each guarantor will limit the liability of each such guarantor to the maximum amount it can pay without the guarantee being deemed a fraudulent transfer. Each of the

guarantors believes that immediately after the issuance of the notes by CNH Capital LLC and the issuance of the note guarantees by the guarantors, each of the guarantors will be solvent, will have sufficient capital to carry on their respective businesses and will be able to pay their respective debts as they mature. However, there can be no assurance as to what standard a court would apply in making these determinations or that a court would reach the same conclusions with regard to these issues. In an evidentiary ruling in *In re W.R. Grace & Co.*, the federal bankruptcy court for the District of Delaware held that under the Uniform Fraudulent Transfer Act, whether a transferor is rendered insolvent by a transfer depends on the actual liabilities of the transferor, and not what the transferor knows about such liabilities at the time of the transfer. Therefore, under that court's analysis, liabilities that are unknown, or that are known to exist but whose magnitude is not fully appreciated at the time of the transfer, may be taken into account in the context of a future determination of insolvency. If the principle articulated by that court is upheld, it would make it very difficult to know whether a transferor is solvent at the time of transfer, and would increase the risk that a transfer may in the future be found to be a fraudulent transfer.

Because each guarantor's liability under its guarantee may be reduced to zero, avoided or released under certain circumstances, you may not receive any payments from either or both of the guarantors.

You will have the benefit of the guarantees of the guarantors. However, the guarantees by the guarantors are limited to the maximum amount that the guarantors are permitted to guarantee under applicable law. As a result, a guarantor's liability under its guarantee could be reduced to zero, depending upon the amount of other obligations of such guarantor. Further, under the circumstances discussed more fully above, a court under federal or state fraudulent conveyance and transfer statutes could avoid the obligations under a guarantee or further subordinate it to all other obligations of the guarantor. In addition, you will lose the benefit of a particular guarantee if it is released under certain circumstances described under "Description of the Notes—Guarantees."

The credit ratings of the notes may not reflect all risks of an investment in the notes.

The credit ratings of the notes are an assessment of our ability to pay our obligations under the notes as they become due. Consequently, real or anticipated changes in these credit ratings will generally affect the market value of the notes. The credit ratings of the notes, however, may not reflect the potential risks related to the market or other factors on the value of the notes. Furthermore, because your return on the notes depends upon factors in addition to our ability to pay our obligations, an improvement in the credit ratings of the notes will not reduce the other investment risks related to the notes. In addition, one or more independent credit rating agencies may assign credit ratings to the notes. Any such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this prospectus, and other factors that may affect the value of the notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of the new notes in the exchange offer. In consideration for issuing the new notes as contemplated in this prospectus, we will receive in exchange the old notes in like principal amount. We will cancel and retire the old notes surrendered in exchange for the new notes in the exchange offer. As a result, the issuance of the new notes will not result in any increase or decrease in our indebtedness.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of September 30, 2013: (i) on an actual basis and (ii) as adjusted to reflect the issuance of \$500 million in aggregate principal amount of 3.250% Notes due 2017 on October 8, 2013 and the application of the net proceeds therefrom.

You should read this table in conjunction with our financial statements and accompanying notes and other financial data included elsewhere in this prospectus.

The capitalization table below is not necessarily indicative of our future capitalization or financial condition.

| | Unaudited As of September 30, 2013 | |
|--|---------------------------------------|---|
| | Actual | As Adjusted for the Offering of the 3.250% Notes due 2017(1) |
| | (in thousands) | |
| Cash and cash equivalents | \$ 231,367 | \$ 727,167 |
| Restricted cash | <u>599,854</u> | <u>599,854</u> |
| Total cash, cash equivalents and restricted cash | <u>\$ 831,221</u> | <u>\$ 1,327,031</u> |
| Debt(2) | | |
| Short-term debt (including current maturities of long-term debt) | | |
| Credit facility-secured | \$ 2,139,069 | \$ 2,139,069 |
| Other secured debt | <u>2,034,540</u> | <u>2,034,540</u> |
| Total short-term debt | <u>4,173,609</u> | <u>4,173,609</u> |
| Long-term debt | | |
| 3.250% Notes due 2017(3) | — | 500,000 |
| 3.625% Notes due 2018 | 600,000 | 600,000 |
| 3.875% Notes due 2015 | 750,000 | 750,000 |
| 6.250% Notes due 2016 | 500,000 | 500,000 |
| Credit facility-unsecured | 150,000 | 150,000 |
| Credit facility-secured | 730,073 | 730,073 |
| Other secured debt | <u>4,964,228</u> | <u>4,964,228</u> |
| Total long-term debt | <u>7,694,301</u> | <u>8,194,301</u> |
| Total third-party debt | 11,867,910 | 12,367,910 |
| Affiliated debt | <u>772,689</u> | <u>772,689</u> |
| Total debt | <u>12,640,599</u> | <u>13,140,599</u> |
| Stockholder's equity | | |
| Member's capital | — | — |
| Paid-in capital | 841,897 | 841,897 |
| Accumulated other comprehensive income | 26,330 | 26,330 |
| Retained earnings | <u>535,907</u> | <u>535,907</u> |
| Total CNH Capital LLC stockholder's equity | <u>1,404,134</u> | <u>1,404,134</u> |
| Noncontrolling interest | <u>58,116</u> | <u>58,116</u> |
| Total stockholder's equity | <u>1,462,250</u> | <u>1,462,250</u> |
| Total capitalization | <u>\$14,102,849</u> | <u>\$14,602,849</u> |

(1) As adjusted to reflect the impact from the issuance of \$500 million in aggregate principal amount of 3.250% Notes due 2017 on October 8, 2013 and the application of the net proceeds therefrom.

The table does not reflect secured funding transactions completed subsequent to September 30, 2013, which amounted to \$1.3 billion from term ABS placements.

- (2) See “Description of Certain Other Indebtedness” for additional information on our unsecured debt and secured debt.
- (3) Consists of \$500 million in aggregate principal amount of 3.250% Notes due 2017 issued on October 8, 2013.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following tables set forth selected historical consolidated financial data of CNH Capital as of the dates and for the periods indicated. The selected historical consolidated financial data as of December 31, 2010, 2011 and 2012 and for the years ended December 31, 2009, 2010, 2011 and 2012 have been derived from our audited consolidated financial statements. The selected historical consolidated financial data as of December 31, 2008 and 2009 and for the year ended December 31, 2008 have been derived from our unaudited consolidated financial statements. The selected historical consolidated financial data as of September 30, 2013 and for the nine months ended September 30, 2012 and 2013 have been derived from our unaudited condensed consolidated financial statements. The unaudited condensed consolidated financial statements include all adjustments, consisting of normal recurring adjustments, which we consider necessary for a fair presentation of our financial position and results of operations for these periods. Operating results for the nine months ended September 30, 2013 are not necessarily indicative of the results that may be expected for the year ending December 31, 2013 or for any other future period.

As of the beginning of 2010, we adopted new accounting guidance related to the accounting for transfers of financial assets to or among, and the consolidation of, our VIEs. As a significant portion of our secured debt is no longer exempt from consolidation under the new accounting guidance, we were required to consolidate the receivables and related liabilities. As a result, we recorded a \$5.7 billion increase to assets and liabilities and equity upon the adoption of this new guidance on January 1, 2010. See “Note 2: Summary of Significant Accounting Policies—New Accounting Pronouncements Adopted in Prior Years” to our audited consolidated financial statements included elsewhere in this prospectus, for additional information on the adoption of this new accounting guidance.

As we adopted the new accounting guidance prospectively, the financial statements prepared for the year ended December 31, 2010 and for subsequent periods reflect the new accounting requirements, but the financial statements for periods ended on or before December 31, 2009 reflect the accounting guidance applicable during those periods. Our statements of income for the year ended December 31, 2010 and for subsequent periods no longer reflect securitization income and initial gains or losses on new securitization transactions, but include interest income and other income associated with the securitized receivables, and interest expense associated with the debt issued from the securitization trusts and facilities. In addition, because our new securitization transactions are accounted for as secured borrowings rather than asset sales, the initial cash flows from these

transactions are presented as cash flows from financing transactions in 2010 and for subsequent periods, rather than cash flows from operating or investing activities.

| | Fiscal Year Ended December 31, | | | | | Nine Months Ended September 30, | | | | | | | | |
|--|--------------------------------|------------------|------------------|------------------|------------------|---------------------------------|------------------|--|--|--|--|--|--|--|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2012 | 2013 | | | | | | | |
| | (dollars in thousands) | | | | | | | | | | | | | |
| <i>Statements of Income:</i> | | | | | | | | | | | | | | |
| Revenues: | | | | | | | | | | | | | | |
| Interest income on retail and other notes and finance leases | \$160,111 | \$123,559 | \$267,551 | \$238,330 | \$240,657 | \$178,572 | \$189,281 | | | | | | | |
| Interest and other income from affiliates | 192,819 | 185,625 | 376,383 | 382,006 | 392,463 | 290,971 | 300,386 | | | | | | | |
| Rental income on operating leases | 129,374 | 138,404 | 140,989 | 137,729 | 133,806 | 99,666 | 102,015 | | | | | | | |
| Gain on retail, wholesale and commercial revolving accounts receivables sold | 78,766 | 147,461 | 38 | — | — | — | — | | | | | | | |
| Servicing fee income | 57,929 | 57,941 | 3,340 | 1,747 | 940 | 801 | 413 | | | | | | | |
| Other income | 59,622 | 49,210 | 75,250 | 71,187 | 66,138 | 50,877 | 44,089 | | | | | | | |
| Total revenues | 678,621 | 702,200 | 863,551 | 830,999 | 834,004 | 620,887 | 636,184 | | | | | | | |
| Expenses: | | | | | | | | | | | | | | |
| Interest expense: | | | | | | | | | | | | | | |
| Interest expense to third parties | 56,356 | 77,568 | 232,448 | 224,189 | 219,561 | 163,293 | 170,543 | | | | | | | |
| Interest expense to affiliates | 140,372 | 102,564 | 80,584 | 44,645 | 34,512 | 27,111 | 16,861 | | | | | | | |
| Total interest expense | 196,728 | 180,132 | 313,032 | 268,834 | 254,073 | 190,404 | 187,404 | | | | | | | |
| Administrative and operating expenses: | | | | | | | | | | | | | | |
| Fees charged by affiliates | 68,665 | 57,192 | 61,464 | 62,945 | 61,895 | 47,195 | 44,490 | | | | | | | |
| Provision (benefit) for credit losses, net | 39,253 | 88,942 | 76,394 | 32,853 | 44,578 | 15,818 | (5,469) | | | | | | | |
| Other than temporary impairment of retained interest | 42,169 | 37,468 | 4,108 | 815 | — | — | — | | | | | | | |
| Depreciation of equipment on operating leases | 104,426 | 116,169 | 117,848 | 110,314 | 107,836 | 80,415 | 83,930 | | | | | | | |
| Other expenses | 63,437 | 54,278 | 43,158 | 35,651 | 35,929 | 26,185 | 24,884 | | | | | | | |
| Total administrative and operating expenses | 317,950 | 354,049 | 302,972 | 242,578 | 250,238 | 169,613 | 147,835 | | | | | | | |
| Total expenses | 514,678 | 534,181 | 616,004 | 511,412 | 504,311 | 360,017 | 335,239 | | | | | | | |
| Income before income taxes | 163,943 | 168,019 | 247,547 | 319,587 | 329,693 | 260,870 | 300,945 | | | | | | | |
| Income tax provision | 74,695 | 52,301 | 85,067 | 118,053 | 116,112 | 91,784 | 102,745 | | | | | | | |
| Net income | 89,248 | 115,718 | 162,480 | 201,534 | 213,581 | 169,086 | 198,200 | | | | | | | |
| Net income attributed to the noncontrolling interest | (2,964) | (2,442) | (1,861) | (1,488) | (1,645) | (1,226) | (1,148) | | | | | | | |
| Net income attributable to | | | | | | | | | | | | | | |
| CNH Capital LLC | \$ 86,284 | \$113,276 | \$160,619 | \$200,046 | \$211,936 | \$167,860 | \$197,052 | | | | | | | |

| | As of or for the Fiscal Year Ended December 31, | | | | | As of or for the Nine Months Ended September 30, 2013 |
|--|---|-------------|--------------|--------------|--------------|--|
| | 2008 | 2009 | 2010 | 2011 | 2012 | |
| | (dollars in thousands) | | | | | |
| <i>Balance Sheet Data:</i> | | | | | | |
| Cash and cash equivalents | \$ 169,441 | \$ 398,015 | \$ 420,792 | \$ 594,093 | \$ 785,913 | \$ 231,367 |
| Restricted cash | \$ 116,256 | \$ 78,507 | \$ 773,254 | \$ 767,359 | \$ 727,186 | \$ 599,854 |
| Total assets | \$6,551,074 | \$4,814,279 | \$10,883,489 | \$11,901,151 | \$13,346,529 | \$14,604,424 |
| Total third-party debt | \$1,749,116 | \$1,097,434 | \$ 7,919,829 | \$ 9,383,808 | \$10,551,788 | \$11,867,910 |
| Total debt | \$4,949,797 | \$3,220,491 | \$ 9,486,936 | \$10,203,078 | \$11,415,820 | \$12,640,599 |
| Stockholder's equity . | \$1,251,912 | \$1,294,588 | \$ 1,147,637 | \$ 1,247,245 | \$ 1,483,411 | \$ 1,462,250 |
| <i>Other Data:</i> | | | | | | |
| Ratio of earnings to fixed charges(1) . . . | 1.83 | 1.93 | 1.79 | 2.19 | 2.30 | 2.61 |

(1) For purposes of determining the ratio of earnings to fixed charges, earnings are defined as the sum of (i) income before income taxes, (ii) fixed charges and (iii) amortization of capitalized interest, less (i) interest capitalized and (ii) noncontrolling interest in pretax income of subsidiaries that have not incurred fixed charges. Fixed charges consist of (i) interest expense, including amortization of premiums, discounts and capitalized expenses related to indebtedness, (ii) interest capitalized and (iii) an estimate of the interest component of rental expense.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with the consolidated financial statements and notes to the financial statements included elsewhere in this prospectus. This management's discussion and analysis is intended to help provide an understanding of our financial condition, changes in financial condition and results of our operations and contains forward-looking statements that involve risks and uncertainties. The forward-looking statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our industry, business and future financial results. Our actual results could differ materially from the results contemplated by these forward-looking statements due to a number of factors, including, but not limited to, those discussed under the captions "Risk Factors" and "Cautionary Note Regarding Forward-looking Statements" in this prospectus.

Overview

Organization

We offer a range of financial products and services to the dealers and customers of CNH North America. The principal products offered are retail financing for the purchase or lease of new and used CNH North America equipment and wholesale financing to CNH North America dealers. Wholesale financing consists primarily of floor plan financing as well as financing equipment used in dealer-owned rental yards, parts inventory and working capital needs. In addition, we purchase equipment from dealers that is leased to retail customers under operating lease agreements, and we finance customers using our commercial revolving accounts.

Trends and Economic Conditions

Our business is closely related to the agricultural and construction equipment industries because we offer financing products for such equipment. For the nine months ended September 30, 2013, CNH Industrial's agricultural equipment revenues increased 5% compared to the nine months ended September 30, 2012. CNH Industrial's construction equipment revenues decreased 17% for the nine months ended September 30, 2013, compared to the nine months ended September 30, 2012.

In general, our receivable mix between agricultural and construction equipment financing reflects the mix of equipment sales by CNH North America. As such, changes in the agricultural industry or with respect to our agricultural equipment borrowers ("farmers") may affect the majority of our portfolio.

Overall, the North American agricultural industry exhibited stability during the economic crisis. During the past few years, farm income in North America has experienced some of its highest historical levels. The financing we provide to our borrowers is secured by the financed equipment, which typically has a long useful life and is a key component in the farmers' sources of income. All of these factors contribute to the strong credit performance of our portfolio in recent periods.

Net income attributable to CNH Capital LLC was \$65.0 million for the three months ended September 30, 2013, compared to \$56.5 million for the three months ended September 30, 2012. Net income attributable to CNH Capital LLC was \$197.1 million for the nine months ended September 30, 2013, compared to \$167.9 million for the nine months ended September 30, 2012. Net income increased primarily due to a higher average portfolio and a lower provision for credit losses. The receivables balance greater than 30 days past due as a percentage of managed receivables was 0.4%, 0.5% and 0.6% at September 30, 2013, December 31, 2012 and September 30, 2012, respectively.

Net income attributable to CNH Capital LLC was \$211.9 million for the year ended December 31, 2012, compared to \$200.0 million for the year ended December 31, 2011. Results increased primarily

due to a higher average portfolio, partially offset by narrower financial margins and a higher provision for credit losses. The total retail receivables balance 30 days or more past due as a percentage of the retail receivables was 0.7%, 1.0% and 2.1% at December 31, 2012, 2011 and 2010, respectively. Market conditions continued to stabilize in the construction and agricultural equipment sectors during the relevant periods.

Our revenue is primarily generated through the income of our lending portfolio and the income generated through marketing programs. For the years ended December 31, 2012, 2011 and 2010, our revenues generated from the marketing programs with CNH North America were \$389.3 million, \$378.4 million and \$364.8 million, respectively, representing approximately 47%, 46% and 42% of our total revenues for the respective periods.

A portion of the funding for our portfolio of receivables is provided by CNH North America, with such portion fluctuating over time depending on various factors, including anticipated external funding transactions. Interest expense from affiliated debt was \$34.5 million, \$44.6 million and \$80.6 million for the years ended December 31, 2012, 2011 and 2010, respectively.

Macroeconomic issues for us include the uncertainty of governmental actions in respect to monetary, fiscal and legislative policies, the global economic recovery, capital market disruptions, trade agreements, and financial regulatory reform. Severe weather conditions and significant volatility in the price of certain commodities could also impact CNH North America's and our results.

Results of Operations

Three and Nine Months Ended September 30, 2013 Compared to Three and Nine Months Ended September 30, 2012

Revenues

Revenues for the three and nine months ended September 30, 2013 and 2012 were as follows (dollars in thousands):

| | Three Months Ended September 30, | | |
|--|-------------------------------------|------------------|-----------------|
| | 2013 | 2012 | \$ Change |
| Interest income on retail and other notes and finance leases | \$ 65,494 | \$ 61,716 | \$ 3,778 |
| Interest and other income from affiliates | 102,153 | 97,921 | 4,232 |
| Rental income on operating leases | 34,843 | 33,674 | 1,169 |
| Servicing fee income | 141 | 207 | (66) |
| Other income | 15,556 | 17,541 | (1,985) |
| Total revenues | <u>\$218,187</u> | <u>\$211,059</u> | <u>\$ 7,128</u> |
| | | | 3.4% |

| | Nine Months Ended September 30, | | |
|--|------------------------------------|------------------|-----------------|
| | 2013 | 2012 | \$ Change |
| Interest income on retail and other notes and finance leases | \$189,281 | \$178,572 | \$10,709 |
| Interest and other income from affiliates | 300,386 | 290,971 | 9,415 |
| Rental income on operating leases | 102,015 | 99,666 | 2,349 |
| Servicing fee income | 413 | 801 | (388) |
| Other income | 44,089 | 50,877 | (6,788) |
| Total revenues | <u>\$636,184</u> | <u>\$620,887</u> | <u>\$15,297</u> |
| | | | 2.5% |

Revenues totaled \$218.2 million and \$636.2 million for the three and nine months ended September 30, 2013, respectively, compared to \$211.1 million and \$620.9 million for the same periods in 2012. Higher average portfolios primarily drove the year over year increase, partially offset by a decrease in our average yield. The average yield for retail and other notes, finance leases, wholesale receivables and commercial revolving accounts receivables was 5.6% and 6.1% for the three months ended September 30, 2013 and 2012, respectively, and 5.7% and 6.3% for the nine months ended September 30, 2013 and 2012, respectively.

Interest income on retail and other notes and finance leases for the three and nine months ended September 30, 2013 was \$65.5 million and \$189.3 million, respectively, representing increases of \$3.8 million and \$10.7 million from the same periods in 2012. For the third quarter, the increase was primarily due to an \$8.7 million favorable impact from higher average earning assets, partially offset by a \$4.9 million unfavorable impact from lower interest rates. For the nine months ended September 30, 2013, compared to the same period in 2012, the increase was primarily due to a \$26.7 million favorable impact from higher average earning assets, partially offset by a \$16.0 million unfavorable impact from lower interest rates.

Interest and other income from affiliates for the three and nine months ended September 30, 2013 was \$102.2 million and \$300.4 million, respectively, compared to \$97.9 million and \$291.0 million for the three and nine months ended September 30, 2012, respectively. Compensation from CNH North America for retail low rate financing programs and interest waiver programs offered to customers for the three and nine months ended September 30, 2013 was \$50.1 million and \$158.6 million, respectively, compared to \$50.9 million and \$155.9 million for the same periods in 2012, respectively. The decrease in the retail compensation amount in the three month period was primarily due to changes in the mix of programs and products. The increase in the retail compensation amount for the nine month period was primarily due to higher originations. For the three and nine months ended September 30, 2013, compensation from CNH North America for wholesale marketing programs was \$43.4 million and \$114.7 million, respectively, compared to \$38.9 million and \$110.3 for the three and nine months ended September 30, 2012, respectively. Wholesale compensation amounts increased year over year due to product mix. For operating leases, compensation for the difference between the market rental rates and the amounts paid by the customers of CNH North America was \$8.4 million and \$25.5 million for the three and nine months ended September 30, 2013, respectively, representing increases of \$0.8 million and \$3.4 million from the same periods in 2012. These increases were primarily due to higher originations.

Rental income on operating leases for the three and nine months ended September 30, 2013 was \$34.8 million and \$102.0 million, respectively, compared to \$33.7 million and \$99.7 million from the same periods in 2012. The third quarter increase was due to a \$6.3 million favorable impact from higher average earning assets, partially offset by a \$5.1 million unfavorable impact from lower interest rates on new and existing operating leases. The year-to-date increase was due to a \$17.2 million favorable impact from higher average earning assets, partially offset by a \$14.9 million unfavorable impact from lower interest rates on new and existing operating leases.

Expenses

Expenses for the three and nine months ended September 30, 2013 and 2012 were as follows (dollars in thousands):

| | Three Months Ended September 30, | | | |
|---|----------------------------------|------------------|-------------------|---------------|
| | 2013 | 2012 | \$ Change | % Change |
| Total interest expense | \$ 64,997 | \$ 61,514 | \$ 3,483 | 5.7% |
| Fees charged by affiliates | 14,082 | 14,912 | (830) | (5.6) |
| Provision for credit losses, net | 1,891 | 12,080 | (10,189) | (84.3) |
| Depreciation of equipment on operating leases | 28,553 | 27,021 | 1,532 | 5.7 |
| Other expenses | 7,809 | 8,158 | (349) | (4.3) |
| Total expenses | \$117,332 | \$123,685 | \$ (6,353) | (5.1)% |

| | Nine Months Ended September 30, | | | |
|---|---------------------------------|------------------|--------------------|---------------|
| | 2013 | 2012 | \$ Change | % Change |
| Total interest expense | \$187,404 | \$190,404 | \$ (3,000) | (1.6)% |
| Fees charged by affiliates | 44,490 | 47,195 | (2,705) | (5.7) |
| (Benefit) provision for credit losses, net | (5,469) | 15,818 | (21,287) | (134.6) |
| Depreciation of equipment on operating leases | 83,930 | 80,415 | 3,515 | 4.4 |
| Other expenses | 24,884 | 26,185 | (1,301) | (5.0) |
| Total expenses | \$335,239 | \$360,017 | \$ (24,778) | (6.9)% |

Interest expense totaled \$65.0 million and \$187.4 million for the three and nine months ended September 30, 2013, respectively, compared to \$61.5 million and \$190.4 million for the same periods in 2012. For the third quarter, the increase was due to a \$7.8 million unfavorable impact from higher average total debt, partially offset by a \$4.3 million favorable impact from lower average interest rates. For the nine months, the decrease was due to a \$25.5 million favorable impact from lower average interest rates, partially offset by a \$22.5 million unfavorable impact from higher average total debt.

For the three and nine months ended September 30, 2013, credit losses were a provision of \$1.9 million and a benefit of \$5.5 million, respectively, compared to a provision of \$12.1 million and \$15.8 million for the same periods in 2012. The decrease in provisions, for both the three and nine month periods, were primarily due to the improved portfolio performance and collections from certain customers previously identified as impaired.

The effective tax rate for the three months ended September 30, 2013 and 2012 was 35.2% and 34.8%, respectively. The effective tax rate was 34.1% for the nine month period ended September 30, 2013, compared to 35.2% for the same period in 2012. The lower rate for the nine month period in 2013 was primarily due to the retroactive reinstatement of the exception to U.S. taxation of active financing income as a result of the American Taxpayer Relief Act of 2012 for approximately \$2.7 million and changes in the geographic mix of income earned within the U.S. and Canada.

Receivables and Equipment on Operating Leases Originated and Held

Receivable and equipment on operating lease originations for the three and nine months ended September 30, 2013 and 2012 were as follows (dollars in thousands):

| | Three Months Ended September 30, | | \$ Change | % Change |
|---|-------------------------------------|---------------------|------------------|-------------|
| | 2013 | 2012 | | |
| Retail receivables | \$1,237,806 | \$1,070,765 | \$167,041 | 15.6% |
| Wholesale receivables | 3,562,264 | 3,653,879 | (91,615) | (2.5) |
| Other receivables | 270,487 | 279,301 | (8,814) | (3.2) |
| Equipment on operating leases | 127,328 | 125,362 | 1,966 | 1.6 |
| Total originations | <u>\$5,197,885</u> | <u>\$5,129,307</u> | <u>\$ 68,578</u> | <u>1.3%</u> |
| | Nine Months Ended September 30, | | \$ Change | % Change |
| | 2013 | 2012 | | |
| Retail receivables | \$ 3,364,822 | \$ 2,868,004 | \$496,818 | 17.3% |
| Wholesale receivables | 10,611,711 | 10,244,168 | 367,543 | 3.6 |
| Other receivables | 718,607 | 751,903 | (33,296) | (4.4) |
| Equipment on operating leases | 390,759 | 308,195 | 82,564 | 26.8 |
| Total originations | <u>\$15,085,899</u> | <u>\$14,172,270</u> | <u>\$913,629</u> | <u>6.4%</u> |

For the nine months ended September 30, 2013 compared to the same period in 2012, the increase in originations was primarily due to increased unit sales of CNH North America equipment.

Total receivables and equipment on operating leases held as of September 30, 2013, December 31, 2012 and September 30, 2012 were as follows (in thousands):

| | September 30, 2013 | December 31, 2012 | September 30, 2012 |
|---|-----------------------|----------------------|-----------------------|
| Retail receivables | \$ 8,157,358 | \$ 7,363,384 | \$ 6,963,049 |
| Wholesale receivables | 4,318,968 | 3,265,173 | 3,907,828 |
| Other | 287,055 | 226,039 | 314,260 |
| Equipment on operating leases | <u>885,538</u> | <u>754,371</u> | <u>738,517</u> |
| Total receivables and equipment on operating leases | <u>\$13,648,919</u> | <u>\$11,608,967</u> | <u>\$11,923,654</u> |

The total retail receivables balance greater than 30 days past due as a percentage of the retail receivables was 0.5%, 0.7% and 0.9% at September 30, 2013, December 31, 2012 and September 30, 2012, respectively. During those same periods, the total wholesale receivables balances greater than 30 days past due as a percentage of the wholesale receivables were not significant. Total retail receivables on nonaccrual status, which represent receivables for which we have ceased accruing finance income, were \$31.7 million, \$29.3 million and \$38.3 million at September 30, 2013, December 31, 2012 and September 30, 2012, respectively. Total wholesale receivables on nonaccrual status were \$29.0 million, \$61.2 million and \$81.2 million at September 30, 2013, December 31, 2012 and September 30, 2012, respectively.

Total receivable write-off amounts and recoveries, by product for the three and nine months ended September 30, 2013 and 2012 were as follows (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|--|----------|---------------------------------------|----------|
| | 2013 | 2012 | 2013 | 2012 |
| Write-offs: | | | | |
| Retail | \$ 2,567 | \$ 3,067 | \$ 7,819 | \$24,456 |
| Wholesale | — | 98 | 127 | 136 |
| Other | 1,478 | 1,852 | 4,407 | 6,220 |
| Total write-offs | 4,045 | 5,017 | 12,353 | 30,812 |
| Recoveries: | | | | |
| Retail | (1,100) | (1,063) | (2,882) | (3,942) |
| Wholesale | (332) | (64) | (573) | (166) |
| Other | (754) | (894) | (2,349) | (2,396) |
| Total recoveries | (2,186) | (2,021) | (5,804) | (6,504) |
| Write-offs, net of recoveries: | | | | |
| Retail | 1,467 | 2,004 | 4,937 | 20,514 |
| Wholesale | (332) | 34 | (446) | (30) |
| Other | 724 | 958 | 2,058 | 3,824 |
| Total write-offs, net of recoveries | \$ 1,859 | \$ 2,996 | \$ 6,549 | \$24,308 |

Our allowance for credit losses on all receivables financed totaled \$109.3 million at September 30, 2013, \$122.3 million at December 31, 2012 and \$98.4 million at September 30, 2012. The level of the allowance is based on many quantitative and qualitative factors, including historical loss experience by product category, portfolio duration, delinquency trends, economic conditions and credit risk quality. We believe our allowance is sufficient to provide for losses in our existing receivable portfolio.

Year Ended December 31, 2012 Compared to Year Ended December 31, 2011

Revenues

Revenues for the years ended December 31, 2012 and 2011 were as follows (dollars in thousands):

| | 2012 | 2011 | \$ Change | % Change |
|--|-----------|-----------|-----------|----------|
| Interest income on retail and other notes and finance leases | \$240,657 | \$238,330 | \$ 2,327 | 1.0% |
| Interest and other income from affiliates | 392,463 | 382,006 | 10,457 | 2.7 |
| Rental income on operating leases | 133,806 | 137,729 | (3,923) | (2.8) |
| Servicing fee income | 940 | 1,747 | (807) | (46.2) |
| Other income | 66,138 | 71,187 | (5,049) | (7.1) |
| Total revenues | \$834,004 | \$830,999 | \$ 3,005 | 0.4% |

Revenues totaled \$834.0 million for the year ended December 31, 2012 compared to \$831.0 million for the year ended December 31, 2011. A higher average portfolio primarily drove the year over year increase, partially offset by a decrease in our average yield. The average yield for retail and other notes, finance leases, wholesale receivables and commercial revolving accounts receivables was 6.2% for the year ended December 31, 2012 compared to 6.9% for the year ended December 31, 2011.

Interest income on retail and other notes and finance leases for the year ended December 31, 2012 was \$240.7 million, representing an increase of \$2.3 million from the year ended December 31, 2011.

The increase was primarily due to a \$42.0 million favorable impact from higher average earning assets, partially offset by a \$39.7 million unfavorable impact from lower interest rates.

Interest and other income from affiliates for the year ended December 31, 2012 was \$392.5 million compared to \$382.0 million for the year ended December 31, 2011. Compensation from CNH North America for retail low-rate financing programs and interest waiver programs offered to customers was \$210.0 million and \$216.5 million for the years ended December 31, 2012 and 2011, respectively, with the decrease primarily due to lower interest rates charged. Compensation from CNH North America for the difference between the market rental rates and the amounts paid by the customers of CNH North America for operating leases was \$30.4 million and \$26.5 million for the years ended December 31, 2012 and 2011, respectively, with the increase primarily due to higher originations of equipment on operating leases. For the year ended December 31, 2012, compensation from CNH North America for wholesale marketing programs was \$149.0 million compared to \$135.3 million for the prior year. The increase was primarily due to higher average earning wholesale assets.

Rental income on operating leases for the year ended December 31, 2012 was \$133.8 million, a decrease of \$3.9 million from the year ended December 31, 2011. The decrease was primarily due to a \$17.3 million unfavorable impact from lower rates on new and existing operating leases, partially offset by a \$13.4 million favorable impact from higher average earning assets.

Expenses

Interest expense totaled \$254.1 million for the year ended December 31, 2012 compared to \$268.8 million for the year ended December 31, 2011. The decrease was primarily due to a \$42.1 million favorable impact from lower average interest rates, partially offset by a \$27.4 unfavorable impact from higher average debt. The average interest rate was 1.8% for the year ended December 31, 2012 compared to 2.1% for the year ended December 31, 2011.

Administrative and operating expenses were \$250.2 million for the year ended December 31, 2012 compared to \$242.6 million for the year ended December 31, 2011. The increase was primarily due to an increase of \$11.7 million in the provision for credit losses, partially offset by a reduction of \$2.5 million in depreciation of equipment on operating leases.

The provision for credit losses for the year ended December 31, 2012 totaled \$44.6 million compared to \$32.9 million for the year ended December 31, 2011. The increase was primarily due to higher portfolio growth, as well as higher expected loss rates on the portfolio primarily as a result of the impact of the U.S. drought.

The provision for income taxes was \$116.1 million in 2012, resulting in a 35.2% effective tax rate, compared to a provision for income taxes of \$118.1 million and a 36.9% effective tax rate in 2011. The decrease in the effective tax rate was primarily due to the change in geographic mix of income earned within the U.S.

Receivables and Equipment on Operating Leases Originated and Held

Receivables and equipment on operating lease originations for the years ended December 31, 2012 and 2011 were as follows (dollars in thousands):

| | 2012 | 2011 | \$ Change | % Change |
|---|---------------------|---------------------|--------------------|-----------------|
| Retail receivables | \$ 4,416,370 | \$ 3,777,794 | \$ 638,576 | 16.9% |
| Wholesale receivables | 14,259,198 | 13,308,030 | 951,168 | 7.1 |
| Other | 963,659 | 951,084 | 12,575 | 1.3 |
| Equipment on operating leases | 459,477 | 386,361 | 73,116 | 18.9 |
| Total originations | \$20,098,704 | \$18,423,269 | \$1,675,435 | 9.1% |

Retail and wholesale receivable originations increased in 2012 compared to 2011, primarily due to increased unit sales of CNH North America equipment. The increase in equipment on operating lease originations for 2012 compared to 2011 was due to the mix of leasing programs offered.

Total receivables and equipment on operating leases held as of December 31, 2012 and 2011 were as follows (dollars in thousands):

| | 2012 | 2011 | \$ Change | % Change |
|--|---------------------|---------------------|--------------------|-----------------|
| Retail receivables | \$ 7,363,384 | \$ 6,258,289 | \$1,105,095 | 17.7% |
| Wholesale receivables | 3,265,173 | 2,972,116 | 293,057 | 9.9 |
| Other | 226,039 | 262,817 | (36,778) | (14.0) |
| Equipment on operating leases | 754,371 | 647,617 | 106,754 | 16.5 |
| Total receivables and equipment on operating leases | \$11,608,967 | \$10,140,839 | \$1,468,128 | 14.5% |

The total retail receivables balance greater than 30 days past due as a percentage of the retail receivables was 0.7% and 1.0% at December 31, 2012 and 2011, respectively. Market conditions generally continued to improve and stabilize in the agricultural and construction equipment sectors during the relevant periods. The total wholesale receivables balance greater than 30 days past due as a percentage of the wholesale receivables was not significant with respect to any of the foregoing periods. Total retail receivables on nonaccrual status, which represent receivables for which we have ceased accruing finance income were \$29.3 million and \$55.5 million at December 31, 2012 and 2011, respectively. Total wholesale receivables on nonaccrual status were \$61.2 million and \$54.4 million at December 31, 2012 and 2011, respectively.

Total receivable write-off amounts and recoveries, by product for the years ended December 31, 2012 and 2011 were as follows (in thousands):

| | 2012 | 2011 |
|---|-----------------|-----------------|
| Write-offs: | | |
| Retail | \$28,238 | \$27,770 |
| Wholesale | 1,857 | 12,613 |
| Other | <u>7,906</u> | <u>12,770</u> |
| Total write-offs | <u>38,001</u> | <u>53,153</u> |
| Recoveries: | | |
| Retail | (5,206) | (5,850) |
| Wholesale | (312) | (447) |
| Other | <u>(3,276)</u> | <u>(3,431)</u> |
| Total recoveries | <u>(8,794)</u> | <u>(9,728)</u> |
| Write-offs, net of recoveries: | | |
| Retail | 23,032 | 21,920 |
| Wholesale | 1,545 | 12,166 |
| Other | <u>4,630</u> | <u>9,339</u> |
| Total write-offs, net of recoveries | <u>\$29,207</u> | <u>\$43,425</u> |

The increase in retail write-offs in 2012 was due to the write-off of one retail customer (\$13.8 million) in a non-core business that we have exited and for which a full reserve had been made. Higher wholesale write-offs for 2011 were primarily due to losses incurred with one dealer.

Our allowance for credit losses on all receivables financed totaled \$122.3 million at December 31, 2012 and \$106.7 million at December 31, 2011. The level of the allowance is based on quantitative and qualitative factors, including historical loss experience by product category, portfolio duration, delinquency trends, economic conditions and credit risk. We believe our allowance is sufficient to provide for incurred losses in our existing receivable portfolio.

Year Ended December 31, 2011 Compared to Year Ended December 31, 2010

Revenues

Revenues for the years ended December 31, 2011 and 2010 were as follows (dollars in thousands):

| | 2011 | 2010 | \$ Change | % Change |
|--|------------------|------------------|-------------------|-----------------|
| Interest income on retail and other notes and finance leases | | | | |
| Interest and other income from affiliates | \$238,330 | \$267,551 | \$(29,221) | (10.9)% |
| Rental income on operating leases | 382,006 | 376,383 | 5,623 | 1.5 |
| Gain on retail notes, wholesale receivables and commercial revolving accounts sold | 137,729 | 140,989 | (3,260) | (2.3) |
| Servicing fee income | — | 38 | (38) | N/M |
| Other income | 1,747 | 3,340 | (1,593) | (47.7) |
| Total revenues | <u>\$830,999</u> | <u>\$863,551</u> | <u>\$(32,552)</u> | <u>(3.8)%</u> |

Revenues totaled \$831.0 million for the year ended December 31, 2011 compared to \$863.6 million for the year ended December 31, 2010. The decrease was primarily due to the decrease in interest income on retail and wholesale receivables.

Interest income on retail and other receivables and finance leases for the year ended December 31, 2011 was \$238.3 million, a decrease of \$29.2 million from the year ended December 31, 2010. The decrease was primarily due to a \$54.5 million unfavorable impact from lower interest rates on new and existing retail and wholesale receivables, partially offset by a \$25.3 million favorable impact from higher average earning assets. The average yield was 6.8% for the year ended December 31, 2011 compared to 7.1% for the year ended December 31, 2010.

Interest and other income from affiliates for the year ended December 31, 2011 was \$382.0 million compared to \$376.4 million for the year ended December 31, 2010. Compensation from CNH North America for retail low-rate financing programs and interest waiver programs offered to customers was \$216.5 million and \$227.2 million, respectively, with the decrease primarily due to a decrease in marketing programs. Compensation from CNH North America for the difference between the market rental rates and the amounts paid by the customers of CNH North America for operating leases was \$26.5 million and \$22.3 million, with the increase primarily due to higher originations of equipment on operating leases. Compensation from CNH North America for wholesale marketing programs was \$135.3 million compared to \$115.4 million for the prior year. The increase was primarily due to higher average earning wholesale assets.

Rental income on operating leases for the year ended December 31, 2011 was \$137.7 million, a decrease of \$3.3 million from the year ended December 31, 2010. The decrease was primarily due to a \$1.6 million favorable impact in higher average earning assets, offset by a \$4.9 million unfavorable impact from lower interest rates.

Expenses

Interest expense totaled \$268.8 million for the year ended December 31, 2011 compared to \$313.0 million for the year ended December 31, 2010. The decrease was primarily due to lower average interest rates, partially offset by an increase in average debt.

Administrative and operating expenses were \$242.6 million for the year ended December 31, 2011 compared to \$303.0 million for the year ended December 31, 2010. The decrease was primarily due to a reduction of \$43.5 million in the provision for credit losses and a reduction of \$7.5 million in depreciation of equipment on operating leases.

The provision for credit losses for the year ended December 31, 2011 totaled \$32.9 million compared to \$76.4 million for the year ended December 31, 2010. The decrease was primarily due to lower loss rates on construction equipment retail receivables and improvements in the delinquency rates of the retail portfolio.

The provision for income taxes was \$118.1 million in 2011 (for a 36.9% effective rate) compared to \$85.1 million in 2010 (for a 34.4% effective rate). The increase in the effective tax rate was primarily due to the geographic mix of income earned within the U.S.

Receivables and Equipment on Operating Leases Originated and Held

Receivables and equipment on operating lease originations and balances held for the years ended December 31, 2011 and 2010 were as follows (dollars in thousands):

| | 2011 | 2010 | \$ Change | % Change |
|-------------------------------------|---------------------|---------------------|--------------------|-----------------|
| Retail receivables | \$ 3,777,794 | \$ 3,292,071 | \$ 485,723 | 14.8% |
| Wholesale receivables | 13,308,030 | 11,507,312 | 1,800,718 | 15.6 |
| Other | 951,084 | 934,259 | 16,825 | 1.8 |
| Equipment on operating leases . . . | 386,361 | 356,902 | 29,459 | 8.3 |
| Total originations | <u>\$18,423,269</u> | <u>\$16,090,544</u> | <u>\$2,332,725</u> | <u>14.5%</u> |

Retail receivables originations increased in 2011 compared to 2010, primarily due to increases in retail sales of CNH North America equipment. Wholesale receivables originations increased primarily due to an increase in net sales of CNH North America equipment.

Total receivables and equipment on operating leases held as of December 31, 2011 and 2010 were as follows (dollars in thousands):

| | 2011 | 2010 | \$ Change | % Change |
|--|---------------------|--------------------|------------------|-----------------|
| Retail receivables | \$ 6,258,289 | \$5,708,497 | \$549,792 | 9.6% |
| Wholesale receivables | 2,972,116 | 2,757,048 | 215,068 | 7.8 |
| Other | 262,817 | 280,398 | (17,581) | (6.3) |
| Equipment on operating leases | 647,617 | 613,893 | 33,724 | 5.5 |
| Total receivables and equipment on operating leases | <u>\$10,140,839</u> | <u>\$9,359,836</u> | <u>\$781,003</u> | <u>8.3%</u> |

The total retail receivables balance greater than 30 days past due as a percentage of the retail receivables portfolio was 1.0% and 2.1% at December 31, 2011 and 2010, respectively. The total wholesale receivables balance greater than 30 days past due as a percentage of the wholesale receivables portfolio was not significant with respect to either of the foregoing periods. Total retail receivables on non-accrual status, which represent receivables for which we have ceased accruing finance income, were \$55.5 million and \$51.4 million at December 31, 2011 and 2010, respectively. Total wholesale receivables on non-accrual status were \$54.4 million and \$62.3 million at December 31, 2011 and 2010, respectively.

Total receivable write-off amounts and recoveries, by product, for the 2011 and 2010 fiscal years were as follows (in thousands):

| | 2011 | 2010 |
|---|------------------------|------------------------|
| Write-offs: | | |
| Retail | \$27,770 | \$64,276 |
| Wholesale | 12,613 | 11,635 |
| Other | <u>12,770</u> | <u>18,290</u> |
| Total write-offs | <u>53,153</u> | <u>94,201</u> |
| Recoveries: | | |
| Retail | (5,850) | (3,994) |
| Wholesale | (447) | (387) |
| Other | <u>(3,431)</u> | <u>(3,685)</u> |
| Total recoveries | <u>(9,728)</u> | <u>(8,066)</u> |
| Write-offs, net of recoveries: | | |
| Retail | 21,920 | 60,282 |
| Wholesale | 12,166 | 11,248 |
| Other | <u>9,339</u> | <u>14,605</u> |
| Total write-offs, net of recoveries | <u><u>\$43,425</u></u> | <u><u>\$86,135</u></u> |

The decrease in retail write-offs in 2011 was consistent with improved conditions in the construction market and favorable delinquency trends in both the agricultural and construction equipment receivable portfolios compared to 2010.

Our allowance for credit losses on all receivables financed totaled \$106.7 million at December 31, 2011 and \$118.7 million at December 31, 2010. The level of the allowance is based on many quantitative and qualitative factors, including historical loss experience by product category, portfolio duration, delinquency trends, economic conditions and credit risk quality. We believe our allowance is sufficient to provide for incurred losses in our existing receivable portfolio.

Liquidity and Capital Resources

The following discussion of liquidity and capital resources focuses principally on our statements of cash flows, balance sheets and capitalization. CNH Capital's current funding strategy is to maintain sufficient liquidity and flexible access to a wide variety of financial instruments and funding options.

In the past, securitization has been one of our most economical sources of funding and, therefore, the majority of our originated receivables were securitized, with the cash generated from such receivables utilized to repay the related debt. We expect securitization to continue to represent a substantial portion of our capital structure.

In addition, we have committed secured and unsecured facilities, unsecured bonds, affiliate borrowings and cash to fund our liquidity and capital needs.

Since 2011, we have accessed the unsecured bond market in order to add more diversity to our funding resources. Our outstanding unsecured senior notes totaled \$1.85 billion as of September 30, 2013. We expect continued changes to our funding profile, with less reliance on the securitization market, as costs and terms of accessing the unsecured term market continue to improve.

Cash Flows

| | For the Nine Months Ended September 30, | | For the Years Ended December 31, | | |
|-----------------------------------|---|---------------------|----------------------------------|-------------------|------------------|
| | 2013 | 2012 | 2012 | 2011 | 2010 |
| | (in thousands) | | | | |
| Cash Flows provided by (used in): | | | | | |
| Operating activities | \$ 443,459 | \$ 510,526 | \$ 526,581 | \$ 465,102 | \$ 357,027 |
| Investing activities | (2,090,310) | (1,692,222) | (1,501,609) | (966,553) | (556,891) |
| Financing activities | 1,092,305 | 880,525 | 1,166,848 | 674,752 | 222,641 |
| Net cash increase (decrease) ... | <u>\$ (554,546)</u> | <u>\$ (301,171)</u> | <u>\$ 191,820</u> | <u>\$ 173,301</u> | <u>\$ 22,777</u> |

Operating activities in the nine months ended September 30, 2013 generated cash of \$443 million, resulting primarily from net income of \$198 million, a decrease in affiliated accounts and notes receivables of \$81 million, a decrease in other assets and equipment held for sale of \$26 million and an increase in accounts payable and other accrued liabilities of \$56 million. Cash generated from operating activities in the nine months ended September 30, 2013 decreased, compared to the nine months ended September 30, 2012, primarily due to a lower reduction in affiliated accounts and notes receivables and other assets and equipment held for sale, partially offset by a decrease in payments of accounts payable and other accrued liabilities.

Cash flows used in investing activities in the nine months ended September 30, 2013 totaled \$2,090 million, resulting primarily from a net growth in receivables of \$1,990 million and from \$391 million in expenditures for equipment on operating leases, partially offset by a decrease in restricted cash of \$123 million and proceeds from the sale of equipment on operating leases of \$168 million. The increase of cash used in investing activities in the nine months ended September 30, 2013, compared to the nine months ended September 30, 2012, was primarily due to a higher net growth in receivables.

Financing activities in the nine months ended September 30, 2013 generated cash of \$1,092 million, resulting primarily from net cash received of \$1,490 million from long-term debt, partially offset by net cash paid of \$88 million for affiliated debt, \$110 million in payment on short-term borrowings and \$200 million in dividends paid to CNH America. The increase in cash from financing activities in the nine months ended September 30, 2013, compared to the nine months ended

September 30, 2012, was primarily due to a higher increase in net cash received from long-term debt, partially offset by increased payments of affiliated debt and revolving credit facilities and the dividend paid to CNH America.

Operating activities in the year ended December 31, 2012 generated cash of \$527 million, resulting primarily from net income of \$214 million, a decrease in affiliated accounts and notes receivables of \$99 million and a decrease in other assets and equipment held for sale of \$60 million, partially offset by a decrease in accounts payable and other accrued liabilities of \$13 million. The increase in cash provided by operating activities in 2012 compared to 2011 was primarily due to a \$87 million improvement in working capital. Operating activities in 2011 generated \$465 million of cash, resulting primarily from net income of \$202 million, adjusted by depreciation and amortization of \$112 million and deferred income tax expense of \$59 million. The increase of cash generated from operating activities in 2011 compared to 2010 was primarily due to the increase in net income of \$39 million and a \$114 million improvement in working capital.

Net cash flows used in investing activities in the year ended December 31, 2012 totaled \$1,502 million, resulting primarily from a net growth in receivables of \$1,333 million, \$460 million in expenditures for equipment on operating leases and \$3 million in purchases of software, partially offset by a decrease in restricted cash of \$44 million and proceeds from the sale of equipment on operating leases of \$250 million. The increase in cash used by investing activities in 2012 compared to 2011 was primarily due to an increase in net growth in receivables. Cash flows used by investing activities in 2011 totaled \$967 million, resulting from a net growth in receivables of \$819 million and \$386 million in expenditures for equipment on operating leases, partially offset by proceeds from the sale of equipment on operating leases of \$238 million. Cash flows used by investing activities in 2010 totaled \$557 million, resulting from a net growth in receivables of \$278 million, \$357 million in expenditures for equipment on operating leases, and a \$146 million increase in restricted cash, partially offset by proceeds from the sale of equipment on operating lease of \$226 million. The increase in cash flows used by investing activities for 2011 compared to 2010 was primarily due to an increase in the net growth in receivables.

Net cash flows of \$1,167 million from financing activities in the year ended December 31, 2012 primarily reflected the net cash received of \$6,056 million from affiliated debt, long-term debt and short-term borrowings and net cash paid of \$4,889 million for affiliated and long-term debt. The increase in cash provided by financing activities in 2012 compared to 2011 was primarily due to reduced net payments of affiliated debt and the absence of a dividend paid in 2012. Cash provided by financing activities in 2011 of \$675 million primarily reflected the \$5,579 million issuance of long term debt, revolving credit facilities and affiliated debt, partially offset by payments of \$4,819 million to reduce long term and affiliated debt and a payment of \$85 million of cash dividends to CNH America. Cash provided by financing activities in 2010 of \$223 million primarily reflected the net \$1,074 million issuance of long term debt and revolving credit facilities, partially offset by payments of \$556 million to reduce affiliated debt and a payment of \$295 million of cash dividends to CNH America. The increase in cash provided by financing activities in 2011 compared to 2010 was primarily due to a reduction in dividends paid of \$210 million and net cash from funding transactions.

Securitization

CNH Capital and its predecessor entities have been securitizing receivables since 1992. Because this market generally remains a cost-effective financing source and allows access to a wide investor base, we expect to continue utilizing securitization as one of our core sources of funding in the near future. CNH Capital has completed public and private issuances of asset-backed securities in both the U.S. and Canada and, as of September 30, 2013, the amounts outstanding were approximately \$6.5 billion.

We will strive to continue to tailor our transactions to applicable market conditions while optimizing economic terms and reducing execution risks.

Committed Asset-Backed Facilities

CNH Capital has committed asset-backed facilities with several banks, primarily through their commercial paper conduit programs. Committed asset-backed facilities for the U.S. and Canada totaled \$3.8 billion at September 30, 2013, with original borrowing maturities of up to two years. The unused availability under the facilities varies during the year, depending on origination volume and the refinancing of receivables with term securitization transactions and/or other financing. At September 30, 2013, approximately \$0.9 billion of funding was available for use under these facilities.

Unsecured Funding

As of September 30, 2013, we had outstanding unsecured senior notes of \$750.0 million at an annual fixed rate of 3.875% due 2015, \$500.0 million at an annual fixed rate of 6.250% due 2016 and \$600.0 million at an annual fixed rate of 3.625% due 2018.

On October 8, 2013, CNH Capital LLC completed an offering of \$500.0 million in aggregate principal amount of its 3.250% unsecured notes due 2017, issued at par.

Affiliate Sources

CNH Capital borrows, as needed, from CNH Industrial. This source of funding is primarily used to finance various on-book assets and provides additional flexibility when evaluating market conditions and potential third-party financing options. We have obtained financing from CNHI treasury subsidiaries and, from time to time, have entered into term loan agreements. At September 30, 2013, affiliated debt was \$772.7 million, down from \$864.0 million at December 31, 2012.

Equity Position

Our equity position also supports our capabilities to access various funding sources. Our stockholder's equity at both September 30, 2013 and December 31, 2012 was \$1.5 billion.

Liquidity

The vast majority of CNH Capital's debt is self-liquidating from the cash generated by the underlying amortizing receivables. Normally, additional liquidity should not be necessary for the repayment of such debt. New originations of retail receivables are usually warehoused in committed asset-backed facilities until being refinanced in the term ABS market or with other third-party debt. New wholesale receivables are typically financed through a master trust and funded by variable funding notes or on a term basis. Cash and commitments under the facilities shown in the table below totaled \$4.9 billion, of which \$1.5 billion was available for use at September 30, 2013.

| | (in thousands) |
|--|---------------------------|
| Cash, cash equivalents and restricted cash | \$ 831,221 |
| Committed asset-backed facilities | 3,753,986 |
| Committed unsecured facilities | <u>350,000</u> |
| | |
| Total cash and facilities | 4,935,207 |
| Less: restricted cash | 599,854 |
| Less: facilities utilization | <u>2,869,142</u> |
| | |
| Total available for use | <u><u>\$1,466,211</u></u> |

The liquidity available for use varies due to changes in origination volumes, reflecting the financing needs of our customers, and is influenced by the timing of any refinancing of underlying receivables in the term market.

In connection with a limited number of funding transactions, we provide financial guarantees to various parties on behalf of certain foreign financial services subsidiaries of CNHI for approximately \$272.6 million.

Debt

Our consolidated debt as of September 30, 2013 and December 31, 2012 is set forth in the table below (in thousands):

| | September 30, 2013 | December 31, 2012 |
|--|-------------------------------|------------------------------|
| Short-term debt (including current maturities of long-term debt) | \$ 4,173,609 | \$ 4,230,237 |
| Long-term debt | <u>7,694,301</u> | <u>6,321,551</u> |
| Total third-party debt | 11,867,910 | 10,551,788 |
| Affiliated debt | <u>772,689</u> | <u>864,032</u> |
| Total debt | <u>\$12,640,599</u> | <u>\$11,415,820</u> |

The majority of our debt is secured third-party financing, including borrowings under committed asset-backed facilities and issuance of term securitization transactions.

Cash, Cash Equivalents and Restricted Cash

The following table shows cash and cash equivalents and restricted cash as of September 30, 2013 and December 31, 2012 (in thousands):

| | September 30, 2013 | December 31, 2012 |
|-------------------------------------|-------------------------------|------------------------------|
| Cash and cash equivalents | \$231,367 | \$ 785,913 |
| Restricted cash | <u>599,854</u> | <u>727,186</u> |
| Total cash | <u>\$831,221</u> | <u>\$1,513,099</u> |

Cash and cash equivalents and restricted cash are comprised of all highly liquid investments with short-term original maturities. See “Liquidity and Capital Resources—Cash Flows” for further discussion of the change in our cash position.

Restricted cash is principally held by depository banks in order to comply with securitization contractual agreements, such as providing cash reserve accounts for the benefit of securitization investors.

On May 31, 2013, CNH Capital LLC paid a dividend of \$200.0 million to CNH America.

Off-Balance Sheet Arrangements

We disclose our off-balance sheet arrangements in the notes to our consolidated financial statements. For more information, please see “Note 3: Receivables” to our audited consolidated financial statements for the year ended December 31, 2012 and “Note 4: Receivables” to our unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2013.

Contractual Obligations

The following table sets forth the aggregate amounts of our contractual obligations and commitments as of December 31, 2012 with definitive payment terms that will require significant cash outlays in the future (in thousands).

| | Payments Due by Period | | | | |
|---|------------------------|--------------------|--------------------|--------------------|-----------------|
| | Total | Less than 1 year | 1 - 3 years | 4 - 5 years | After 5 years |
| Short-term and long-term debt(1) | \$10,551,788 | \$4,230,237 | \$4,450,485 | \$1,830,506 | \$40,560 |
| Affiliated debt | 864,032 | 864,032 | — | — | — |
| Interest on fixed rate debt(2) | 495,436 | 141,745 | 256,719 | 96,972 | — |
| Interest on floating rate debt(2) | 342,663 | 72,801 | 142,977 | 126,005 | 880 |
| Operating leases(3) | 12,500 | 2,500 | 7,500 | 2,500 | — |
| Total contractual obligations | <u>\$12,266,419</u> | <u>\$5,311,315</u> | <u>\$4,857,681</u> | <u>\$2,055,983</u> | <u>\$41,440</u> |

(1) Short-term debt shown as less than one year includes current maturities of long-term debt of \$2,131,521.

(2) The interest funding requirements are based on the year-end 2012 interest rates.

(3) Minimum rental commitments.

See “Liquidity and Capital Resources—Debt” for information relating to our consolidated debt as of September 30, 2013.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues and expenses during the reported periods. Actual results may differ from these estimates under different assumptions and conditions. Our critical accounting policies and estimates, which require management assumptions and complex judgments, are summarized below.

Allowance for Credit Losses

The allowance for credit losses is our estimate of probable losses for receivables owned by us and consists of two components, depending on whether the receivable has been individually identified as being impaired. The first component of the allowance for credit losses covers the receivables specifically reviewed by management for which we have determined it is probable that we will not collect all of the contractual principal and interest. Receivables are individually reviewed for impairment based on, among other items, amounts outstanding, days past due and prior collection history. These receivables are subject to impairment measurement at the loan level based either on the present value of expected future cash flows discounted at the receivables' effective interest rate or the fair value of the collateral for collateral-dependent receivables.

The second component of the allowance for credit losses covers all receivables that have not been individually reviewed for impairment. The allowance for these receivables is based on aggregated portfolio evaluations, generally by financial product. The allowance for retail credit losses is based on loss forecast models that consider a variety of factors that include, but are not limited to, historical loss experience, collateral value, portfolio balance and delinquency. The allowance for wholesale credit losses is based on loss forecast models that consider the same factors as the retail models plus dealer risk ratings. The loss forecast models are updated on a quarterly basis. In addition, qualitative factors that are not fully captured in the loss forecast models, including industry trends, and macroeconomic factors are considered in the evaluation of the adequacy of the allowance for credit losses. These qualitative factors are subjective and require a degree of management judgment.

The total allowance for credit losses at September 30, 2013 and December 31, 2012 and 2011 was \$109.3 million, \$122.3 million and \$106.7 million, respectively. Management's ongoing evaluation of the adequacy of the allowance for credit losses takes into consideration historical loss experience, known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of underlying collateral and current economic conditions.

While management believes it has exercised prudent judgment and applied reasonable assumptions, there can be no assurance that, in the future, changes in economic conditions or other factors will not cause changes in the financial condition of our customers. If the financial condition of some of our customers deteriorates, the timing and level of payments received could be impacted and, therefore, could result in an increase in losses on the current portfolio.

Equipment on Operating Lease Residual Values

We purchase equipment from our dealers and other independent third parties and lease such equipment to retail customers under operating leases. Income from these operating leases is recognized over the term of the lease. Our decision on whether or not to offer lease financing to customers is based, in part, upon estimated residual values of the leased equipment, which are estimated at the lease inception date and periodically updated. Realization of the residual values, a component in the profitability of a lease transaction, is dependent on our ability to market the equipment at lease termination under the then prevailing market conditions. Model changes and updates, as well as market strength and product acceptance, are monitored and adjustments are made to residual values in

accordance with the significance of any such changes. Although realization is not assured, management believes that the estimated residual values are realizable.

Total operating lease residual values at September 30, 2013 and December 31, 2012 and 2011 were \$709 million, \$607.0 million and \$498.2 million, respectively.

Estimates used in determining end-of-lease market values for equipment on operating leases significantly impact the amount and timing of depreciation expense. If future market values for this equipment were to decrease 10% from our present estimates, the total impact would be to increase our depreciation expense on equipment on operating leases by approximately \$71 million. This amount would be charged to depreciation expense during the remaining lease terms such that the net investment in operating leases at the end of the lease terms would be equal to the revised residual values. Initial lease terms generally range from three to four years.

New Accounting Pronouncements

In June 2009, the Financial Accounting Standards Board (“FASB”) issued new accounting guidance which changed the accounting for transfers of financial assets. The guidance eliminated the concept of a qualifying special purpose entity (“QSPE”), changed the requirements for derecognizing financial assets, and required additional disclosures by providing greater transparency about transfers of financial assets, including securitization transactions, and an entity’s continuing involvement in and exposure to the risks related to transferred financial assets.

In June 2009, the FASB also issued new accounting guidance which amended the accounting for VIEs. The guidance changed the criteria for determining whether the consolidation of a VIE is required from a quantitative risk and rewards model to a qualitative model, based on control and economics. The guidance also eliminated the scope exception for QSPEs, increased the frequency for reassessing consolidation of VIEs and created new disclosure requirements about an entity’s involvement in a VIE.

We adopted the new guidance on January 1, 2010. As a significant portion of our securitization trusts and facilities were no longer exempt from consolidation as QSPEs under the guidance, we reassessed these VIEs under the new qualitative model and determined we were the primary beneficiary, as we have both the power to direct the activities of the VIE that most significantly impact the VIE’s economic performance and an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. We consolidated the receivables and related liabilities held by these VIEs based on their carrying amounts, with a decrease to equity as shown in the consolidated statements of changes in stockholder’s equity.

In June 2011, the FASB issued new accounting guidance on the presentation of comprehensive income in financial statements. The new guidance removed current presentation options and required entities to report components of comprehensive income in either a continuous statement of comprehensive income or two separate but consecutive statements. The new reporting required by this accounting guidance has been reflected in our financial statements included elsewhere in this prospectus.

On January 1, 2012, we adopted FASB Accounting Standards Update (“ASU”) No. 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs, which amends Accounting Standards Codification (“ASC”) 820, Fair Value Measurement. This ASU requires the categorization by level for items that are required to be disclosed at fair value and information about transfers between Level 1 and Level 2 and additional disclosure for Level 3 measurements. In addition, the ASU provides guidance on measuring the fair value of financial instruments managed within a portfolio and the application of premiums and discounts on fair value measurements. The adoption did not have a material effect on our consolidated financial statements.

In September 2011, the FASB issued ASU No. 2011-08, Testing Goodwill for Impairment, which amends ASC 350, Intangibles—Goodwill and Other. This ASU gives an entity the option to first assess qualitative factors to determine if goodwill is impaired. The entity may first determine based on qualitative factors if it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. If that assessment indicates no impairment, the first and second steps of the quantitative goodwill impairment test are not required. Although we adopted this ASU and the adoption did not have a material effect on our consolidated financial statements, we also performed an annual impairment review.

In December 2011, the FASB issued ASU No. 2011-11, Disclosures about Offsetting Assets and Liabilities, which amends ASC 210, Balance Sheet. This ASU requires entities to disclose gross and net information about both instruments and transactions eligible for offset in the statement of financial position and those subject to an agreement similar to a master netting arrangement. This includes derivatives and other financial securities arrangements. This ASU has been adopted and did not have a material effect on our consolidated financial statements.

In February 2013, the Financial Accounting Standards Board issued Accounting Standards Update No. 2013-02 (“ASU 2013-02”), Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income. Some of the key amendments require us to present, either on the face of the statement of operations or in the notes, the effects on the line items of net income of significant amounts reclassified out of accumulated other comprehensive, but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For amounts that are not required to be reclassified in their entirety to net income, we are required to cross- reference to other disclosures that provide additional detail about those amounts. ASU 2013-02 became effective for our annual and interim periods beginning January 1, 2013.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to a variety of market risks, primarily changes in interest rates. We monitor our exposure to these risks, and manage the underlying economic exposures on transactions using financial instruments such as forward contracts, interest rate swaps, interest rate caps and forward starting swaps. We do not hold or issue derivatives or other financial instruments for speculation purposes or to hedge translation risks. See “Note 9: Financial Instruments” in the notes to our consolidated financial statements for the year ended December 31, 2012 for a description of our risk management and the methods and assumptions used to determine the fair values of financial instruments.

Interest Rate Risk

We are exposed to market risk from changes in interest rates. We monitor our exposure to this risk and manage the underlying exposure both through the matching of financial assets and liabilities and through the use of financial instruments, including swaps, caps, forward starting swaps, and forward rate agreements for the net exposure. The instruments aim to stabilize funding costs by managing the exposure created by the differing maturities and interest rate structures of our financial assets and liabilities. We do not hold or issue derivative or other financial instruments for speculative purposes.

We monitor interest rate risk to achieve a predetermined level of matching between the interest rate structure of our financial assets and liabilities. Fixed-rate financial instruments, including receivables, debt, ABS securities and other investments, are segregated from floating-rate instruments in evaluating the potential impact of changes in applicable interest rates. A sensitivity analysis was performed to compute the impact on fair value which would be caused by a hypothetical 10% change in the interest rates used to discount each category of financial assets and liabilities. The net impact on the fair value as of September 30, 2013 and December 31, 2012 and 2011, resulting from a hypothetical 10% change in interest rates, would be approximately \$0.7 million, \$0.9 million and \$2.5 million, respectively. For the sensitivity analysis the financial instruments are grouped according to the currency in which financial assets and liabilities are denominated and the applicable interest rate index. As a result, our interest rate risk sensitivity model may overstate the impact of interest rate fluctuations for such financial instruments, as consistently unfavorable movements of all interest rates are unlikely.

BUSINESS

Overview

CNH Capital LLC and its wholly-owned operating subsidiaries, including CNH Capital America, New Holland Credit and CNH Capital Canada, are each a wholly-owned subsidiary of CNH America, which is an indirect wholly-owned subsidiary of CNHI. CNHI is incorporated in and under the laws of The Netherlands.

On January 1, 2011, Fiat effected a “demerger” under Article 2506 of the Italian Civil Code. Pursuant to the demerger, Fiat transferred its ownership interest in Fiat Netherlands to a new holding company, Fiat Industrial, including Fiat’s indirect ownership of CNH Global, as well as Fiat’s truck and commercial vehicles business and its industrial and marine powertrain business. Consequently, as of January 1, 2011, CNH Global became a subsidiary of Fiat Industrial. In connection with the demerger transaction, shareholders of Fiat received shares of the capital stock of Fiat Industrial. Accordingly, as of January 1, 2011 Fiat Industrial owned approximately 89% of the outstanding common shares of CNH Global through Fiat Netherlands. The remaining shares were publicly traded on the New York Stock Exchange.

On September 29, 2013, Fiat Industrial and CNH Global completed a merger to combine their businesses, with CNHI as the surviving entity. The common shares of CNHI are listed on the New York Stock Exchange under the symbol “CNHI,” as well as on the Mercato Telematico Azionario managed by Borsa Italiana.

CNH Industrial’s three sectors design, produce and sell agricultural and construction equipment, trucks and commercial vehicles, and engines and transmissions. CNH North America manufactures agricultural and construction equipment. CNH Capital provides financial services for CNH North America dealers and end-use customers located primarily in the United States and Canada.

CNH Capital offers wholesale financing to CNH North America equipment dealers. Wholesale financing consists primarily of dealer floorplan financing and allows dealers the ability to maintain a representative inventory of products. In addition, CNH Capital provides financing to dealers for equipment used in dealer-owned rental yards, parts inventory, working capital and other financing needs.

CNH Capital also provides and administers retail financing, primarily retail installment sales contracts and finance leases, to end-use customers for the purchase or lease of new and used CNH North America equipment and other agricultural and construction equipment sold primarily through CNH North America dealers and distributors. In addition, CNH Capital purchases equipment from dealers that is leased to retail customers under operating lease agreements. Customers also use CNH Capital’s commercial revolving accounts (“CRA”) to purchase parts, service, rentals, implements, and attachments from CNH North America dealers. CNH Capital also finances a variety of insurance and equipment protection products, including physical damage insurance, extended service coverage, and credit life insurance, for end users and dealers in conjunction with the purchase of new and used equipment that are underwritten through a third-party insurer. As a captive finance company, CNH Capital is reliant on the operations of CNH North America and its dealers and end-use customers.

As a holding company, CNH Capital LLC generally does not conduct operations of its own but relies on its subsidiaries for the generation and distribution of profits. The primary operating subsidiaries of CNH Capital LLC include CNH Capital America, New Holland Credit and CNH Capital Canada. CNH Capital America is the primary financing and business entity of CNH Capital for the United States that enters into retail and wholesale financing arrangements with end-use customers and equipment dealers, while New Holland Credit acts as the servicer for retail and wholesale receivables originated by CNH Capital America. As of September 30, 2013, CNH Capital America and New Holland Credit had total assets of \$5.9 billion and \$0.2 billion, respectively.

CNH Capital's revenue is primarily generated through the income of its portfolio and the income generated through marketing programs with CNH North America. The size of the portfolio is in part related to the level of equipment sales by CNH North America. The portfolio profitability is linked to the credit quality of the borrowers, the value of collateral and the difference between lending and borrowing rates. For the year ended December 31, 2012 and the nine months ended September 30, 2013, the percentage of revenue derived by us from CNH North America and other CNH Industrial affiliates was 47% for both periods.

CNH Industrial's Agricultural and Construction Equipment Operations

CNH Industrial is a leading global capital goods company engaged in the design, production, marketing, sale and financing of agricultural and construction equipment, trucks, commercial vehicles, buses and specialized vehicles for firefighting, defense and other uses, as well as engines and transmissions for those vehicles and engines for marine and power generation applications. CNH Industrial organizes its operations into three operating segments: Agricultural and Construction Equipment, Trucks and Commercial Vehicles, and Powertrain.

Agricultural and Construction Equipment has a global, full-line operation in the agricultural and construction equipment industries, with strong and often leading positions in many geographic and product categories in both of these industries. Agricultural and Construction Equipment's global scope and scale includes integrated engineering, manufacturing, marketing and distribution of equipment on five continents. Agricultural and Construction Equipment markets its products globally through two well-recognized brand families, Case and New Holland. Case IH (along with Steyr in Europe) and New Holland make up the agricultural brand family. Case and New Holland Construction make up the construction equipment brand family.

CNH Industrial believes that it is the most geographically diversified manufacturer and distributor of agricultural and construction equipment. As of December 31, 2012, CNH Global was manufacturing products in 37 facilities throughout the world and distributing products in approximately 170 countries through a network of approximately 11,500 dealers and distributors. Agricultural and Construction Equipment's worldwide manufacturing base includes facilities in Europe, Latin America, North America and Asia. For the year ended December 31, 2012 and the nine months ended September 30, 2013, 44% and 45% of net sales of agricultural and construction equipment were generated in North America, 31% and 26% in Europe, Africa, the Middle East and the Commonwealth of Independent States, 15% and 17% in Latin America and 10% and 12% in Asia Pacific, respectively.

As of September 30, 2013, CNH Industrial had total assets of €40.0 billion and total equity of €5.6 billion. For the nine months ended September 30, 2013, CNH Industrial had net revenues of €18.8 billion, of which €12.1 billion was generated by Agricultural and Construction Equipment (before eliminations), and CNH Industrial had profit attributable to owners of the parent of €616 million.

Business Strategy and Relationship with CNH North America

CNH Capital's business strategy, as a captive finance company, is to remain a growing, financially secure entity in order to support the sales of CNH North America's equipment by providing dealers and end users with a variety of financial products and maintaining strong relationships with those dealers and end users.

CNH Capital is a key financing source for CNH North America end-use customers and dealers. As a captive finance business, we provide critical financing support for CNH North America equipment sales. CNH North America offers subsidized financing programs such as low-rate or interest-free periods and other sales incentive programs. We participate in and receive reimbursement for these programs, which often allow us to offer financing to customers at advantageous interest rates or other

terms (such as longer contract terms, longer warranty terms or gift cards redeemable for parts or services).

Because the use of equipment is typically a key component in producing the end users' source of income, these end users rely heavily on the CNH North America dealer network for replacement equipment purchases, as well as parts and service for existing equipment. CNH Capital supports the relationship between the end users and dealers by providing various financial products and assistance to CNH North America dealers.

CNH Capital's revenue is generated primarily through the profitability of its lending portfolio and the income generated through marketing programs with CNH North America. The size of the lending portfolio is related in part to the level of equipment sales by CNH North America, which is driven in part by the strength of the agricultural and construction markets. The portfolio profitability also is linked to the credit quality of the borrowers, the value of collateral, and the interest rate environment.

The credit quality of the lending portfolio reflects the underwriting standards of CNH Capital, which are developed internally and independent of the sales volume goals of CNH North America. Retail borrowers are generally commercial enterprises and, in many cases, have had a previous borrowing relationship with CNH Capital. Retail receivables are secured by the purchased equipment, which generally has a longer useful life than the term of the receivable. Wholesale financings are likewise secured by the equipment purchased by the dealer.

Maintaining access to various funding sources at competitive rates is a key component of CNH Capital's business strategy.

CNH Capital funds its operations and lending activity through a combination of term receivables securitizations, committed asset-backed facilities, unsecured facilities, secured borrowings, unsecured borrowings, asset sales, affiliate financing and retained earnings. CNH Capital continues to explore ways to diversify sources of funding.

In addition to portfolio quality and funding costs, CNH Capital's long-term profitability is also dependent on service levels and operational effectiveness. CNH Capital performs billing and collection services, customer support, repossession and remarketing functions, reporting and data management operations and marketing activities.

As of September 30, 2013, CNH Capital managed a portfolio of approximately \$13.7 billion.

Although our primary focus is to finance CNH North America manufactured equipment, we also provide retail and wholesale financing related to new and used agricultural and construction equipment manufactured by entities other than CNH North America. We are dependent on CNH North America for substantially all of our business, with revenues related to financing provided to CNH North America dealers and retail customers purchasing and/or leasing from CNH North America dealers accounting for over 90% of our total revenues for each of the years ended December 31, 2010, 2011 and 2012 and with loan portfolios attributable to such financing accounting for over 90% of our total managed receivables as of each of December 31, 2011 and 2012.

For additional information on the products and services offered by CNH Capital, see "—Products and Operations" below.

CNH Capital LLC and CNH Global entered into a support agreement, dated November 4, 2011, pursuant to which CNH Global agreed to, among other things, (a) make cash capital contributions to CNH Capital LLC, to the extent that such payments are necessary to cause the ratio of (i) net earnings available for fixed charges to (ii) fixed charges of CNH Capital LLC and its subsidiaries to be not less than 1.05 for each fiscal quarter of CNH Capital LLC (with such ratio determined, on a consolidated basis and in accordance with U.S. GAAP, for such fiscal quarter and the immediately preceding three fiscal quarters taken as a whole), (b) generally maintain an ownership of at least fifty-one percent

(51%) of the capital stock of CNH Capital LLC having voting power for the election of directors or managers and (c) cause CNH Capital LLC to have, as at the end of any fiscal quarter, a consolidated tangible net worth of at least \$50 million. CNH Global is required to cure, directly or indirectly, any deficiency in the ratio of net earnings available for fixed charges to fixed charges or in the consolidated tangible net worth not later than 90 days following the end of the fiscal quarter in which the deficiency occurred. This support agreement is not intended to be and is not a guarantee by CNH Global of any indebtedness or other obligation of CNH Capital LLC. The obligations of CNH Global to CNH Capital LLC pursuant to this support agreement are to CNH Capital LLC only and do not run to, and are not enforceable directly by, any creditor of CNH Capital LLC. No payment by CNH Global has been required under this support agreement since its inception. Effective as of September 29, 2013, in connection with the merger of CNH Global with and into CNHI, CNHI assumed all of CNH Global's obligations under the support agreement.

Products and Operations

CNH Capital's financing products are categorized into three main sectors: Retail, Wholesale and Other.

Retail Products and Operations

Retail financing products primarily include installment sales contracts, finance leases and operating leases to end-use customers. CNH Capital also provides servicing and collection operations for these products.

CNH Capital finances, or may in the future finance, the following categories of equipment:

- **Agricultural equipment:** tractors, combines, cotton pickers, soil management equipment, planting, seeding and harvesting equipment, hay and forage equipment, crop care equipment (such as sprayers and irrigation equipment), small telescopic handlers and other related equipment or attachments
- **Construction equipment:** excavators, backhoes, wheel loaders, skid steer loaders, tractor loaders, trenchers, horizontal directional drilling equipment, telescopic handlers, forklifts, compaction equipment, crawlers (e.g., bulldozers), cranes and other related equipment or attachments
- **Other equipment:** mowing equipment and related equipment or attachments, trailers and all-terrain vehicles

Retail Installment Sales Contracts and Finance Leases

CNH Capital provides and administers retail financing, primarily retail installment sales contracts and finance leases, to end-use customers for the purchase or lease of new and used CNH North America equipment or other agricultural and construction equipment sold through CNH North America dealers and distributors. In addition, CNH Capital leases equipment to retail customers under operating lease agreements. The terms of these receivables generally range from two to six years, and interest rates on the receivables vary depending on prevailing market interest rates and certain incentive programs offered by CNH North America.

As part of the credit review process, CNH Capital analyzes data regarding the applicant using a credit scoring model that was internally developed by CNH Capital. The model is based on CNH Capital's experience using variables that historically have been predictive of future receivable performance. CNH Capital uses the same credit criteria regardless of the type of receivable or whether the related receivable will be purchased by CNH Capital from a dealer, take the form of a direct receivable payable to CNH Capital from an equipment purchaser, ultimately be sold to a third party, or be held on the books of CNH Capital.

CNH Capital requires each prospective customer to complete a credit application that lists the applicant's credit sources and personal information, and when appropriate the applicant's income, expenses and net worth. In most cases, CNH Capital obtains a credit bureau report on the applicant, or its principals, from an independent credit bureau or checks credit references, which are typically banks, finance companies or suppliers that have furnished credit to the applicant.

The current guidelines that determine the amount that CNH Capital will finance vary based on the applicant's credit history, the type of equipment financed, whether the equipment is new or used, the payment schedule and the payment period. The amount financed may also include the cost of insurance and equipment protection products underwritten through a third-party insurer, which contribute to maintaining the value of the equipment, as well as taxes and administrative and filing fees. CNH Capital does not finance an amount in excess of the total purchase price of the equipment, including actual taxes incurred and the cost of insurance and equipment protection products and administrative and filing fees.

Payment terms are generally structured to take into account the timing of the customer's typical cash inflows, and may include annual, semi-annual, quarterly, or monthly payment schedules. CNH Capital monitors the credit performance of the various payment schedule options and has found that, historically, loans with annual payment schedules are the strongest credit performers.

Retail Servicing and Collections

Retail servicing and collection activities for CNH Capital LLC are generally performed through its subsidiary, New Holland Credit Company, LLC.

When receivables become delinquent, CNH Capital follows a multi-stage collection process. Receivables are considered delinquent as soon as any payment is one day past due. Past due accounts are assigned to collection queues and normal collection procedures are followed. Collectors are generally assigned to specific geographic areas and work closely with local dealers to gather insight into any known regional or borrower difficulties. CNH Capital may consider a change in the payment schedule for a receivable when the delinquency results from a temporary interruption in the customer's cash flow, such as a delay in harvesting due to weather conditions. Given the importance of the equipment to the customer, and based on studies of historical performance data, CNH Capital has determined that providing for limited payment schedule changes ultimately results in a lower loss rate.

If a delinquency cannot be resolved, further actions will be taken, including using outside cash collection agencies, repossessing and selling the equipment, and pursuing customer deficiencies. Sale of repossessed equipment is performed through our equipment remarketing operations, as described below.

Wholesale Products and Operations

CNH Capital extends credit to CNH North America dealers based upon established credit limits. As of September 30, 2013, credit was extended to approximately 1,100 CNH North America dealers with approximately 2,200 locations in North America.

Dealers may establish lines of credit to finance purchases of new and used agricultural and construction equipment and new parts. These agreements provide CNH Capital with a first priority security interest in the equipment and parts and possibly other collateral. A majority of dealers also provide a personal or corporate guaranty (from an affiliate of the borrower). The amount of the credit lines offered to an existing dealer or a prospective dealer is based upon, among other things, such dealer's expected annual sales, effective net worth, utilization of existing credit lines and inventory turnover. The amount of credit available to a dealer is reviewed on a regular basis, which is usually annually, and such amount is adjusted when appropriate by CNH Capital.

Under the standard terms of CNH Capital's wholesale finance agreements, receivables typically have interest-free periods of up to twelve months and stated original maturities of up to twenty-four months, with repayment accelerated upon the sale of the underlying equipment by the dealer to the end user. The length of these interest-free periods is determined based on the type of equipment sold and the time of year of the sale. During the interest-free period, the Company is compensated by CNH North America for the difference between market interest rates and the amount paid by the dealer. After the interest-free period, CNH Capital begins to assess the dealer interest and will require the dealer to make certain principal curtailment payments.

CNH Capital evaluates and assesses dealers on an ongoing basis as to their credit worthiness, and conducts audits of dealer equipment inventories on a regular basis. The timing of each audit visit is varied and no advance notice is given. Under some circumstances, such as delinquent payments or a deterioration of the dealer's financial condition, CNH Capital may classify a dealer as under credit watch or problem status, upon which CNH Capital will approve any additional extensions of credit on a case-by-case basis and may assume control of equipment or parts releases to such dealer. If a dealer receives payment for selling a piece of equipment, but does not repay the amounts owed on the equipment as required, then the dealer is considered to have sold the equipment out of trust. Selling equipment out of trust is a breach of the wholesale financing agreement between the dealer and CNH Capital. In the event of a dealer default or dealer contract termination, CNH North America may be obligated to repurchase all new equipment. There were no material losses in 2010, 2011 or 2012 relating to the termination of dealer contracts.

Other Products

Commercial Revolving Accounts

CNH Capital offers CRA products, which can be used to purchase parts, service, rentals, implements and attachments predominantly from CNH North America dealers. These CRA products are not a general purpose credit card. CNH Capital is responsible for underwriting and approving customer accounts and has engaged unaffiliated entities to provide other processing and collection services.

Insurance

CNH Capital finances a variety of insurance and equipment protection products, including physical damage insurance, extended service coverage, and credit life insurance, for end users and dealers in conjunction with the purchase of new and used equipment that are underwritten through a third-party insurer.

Equipment Remarketing Operations

CNH Capital disposes of repossessed equipment, equipment returned at the end of a lease and certain other equipment through its internal remarketing operations. CNH Capital owns and operates a website that lists and sells equipment globally to registered dealers and wholesalers. Generally, the net return realized on equipment sold via the website is higher than it would be if sold via a public auction. Nearly all of the remarketed equipment is sold through the Company's internal remarketing channels.

Industry Risks

The borrowers of our financial products represent a significant concentration of credit risk in the agricultural and, to a lesser extent, the construction business sectors. On a geographic basis, CNH Capital does not, however, have a disproportionate concentration of credit risk in any area of the United States or Canada.

The fundamentals of the agricultural sector have remained strong throughout the recent financial crisis, with global demand for agricultural products growing faster than supply. Farm households in the United States and Canada on average have higher levels of income and net worth, and lower leverage ratios than the average household. The construction industry is dependent on major shifts in the housing market, infrastructure spending, and general economic conditions. The volume of new business for CNH Capital and the resale values of the financed equipment are also influenced by many of these same factors.

Securitization

CNH Capital has significant securitization experience and has securitized multiple asset classes, including agricultural, construction and other equipment receivables (retail installment sale contracts, loans and leases), dealer floorplan receivables and CRA receivables. CNH Capital sponsors approximately five securitizations of retail receivables each calendar year in registered U.S. and Canadian transactions. CNH Capital has also been active in the private market in the United States and Canada. CNH Capital and predecessor entities have been securitizing retail installment sale contracts and loans secured by agricultural, construction and other equipment since 1992.

CNH Capital's continuing involvement with the securitization trusts includes servicing the receivables and maintaining a cash reserve account, which provides security to investors in the event that cash collections from the receivables are not sufficient to permit principal and interest payments to the holders of the securities. The investors and the securitization trust have no recourse beyond CNH Capital's retained interest assets for failure of debtors to pay when due. Further, CNH Capital's retained interests are subordinate to the investors' interests.

Competition and Competitive Strengths

CNH Capital's financing products and services are intended to be competitive with those available from third parties. We participate in certain marketing programs sponsored by CNH North America that allow us to offer financing to customers at advantageous interest rates or other terms (such as longer contract terms, longer warranty terms or gift cards redeemable for parts or services). Under these programs, including our low-rate financing programs or interest waiver programs, we are compensated by CNH North America for some or all of the difference between market interest rates and the interest rates offered by us to a customer and for some of the cost of such other advantageous terms. These programs may take various forms, such as a fixed, below-market interest rate over the life of a financing contract, a below-market interest rate for an initial term of a financing contract followed by a market rate, or an interest-free period followed by an interest-bearing period at a market or below-market interest rate. Over 2010, 2011 and 2012, an average of approximately 80% of retail financing contracts originated by us benefited from support provided by CNH North America, under which we offered lower interest rates, longer contract terms or longer warranty terms to retail customers than we would otherwise, and we were compensated by CNH North America for the difference in interest rates and/or terms. All CNH North America dealers that obtain wholesale financing from us benefit from an initial interest-free period, with the length of such period determined based on the type of equipment sold and the time of year of the sale, and we are compensated by CNH North America for waived interest during the interest-free period.

This support from CNH North America provides a material competitive advantage in offering financing to customers of CNH North America's products. For the year ended December 31, 2012 and the nine months ended September 30, 2013, the revenues recognized by us from our CNH North America affiliates for marketing programs were \$389.3 million and \$298.8 million, respectively, representing 47% of our total revenues for both periods.

We compete primarily with banks, finance companies, and other financial institutions. Typically, this competition is based upon financial products and services offered, customer service, financial terms and interest rates charged. In addition, some of our competitors may be eligible to participate in government programs providing access to capital at more favorable rates, which may create a competitive disadvantage for CNH Capital. CNH Capital believes that its strong, long-term relationship with the dealers and end-use customers and the ease-of-use of our products provides a competitive edge over other third-party financing options. In addition, the marketing programs offered by CNH North America have a positive influence on the proportion of CNH North America's equipment sales that are financed by CNH Capital.

Employees

At September 30, 2013, CNH Capital had approximately 475 employees, none of which were represented by unions.

Property, Plants and Equipment

Our principal executive offices are located at 5729 Washington Avenue, Racine, WI 53406. We maintain the following offices:

| Location | Primary Function | Tenant | Ownership Status |
|----------------------|-------------------------|--------------------|---|
| Burlington, ON . . . | Office | CNH Capital Canada | Leased |
| New Holland, PA . . | Office | New Holland Credit | Leased from New Holland North America, Inc. |
| Racine, WI | Office | CNH Capital LLC | Leased from CNH America |

Legal Proceedings

CNH Capital is party to various litigation matters and claims arising from its operations. Management believes that the outcome of these proceedings, individually and in the aggregate, will not have a material adverse effect on CNH Capital's financial position or results of operations.

MANAGEMENT

As of December 4, 2013, our directors and executive officers are as set forth below:

| Name | Age | Position |
|-----------------------------|-----|---|
| Steven C. Bierman | 58 | Chairman and President |
| Richard Tobin | 50 | Director |
| Michele Morrone | 52 | Country Financial Services Manager and Director of CNH Capital Canada |
| Douglas MacLeod | 42 | Chief Financial Officer and Assistant Treasurer |
| James Marinaro | 60 | Vice President and Chief Credit Officer |
| Andrea Paulis | 42 | Treasurer |

Steven C. Bierman has served as President of CNH Capital LLC since September 2005 and as Chairman of CNH Capital LLC since November 2005. He previously served as Vice President of Commercial Finance for CNH Capital LLC. He served as interim Chief Financial Officer of CNH Global from June 2009 until March 2010. Prior to joining CNH, Mr. Bierman was employed by Fremont General Corporation in Santa Monica, California, from 1998 to 2004. From 2002 to 2004, Mr. Bierman served as Chief Information Officer for Fremont Investment and Loan, a subsidiary of Fremont General Corporation. From 1998 to 2002, Mr. Bierman was employed by Fremont Financial Corporation, also a subsidiary of Fremont General Corporation, first as Senior Vice President for its syndicated loan group and after as President and Chief Operating Officer. Between 1996 and 1998, Mr. Bierman served as Senior Vice President/National Credit Manager of the Union Bank of California in the Commercial Finance Division. From 1986 to 1996, Mr. Bierman held a variety of positions with General Electric Capital Corporation. Additionally, Mr. Bierman is a Certified Public Accountant.

Richard Tobin has served as Director of CNH Capital LLC since January 1, 2012. Mr. Tobin assumed responsibility as Chief Operating Officer of FI CBM Holding NV (renamed CNHI following the mergers of CNH Global and Fiat Industrial into CNHI) in November 2012 and Chief Executive Officer and Chief Operating Officer of CNHI on September 29, 2013. Mr. Tobin assumed responsibility as Chief Financial Officer of CNH Global in March 2010 and served as President and Chief Executive Officer of CNH Global from January 1, 2012 until CNH Global merged with and into CNHI on September 29, 2013. He joined CNH from SGS Group Geneva, Switzerland, where he was appointed Chief Financial Officer and head of Information Technology in June 2004. Prior to assuming the role of Chief Financial Officer, he was Chief Operating Officer of SGS North America. Before joining SGS, Mr. Tobin held business segment general management positions with Alcan Aluminum of Montreal Canada, the Alusuisse Lonza Group of Zurich, Switzerland, and international marketing with the GTE Corporation of Stamford, Connecticut USA. He holds a Bachelor of Arts degree and a Master of Business Administration degree from Norwich University and Drexel University, respectively.

Michele Morrone has served as Country Financial Services Manager for CNH Capital Canada since February 2010 and as a Director for CNH Capital Canada since December 2008. From September 2006 until February 2010, Mr. Morrone served as managing director of CNH Capital Canada. Mr. Morrone has been employed for over 25 years in positions of increasing responsibilities in the financial services industry, with areas of responsibility including national sales, business start-up, collections/asset recovery, remarketing, wholesale financing, auditing, customer service and special projects. From October 2004 until September 2006, Mr. Morrone operated Integrity Business Consulting. Mr. Morrone was employed by Volvo Commercial Finance Canada from 1998 until 2004, by Toyota Credit Canada from 1992 to 1998, by Mercedes Benz Credit from 1991 to 1992 as Manager, by GM Dealer from 1989 to 1991 and by General Motors Acceptance Canada from 1985 to 1989.

Douglas MacLeod has served as Assistant Treasurer of CNH Capital LLC since February 2011 and as Chief Financial Officer of CNH Capital LLC since October 2011. Prior to joining CNH, Mr. MacLeod was employed by Card Management Corporation in Evansville, Indiana from June 2006

until March 2008. From February 2003 until June 2006, Mr. MacLeod served as Chief Financial Officer to Fifth Third Bank Processing Solutions. From September 2001 until February 2003, Mr. MacLeod was employed by Fifth Third Bank Northwestern Ohio as Chief Financial Officer. Between 1993 and 2001, Mr. MacLeod held a variety of positions with CNB Bancshares, Inc. and later with its acquiror Fifth Third Bancorp.

James Marinaro has served as Vice President of CNH Capital America and Chief Credit Officer of CNH Capital LLC since January 2009. Mr. Marinaro served as a Senior Director of Commercial Lending at CNH Capital LLC from September 2002 until December 2008. From August 2000 until September 2002, Mr. Marinaro was employed as a Senior Director of Risk Management at CNH Capital. Between 1998 and 2000, Mr. Marinaro served as European President of Transamerica Commercial Finance. From 1975 to 1998, Mr. Marinaro was employed in a number of general management positions at General Electric Capital Corporation.

Andrea Paulis has served as Treasurer of CNH Capital LLC since March 2011. Mr. Paulis has served as Treasurer of CNHI since September 29, 2013. Mr. Paulis served as the Treasurer of CNH Global from March 2011 until CNH Global merged with and into CNHI on September 29, 2013. Mr. Paulis was appointed Senior V.P., Financial Markets of Fiat Finance, S.p.A. in July 2007. From May 2003 to June 2007, Mr. Paulis served as Director and Treasurer of Fiat Finance & Trade Ltd. From April 2001 to May 2003, Mr. Paulis served as Vice President and Treasurer of Fiat Finance North America.

There are no arrangements or understandings between any executive officer or director and any other person pursuant to which any executive officer was selected as such. There is no family relationship among any of our directors or executive officers.

Our Board of Directors consists of two directors. As a wholly owned subsidiary of CNHI, we currently do not have any independent director serving on our Board of Directors.

EXECUTIVE COMPENSATION

The following discussion in this section “Executive Compensation” is historical in nature and does not reflect the merger of CNH Global with and into CNHI on September 29, 2013 and related effect.

Compensation Discussion and Analysis

Notable Accomplishments

During 2012, we grew both the retail and wholesale portfolios while continuing to experience improvements in the percentage of past due receivables. CNH Capital retail receivables increased 16.9% from year end 2011 to year end 2012, while wholesale receivables increased 7.1% over the same period. These portfolio increases were accompanied by a decline in the total retail receivables balance greater than 30 days past due as a percentage of the retail receivables from 1.0% as of December 31, 2011 to 0.7% as of December 31, 2012. Total wholesale receivables greater than 30 days past due were not significant for either period.

During 2012, we also entered into our third and fourth unsecured funding transactions. In April 2012, CNH Capital entered into a \$250 million revolving credit facility. In October 2012, CNH Capital completed a private offering of \$750 million in aggregate principal amount of its 3.875% notes due 2015, issued at par.

The successful 2012 financial performance and execution of business strategies by CNH Capital were accomplished through the leadership of our Named Executive Officers, or NEOs, for 2012, including Steven Bierman, our Chairman and President; Douglas MacLeod, our Chief Financial Officer and Assistant Treasurer; James Marinaro, Vice President of CNH Capital America and Chief Credit Officer of CNH Capital LLC; Michele Morrone, our Country Financial Services Manager and Director of CNH Capital Canada; and Andrea Paulis, our Treasurer as well as the Treasurer of CNH Global. As described in further detail below, the foundation of our compensation program is aligned with our pay-for-performance philosophy of putting pay at risk and delivering stockholder and customer value.

The compensation provided to our Named Executive Officers for 2012 is set forth in detail in the 2012 Summary Compensation Table and other tables and the accompanying footnotes and narrative material that follow this section.

Compensation Philosophy

CNH Capital is committed to designing and implementing responsible compensation practices that allow us to attract and retain capable and experienced professionals and motivate them to help achieve business objectives. To fulfill that commitment, our executive compensation philosophy is based on the three essential elements identified below.

Pay for Performance: CNH Capital is a company built on the concept of continuous improvement. The high performance culture existent at CNH Capital focuses on achieving results and rewarding leadership and performance. Our compensation program is structured to align the interests of our Named Executive Officers with the interests of CNH Global stockholders and therefore linking his or her compensation directly to achieving our business objectives and delivering value to CNH Global stockholders. A significant part of each Named Executive Officer's pay depends on our results and on his or her individual performance against financial and operational objectives as well as meeting key behavioral standards. Therefore, a significant amount of compensation is designed to be at risk.

Market Driven: Our commitment, as a business, is to understand compensation trends, the jobs our employees do, our industry and the marketplace in which we compete for talent and to ensure our pay is competitive in the market. Every component of the CNH Capital compensation

program—benefits, base salary, short-term incentive and long-term incentive—is closely tied to prevailing market practices.

Fair and Objective: The CNH Capital compensation program is designed to uphold the following standards:

- to pay our employees equitably relative to each other based on the work they do, the capabilities and experience they possess and the performance they demonstrate;
- to promote a non-discriminatory work environment that enables CNH Capital to benefit from the diversity that comes from a diverse workforce;
- to motivate our Named Executive Officers to deliver high performance with the highest integrity; and
- to continue to focus on good corporate governance practices by implementing compensation best practices and appropriate corporate policies.

Determining Compensation of Our Named Executive Officers

Performance and Leadership Management

At CNH Capital, meritocracy, leadership, competition, best-in-class performance and delivering on promises are the five core principles that together create and drive our high performance culture.

Through our Performance and Leadership Management Assessment process, our Named Executive Officers are assessed each year with respect to (1) their individual performance achievement against agreed-upon and previously established objectives that are aligned with the goals of our business and (2) their demonstration of leadership. Performance assessments are typically conducted in October of each year, with executive management calibration of reviews completed in December of each year.

A Named Executive Officer's individual Performance and Leadership Management assessment determines base salary actions, short-term incentive earned and long-term incentive participation.

Corporate Governance and Compensation Committee

The CNH Global Corporate Governance and Compensation Committee is composed of independent directors with extensive experience.

The CNH Global Corporate Governance and Compensation Committee is responsible for

- establishing the individual total compensation of the executive officers, including Mr. Bierman, and any other executive or senior officers reporting directly to the Chief Executive Officer of CNH Global;
- establishing base salary ranges and general levels of other compensation components, such as executive perquisites and bonus or incentive awards (including stock option grants, stock awards or other equity-based awards) of any executive or senior officers reporting directly to the Chief Executive Officer of CNH Global, including Mr. Bierman;
- reviewing the succession plans for the top executives of CNH Global (including Mr. Bierman);
- periodically examining the compensation structure of CNH Global to determine that it is rewarding its executive and other personnel in a manner consistent with sound industry practices; and
- making recommendations to the board of directors of CNH Global with respect to (i) incentive compensation plans for executive officers and officers reporting to the Chief Executive Officer of CNH Global and (ii) equity-based plans.

For all other Named Executive Officers not reporting to the Chief Executive Officer of CNH Global, the Senior Vice President, Human Resources of CNH Global works with the CNH Global executive compensation team to develop, among other things, compensation structures including base salary, short-term incentive targets and long-term incentive targets. Those structures that are related to short-term and long-term compensation are then presented to the CNH Global Corporate Governance and Compensation Committee for its consideration.

Compensation Consultants

CNH Global N.V. engaged Towers Watson as consultants for certain limited aspects of executive compensation analysis and planning. Towers Watson worked with CNH Global to provide data analyses, market assessments and preparation of related reports.

Consideration of Competitive Compensation Levels

For Mr. Bierman, the CNH Global Corporate Governance and Compensation Committee believes the use of market survey data is an effective method for providing a competitive market context as the CNH Global Corporate Governance and Compensation Committee evaluates and sets the compensation required to attract, motivate and retain the executive talent needed to manage our businesses and operations successfully. The CNH Global Corporate Governance and Compensation Committee considers compensation information based on multiple survey sources, encompassing a wide range of large companies, with comparable revenue size and asset size within the financial services industry in determining competitive compensation levels.

Similar to the analytical methods applied to Mr. Bierman, for the other Named Executive Officers the use of market survey data is deemed an effective method for providing a competitive market context with respect to evaluating and setting the compensation required to attract, motivate and retain the executive talent needed to manage our business and operations successfully.

The Components of Our 2012 Compensation Program

At CNH Capital, the elements of our executive compensation program are summarized in Table 1 below:

Table 1

| | | | |
|---------------------------|-----------------------------|----------|---|
| Fair and Objective | Base Salary | based on | Complexity, responsibility and contribution essential to the position |
| | Short-Term Incentive | based on | Company and/or Individual performance in the short-term |
| | Long-Term Incentive | based on | Company performance and individual commitment to meet mid-to long-term objectives |

Our executive compensation program is designed to provide value to our executives based on the extent to which (1) individual performance and (2) company performance versus annual or longer-term financial targets meet, exceed or fall short of expectations. We believe this approach, with a significant emphasis on long-term compensation, serves to focus the efforts of our executives on the attainment of

sustained long-term growth and profitability for the benefit of our company and CNH Global stockholders.

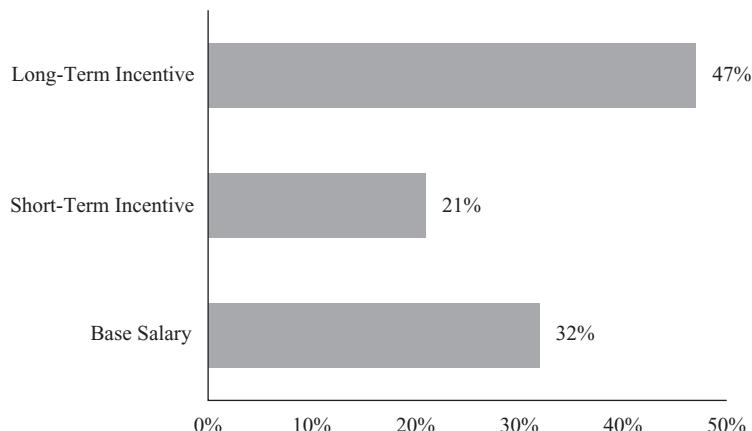
The key components of the CNH Capital executive compensation program in 2012 included:

- Base Salary
- Short-Term Incentive (Performance and Leadership Bonus Plan)
 - Cash
 - CNH Global Stock Options
- Long-Term Incentive
 - CNH Global Performance Share Units (“PSUs”)
 - CNH Global Restricted Stock Units (“RSUs”)

CNH Capital believes that a competitive compensation program is an important tool to help attract and retain talented employees capable of leading our business. To that end, we aim to pay Mr. Bierman at approximately market median for the short-term incentive and long-term incentive components of his pay and utilize a competitive range for base salary of $+/- 15\%$ of the market median. The compensation levels for the other Named Executive Officers, with respect to base salary, short-term incentives and long-term incentives, are established in a similar manner. For all Named Executive Officers, benefit programs are aligned with prevailing market practices.

The compensation structure allocates total compensation to fixed and variable pay elements, resulting in what we believe to be an appropriate mix of base salary and short and long-term compensation elements based on the specific role of the employee and market practices. Table 2 below, shows the 2012 compensation mix for these elements based on targeted compensation for Mr. Bierman. This target mix supports the core elements of the CNH Capital executive compensation philosophy, emphasizing long-term incentives while providing competitive short-term compensation.

Table 2



Base Salary

Base salary is based upon role, complexity, responsibility and contribution for the position an executive holds. Base salary increases are applied to maintain competitive market position. Pay increases for our executives are determined through salary alignment, whereby individual pay increases

are based upon the Performance and Leadership Management Assessment and take into account how base salary compares to a competitive range of $\pm 15\%$ of the market median.

Short-Term Incentive

Short-term incentive awards are administered through the Performance and Leadership Bonus plan. This plan is intended to focus participants on achieving short-term annual goals that support and align with CNH Global and CNH Capital business strategies. Payout targets are established based upon prevailing market practices. The degree of achievement of those annual business goals along with individuals' Performance and Leadership Management assessment impact the size of the bonus award. As noted in Table 3 below, the CNH Performance and Leadership Bonus plan has an upside payout of 250% of target for CNH Global and Financial Services results. For 2012, CNH Capital Performance and Leadership payout results were 172% of target, as illustrated in Table 4 below.

Table 3: 2012 Performance and Leadership Bonus Plan Payout Matrix

| Results vs. Performance Objective | CNH Global N.V. | | Financial Services | |
|-----------------------------------|--------------------|---------------------------|------------------------|--------------------------|
| | Trading Profit (1) | Trading Cash Flow (2) (3) | Trading Profit (1) (3) | Return on Equity (3) (4) |
| below 90% | 0% | 0% | 0% | 0% |
| 90% | 33.3% | 0% | 0% | 0% |
| 91% | 40.0% | 10% | 10% | 10% |
| 95% | 66.7% | 50% | 50% | 50% |
| 100% | 100.0% | 100% | 100% | 100% |
| 110% | 130.0% | 130% | 130% | 130% |
| 130% | 190.0% | 190% | 190% | 190% |
| 150% and above | 250.0% | 250% | 250% | 250% |



Table 4: 2012 Performance and Leadership Bonus Plan Payout Result

| | CNH Global N.V. | | Financial Services | |
|----------------------------------|-----------------|-------------------|--------------------|------------------|
| | Trading Profit | Trading Cash Flow | Trading Profit | Return on Equity |
| Weight | 25% | 25% | 25% | 25% |
| Reported in U.S. \$ Million | | | | |
| 2012 Targets | \$1,778.0 | \$600.0 | \$375.0 | 16.8% |
| 2012 Final Results | \$2,037.0 | \$889.0 | \$424.3 | 20.2% |
| % Achieved | 114.6% | 148.2% | 113.1% | 120.2% |
| Bonus Payout vs. Target % | 143.7% | 244.5% | 139.4% | 160.5% |
| Overall % of Bonus Target Earned | 172.0% | | | |

(1) Trading Profit refers to the trading profit of CNH Global or Financial Services (or the relevant business or functional area), as applicable, after restructuring and extraordinary items and gain/loss on sale of investments and before financial income/expense, profit from other subsidiaries and income taxes, in each case calculated in accordance with international financial reporting standards ("IFRS").

(2) Trading Cash Flow refers to CNH Global's (or, as applicable, the relevant business or functional area's) operating income from Equipment Operations adjusted for: (a) depreciation and change in provisions/operating reserves, (b) investments in fixed assets and (c) changes in gross working capital, in each case calculated in accordance with IFRS.

(3) Payout is made for results above 90.0% of performance objective; e.g., 90.5% performance results equals 5% of payout target, 93% performance results equals 30% of payout target and 97.5% performance results equals 75% of payout target.

(4) Return on Equity refers to Financial Services' profit before taxes and after minority interest divided by a 13-point average equity balance, in each case calculated in accordance with IFRS.

In addition, acknowledging individuals' Performance and Leadership Management assessment during the plan year, a multiplier ranging from a minimum of 10% up to a maximum of 125% of the portion of the award based on CNH Global and Financial Services results is applied in determining the award for each individual. For 2012, the Named Executive Officers were given the choice of receiving any award made in the form of 50% cash and 50% stock options or, alternatively, 100% cash. Award determination and payment are made during the first quarter following the performance year.

Long-Term Incentive

The long-term incentive plan is designed to directly correlate individual performance and achievement with the targets and goals of the CNH Global 2010-2014 Strategic Business Plan. Acceptable individual performance is a condition for consideration of a grant award.

There are two components to the long-term incentive plan:

- Individual Performance Long-Term Incentive Plan
 - The Individual Performance Long-Term Incentive Plan provides a grant of RSUs to recognize individual performance and contribution. Grant awards, which vest equally over

three years, are determined through an annual selection process directed by the Senior Vice President, Human Resources—CNH Global. Vesting for each period requires continued employment and demonstrated individual performance and leadership during that period.

- Linking this award to individual performance recognizes the importance of participants' contributions to the collective success of CNH Capital and CNH Global. Providing the award in equity with a three-year vesting builds future retentive value.
- Participants gain ownership, voting and dividend rights after the award is vested and distributed as CNH Global shares.
- Company Performance Long-Term Incentive Plan:
 - The Company Performance Long-Term Incentive Plan provides a one-time grant of PSUs covering the CNH Global 2010-2014 Strategic Business Plan. CNH Global's financial targets must be achieved in full in order for the PSUs to vest and be converted to CNH Global shares.
 - The Company Performance Long Term Investment Plan uses two key financial measures for performance: Trading Profit (After Restructuring) and Trading Cash Flow. 100% of the targeted results must be met for both measures for the PSUs to vest.
 - Linking the award to the achievement of CNH Global financial targets helps drive continued focus and commitment to these goals. Delivering the award in equity provides a key element of a competitive compensation package, which is linked to shareholder interest as well as an opportunity to increase the participant's ownership in CNH Global.
- The Company Performance Long-Term Incentive Plan provides for interim vesting, which means participants have the opportunity to receive a partial award before the end of the five-year plan:
 - If the cumulative 2010-2012 targets are achieved, one-third of the PSUs vest;
 - If the cumulative 2010-2013 targets are achieved, two-thirds of the PSUs vest; and
 - If the cumulative five-year targets (2010-2014) are achieved, 100% of the PSUs vest.

The number of shares participants receive for each vesting period will equal the total PSUs vested less any previous vested and distributed shares. Vesting for each period also requires participants' continued employment and demonstrated individual performance and leadership during that period.

Conclusion

The success of CNH Capital depends on the appropriate alignment of sound business strategy and objectives, competitive compensation plans and performance management. CNH Capital intends to continue to design and implement compensation programs that seek to recognize the contributions of our employees and serve as a means of attracting and motivating talent in the future.

Compensation of Named Executive Officers

The following tables contain compensation information for our Named Executive Officers. All dollar amounts are in U.S. dollars unless otherwise indicated. See "Compensation Discussion and Analysis" for additional information regarding our compensation practices.

2012 Summary Compensation Table

| Name and Principal Position | Year | Salary (\$) | Bonus (\$) | Stock Awards (\$)(5a) | Option Awards (\$)(6)(a) | Nonequity Incentive Plan Compensation (\$)(9)(a) | Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)(10) | All Other Compensation (\$)(11)(11a) | Total (\$) |
|---|-----------------|------------------------|------------------|------------------------|--------------------------|--|--|--------------------------------------|---------------------------|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| Bierman, Steven . . . President— CNH Capital | 2012(1) 2011 | \$350,000 \$350,000 | \$ 0 \$ 0 | \$147,395 \$119,925 | \$157,741 \$259,448 | \$180,700 \$205,860 | \$1,694 \$ 430 | \$ 74,203 \$ 96,417 | \$ 911,733 \$1,032,080 |
| MacLeod, Douglas . . CFO— CNH Capital | 2012(1) 2011 | \$205,500 \$203,342 | \$ 0 \$ 0 | \$ 32,750 \$133,250 | \$ 46,301 \$ 76,155 | \$ 67,760 \$ 76,400 | \$ 0 \$ 0 | \$ 22,933 \$ 23,765 | \$ 375,244 \$ 512,912 |
| Marinaro, James . . . Chief Credit Officer— CNH Capital | 2012(1) 2011 | \$200,895 \$189,549 | \$ 0 \$ 0 | \$ 76,430 \$ 62,628 | \$ 0 \$104,246 | \$109,040 \$ 99,882 | \$3,044 \$ 2,986 | \$ 32,707 \$ 31,091 | \$ 422,116 \$ 490,382 |
| Morrone, Michele . . (2)(2a) Managing Director— CNH Capital Canada | 2012(1) 2011 | \$165,602 \$161,443 | \$ 0 \$22,520 | \$ 32,750 \$ 26,650 | \$ 37,312 \$ 59,828 | \$ 42,735 \$ 47,467 | N/A | \$ 22,017 \$ 25,772 | \$ 300,416 \$ 343,680 |
| Paulis, Andrea . . . (3)(3a)(4)(4a) Treasurer—CNH Global N.V. | 2012(1) 2011 | \$ 91,381 \$ 84,612 | \$ 0 \$32,347 | \$ 24,015 \$ 91,943 | \$ 39,145 \$ 62,335 | \$ 64,439 \$ 40,654 | N/A N/A | \$193,364 \$193,650 | \$ 412,344 \$ 505,541 |

(1) In conjunction with the proposed combination of CNH Global and Fiat Industrial, CNH Global paid a special dividend of \$10 per share to minority shareholders for CNH Global common shares owned as of December 17, 2012. This dividend was not paid on equity awards such as stock options, or unvested RSUs or PSUs. The payment of the special dividend resulted in a market adjustment in the price of CNH Global common shares, which in turn impacted the value of outstanding equity awards. CNH Global adjusted the number and exercise price of the equity awards to provide employees with a post-dividend value largely the same as the pre-dividend value of their awards. The 2012 summary compensation table reflects the post-special dividend adjustment balances and exercise prices.

(2) For 2012, the amounts reported in column (g) for Mr. Morrone were paid in Canadian dollars and have been converted to U.S. dollars using the exchange rate in effect on December 31, 2012 (1 Canadian dollar = 1.0043 U.S. Dollar).

(2a) For 2011, the amounts reported in column (g) for Mr. Morrone were paid in Canadian dollars and have been converted to U.S. dollars using the exchange rate in effect on December 31, 2011 (1 Canadian dollar = 0.97911 U.S. Dollar).

(3) For 2012, all amounts reported for Mr. Paulis were paid in Euros and have been converted to U.S. dollars using the exchange rate in effect on December 31, 2012 (1 Euro = 1.3194 U.S. Dollar).

(3a) For 2011, all amounts reported for Mr. Paulis were paid in Euros and have been converted to U.S. dollars using the exchange rate in effect on December 31, 2011 (1 Euro = 1.29389 U.S. Dollar).

(4) For 2012, includes a portion of Mr. Paulis' home country sourced salary less hypothetical tax withheld in home country. The hypothetical tax withheld in home country of \$81,844 offset the \$79,902 tax payment in the U.S. payroll referenced in footnote (6) in the All Other Compensation table below.

(4a) For 2011, includes a portion of Mr. Paulis' home country sourced salary less hypothetical tax withheld in home country. The hypothetical tax withheld in home country of \$49,672.82 offset the \$62,476.21 tax payment in the U.S. payroll.

(5) For 2012, the following RSUs were granted to NEOs on November 5, 2012: Mr. Bierman—4,100; Mr. MacLeod—911; Mr. Marinaro—2,126; Mr. Morrone—911; and Mr. Paulis—668. The amounts included in this column represent the aggregate grant date fair market value for RSUs granted in 2012 calculated in accordance with FASB ASC Topic 718. In general, the aggregate grant date fair market value is the amount of the total expense the Company expects to report in its financial reporting over the equity award's vesting schedule. The amounts reported reflect the total accounting expense and do not reflect the actual value that will be realized by the NEO.

(5a) For 2011, the following RSUs were granted to NEOs on September 30, 2011: Mr. Bierman—4,500; Mr. MacLeod—1,000; Mr. Marinaro—2,350; Mr. Morrone—1000; and Mr. Paulis—750. The amounts included in this column represent the aggregate grant date fair market value for RSUs granted in 2011 calculated in accordance with FASB ASC Topic 718. In general, the aggregate grant date fair market value is the amount of the total expense we expect to report in our financial reporting over the equity award's vesting schedule. The amounts reported reflect the total accounting expense and do not reflect the actual value that will be realized by the NEO.

(6) For 2012, the following options awards represent target grants under the Performance and Leadership Bonus plan to NEOs on November 5, 2012. Values reported represent Company achievement at target level and 100% individual multiplier. Mr. Bierman—13,898 shares; Mr. MacLeod—4,079 shares; Mr. Morrone—3,287 shares; and Mr. Paulis—3,449 shares. The amounts included in this column represent the aggregate grant date fair market value for options granted in 2012 in accordance with FASB ASC Topic 718. In general, the aggregate grant date fair market value is the amount of the total expense we expect to report in our financial reporting over the equity award's vesting schedule. The amounts reported reflect the total accounting expense and do not reflect the actual value that will be realized by the NEO.

(6a) For 2011, the following options awards represent target grants under the Performance and Leadership Bonus plan to NEOs on April 29, 2011. Values reported represent Company achievement at target level and 100% individual multiplier. Mr. Bierman—9,888 shares; Mr. MacLeod—2,902 shares; Mr. Marinaro—3,973 shares; Mr. Morrone—2,280 shares; and Mr. Paulis—2,376 shares. The amounts included in this column represent the aggregate grant date fair market value for options granted in 2011 in accordance with FASB ASC Topic 718. In general, the aggregate grant date fair market value is the amount of the total expense we expect to report in our financial reporting over the equity award's vesting schedule. The amounts reported reflect the total accounting expense and do not reflect the actual value that will be realized by the NEO.

(7) Mr. Marinaro elected to receive any potential payment under the Performance and Leadership Bonus plan for 2012, as cash only, thereby choosing not to receive a portion of his bonus as an option award.

(8) For 2012, the table below summarizes the determination of option awards granted to NEOs based upon 2012 Performance & Leadership Bonus Plan results. Determinations were made on February 28, 2013. The amounts on this table serve as a comparison between the option awards granted on September 7, 2012 based upon Company achievement at target level and 100% individual multiplier, referenced in column (f), and the February 28, 2013 determinations. For 2011, the table below summarizes the determination of option awards granted to NEOs based upon 2011 Performance & Leadership Bonus Plan results. Determinations were made on February 27, 2012. The amounts on this table serve as a comparison between the option awards

granted on April 29, 2011 based upon Company achievement at target level and 100% individual multiplier, referenced in column (f), and the February 27, 2012 determinations.

| | | February 28, 2013 Option Awards Granted for 2012 Performance | Grant Date Fair Market Value of Option Awards Granted for 2012 Performance | February 27, 2012 Option Awards Granted for 2011 Performance | Grant Date Fair Market Value of Option Awards Granted for 2011 Performance |
|----------------------------|--|--|---|--|---|
| Bierman, Steven | President— CNH Capital | 16,065 | \$182,338 | 17,466 | \$457,783 |
| MacLeod, Douglas | CFO— CNH Capital | 6,026 | \$ 68,395 | 6,475 | \$169,904 |
| Marinaro, James | Chief Credit Officer— CNH Capital | 0 | \$ 0 | 8,451 | \$221,754 |
| Morrone, Michele | Managing Director— CNH Capital Canada | 3,765 | \$ 42,733 | 4,023 | \$105,564 |
| Paulis, Andrea | Treasurer— CNH Global N.V. | 3,547 | \$ 40,258 | 3,445 | \$ 90,397 |

(9) For 2012, the amounts in this column reflect cash payments made to NEOs: Mr. Bierman—PLB bonus payment for 2012 Plan Year, payment made in March 2013; Mr. MacLeod—PLB bonus payment for 2012 Plan Year, payment made in March 2013; Mr. Marinaro—PLB bonus payment for 2012 Plan Year, payment made in March 2013 and Wellness Initiative; Mr. Morrone—PLB bonus payment for 2012 Plan Year, payment made in March 2013; Mr. Paulis—PLB bonus payment for 2012 Plan Year, payment made in February 2013.

(9a) For 2011, the amounts in this column reflect cash payments made to NEOs: Mr. Bierman—PLB bonus payment for 2011 Plan Year, payment made in March 2012; Mr. MacLeod—PLB bonus payment for 2011 Plan Year, payment made in March 2012; Mr. Marinaro—PLB bonus payment for 2011 Plan Year, payment made in March 2012 and Wellness Initiative; Mr. Morrone—PLB bonus payment for 2011 Plan Year, payment made in March 2012; Mr. Paulis—PLB bonus payment for 2011 Plan Year, payment made in February 2012.

(10) The amounts reported represent the “above market” earnings on compensation deferred into the CNH Deferred Compensation Plan.

(11) For 2012, the amounts reported in column (i) include: for Mr. Bierman—imputed income for leased vehicle under Company executive vehicle program, interest cost for CNH Supplemental Retiree Medical Plan, company contributions to Defined Contribution Savings Plan; for Mr. MacLeod—imputed income for leased vehicle under Company executive vehicle program and Company contribution to Defined Contribution Savings Plan; for Mr. Marinaro—imputed income for leased vehicle under Company executive vehicle program and Company contribution to Defined Contribution Savings Plan; for Mr. Morrone, imputed income for leased vehicle under Company executive vehicle program; and for Mr. Paulis—imputed income for leased vehicle under Company executive vehicle program, costs associated with expatriate assignment including rent/shelter allowance, rent/shelter allowance gross-up, foreign compensation year-end gross-up and home sourced compensation.

(11a) For 2011, the amounts reported in column (i) include: for Mr. Bierman—imputed income for leased vehicle under Company executive vehicle program, interest cost for CNH Supplemental Retiree Medical Plan, company contributions to Defined Contribution Savings Plan; for Mr. MacLeod—imputed income for leased vehicle under Company executive vehicle program and Company contribution to Defined Contribution Savings Plan; for Mr. Marinaro—imputed income for leased vehicle under Company executive vehicle program and Company contribution to Defined Contribution Savings Plan; for Mr. Morrone, imputed income for leased vehicle under Company executive vehicle program and Company contribution to Defined Contribution Savings Plan; and for Mr. Paulis—imputed income for leased vehicle under Company executive vehicle program, costs associated with expatriate assignment including rent/shelter allowance, rent/shelter allowance gross-up, foreign compensation year-end gross-up, relocation, excludable from tax and home sourced compensation and Company contribution to Defined Contribution Savings Plan.

All Other Compensation

The following table reports compensation in all other categories that is reported in column (i) of the Summary Compensation Table for the fiscal year ended December 31, 2012.

| Name | Car(3) | Expat Rem & Relocation Allowances(4) | Home Country Sourced Compensation(5) | Tax Gross-Ups(6)(7) | Retiree Health Care(8) (\$) | Total Perquisites and other | Defined Contribution Savings Plan Company Contributions (\$)(9)(10) | Total (\$) |
|-------------------------------|---------|--------------------------------------|--------------------------------------|---------------------|-----------------------------|-----------------------------|---|------------|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| Bierman, Steven | \$8,744 | N/A | N/A | N/A | \$30,001 | \$ 38,745 | \$35,458 | \$ 74,203 |
| MacLeod, Douglas | \$7,259 | N/A | N/A | N/A | N/A | \$ 7,259 | \$15,674 | \$ 22,933 |
| Marinaro, James | \$9,165 | N/A | N/A | N/A | N/A | \$ 9,165 | \$23,542 | \$ 32,707 |
| Morrone, Michele(1) | \$7,049 | N/A | N/A | N/A | N/A | \$ 7,049 | \$14,968 | \$ 22,017 |
| Paulis, Andrea(2) | \$8,250 | \$78,296 | N/A | \$93,836 | N/A | \$180,382 | \$12,982 | \$193,364 |

- (1) Amounts reported for Mr. Morrone represent home country sourced compensation, in Canadian dollars, and have been converted to U.S. dollars using the exchange rate in effect on December 31, 2012 (1 Canadian dollar=1.0043 U.S. Dollar).
- (2) Amounts reported for Mr. Paulis from home country sourced compensation, in Euros, and have been converted to U.S. dollars using the exchange rate in effect on December 31, 2012 (1 Euro=1.3194 U.S. Dollar).
- (3) Amounts reported in column (b) represent imputed income for leased vehicles under Company executive vehicle program. For Mr. Morrone, Canadian Tax Code is applied in the imputed tax calculation with respect to the treatment of the vehicle benefit.
- (4) Amounts reported represent compensation related to respective expatriate assignments. Those amounts attributable to expatriate assignment and sourced from home country, paid in Euros, have been converted to U.S. dollars using the exchange rate in effect on December 31, 2012 (1 Euro=1.3194 U.S. Dollar). Includes for Mr. Paulis—rent/shelter allowance, relocation excludable from tax, household goods moving & fees, safe basis tax calculation, cost of living and mobility premiums, moving allowance.
- (5) Excludes base salary paid in home country for Mr. Paulis as base salary is reported separately on summary compensation table.
- (6) Of the \$93,836 reported, \$79,902 represents U.S. federal and state tax paid on Mr. Paulis' behalf, which is offset by the hypothetical tax of \$81,844 taken in his home country of Italy.
- (7) Amounts reported represent compensation related to tax gross-ups associated with expatriate assignments. Includes for Mr. Paulis—rent/shelter allowance gross-up and relocation gross-up.
- (8) Mr. Bierman participates in the CNH Supplemental Retiree Medical Plan. A select group of executives who report to the Chief Executive Officer of CNH Global are eligible for this plan. The 2013 design includes an in-network individual deductible of \$800, an out-of-pocket maximum of \$2,850 and a co-insurance of 80%. The plan changes every year to conform with benefit levels in the market place with the exception of premiums which are not required. The cost represents the interest cost for 2012. Mr. Bierman is eligible for this plan since he is over age 55 with more than 5 years of service in the executive role, and therefore, there is no service cost.
- (9) Company contributions made to Mr. Morrone under the CNH Canada Retirement Savings Plan.
- (10) Company contributions made to Mr. Paulis under the Fondo Integrativo Previdenza Dirigenti Aziende FIAT Plan.

Grants of Plan Based Awards in 2012

Grants of Plan Based Awards

(for the last completed fiscal year ended 12/31/2012)

(reflecting post-special dividend adjustment balances and exercise prices)

| Name | Grant Date | Estimated Future Payouts Under Nonequity Incentive Plan Awards(1) | | | Estimated Future Payouts Under Equity Incentive Plan Awards (shares)(2)(3) | | | All Other Stock Awards: Number of Shares of Stock or Units (#)(4) | All Other Option Awards: Number of Securities Underlying Options (#) | Exercise or Base Price of Option Awards (\$) | Grant Date Fair Value of Stock and Option Awards (\$)(5)(6) |
|----------------------------|------------|---|-------------|--------------|--|------------|-------------|---|--|--|---|
| | | Threshold (\$) | Target (\$) | Maximum (\$) | Threshold (#) | Target (#) | Maximum (#) | | | | |
| | | (c) | (d) | (e) | (f) | (g) | (h) | | | | |
| Bierman, Steven | (a) | \$10,588 | \$116,673 | \$291,681 | — | — | — | — | — | \$33.58 | \$157,741 |
| | 9/7/2012 | — | — | — | 1,261 | 13,898 | 34,745 | — | — | — | \$147,395 |
| | 11/5/2012 | — | — | — | — | — | — | 4,100 | — | — | — |
| MacLeod, Douglas | | \$ 3,108 | \$ 34,247 | \$ 85,616 | — | — | — | — | — | \$33.58 | \$ 46,301 |
| | 9/7/2012 | — | — | — | 370 | 4,079 | 10,199 | — | — | — | \$ 32,750 |
| | 11/5/2012 | — | — | — | — | — | — | 911 | — | — | — |
| Marinaro, James | | \$ 6,381 | \$ 70,313 | \$ 175,783 | — | — | — | — | — | — | — |
| | 11/5/2012 | — | — | — | — | — | — | 2,126 | — | — | \$ 76,430 |
| Morrone, Michele | | \$ 2,504 | \$ 27,598 | \$ 68,994 | — | — | — | — | — | — | — |
| | 9/7/2012 | — | — | — | 298 | 3,287 | 8,218 | — | — | \$33.58 | \$ 37,312 |
| | 11/5/2012 | — | — | — | — | — | — | 911 | — | — | \$ 32,750 |
| Paulis, Andrea | | \$ 2,628 | \$ 28,953 | \$ 72,383 | — | — | — | — | — | — | — |
| | 9/7/2012 | — | — | — | 313 | 3,449 | 8,622 | — | — | \$33.58 | \$ 39,145 |
| | 11/5/2012 | — | — | — | — | — | — | 668 | — | — | \$ 24,015 |

(1) The amounts reported in this column represent estimated potential nonequity awards under the Performance and Leadership Bonus plan. The Performance and Leadership Bonus plan estimates are based upon a predetermined percentage of an executive's eligible earnings throughout the one-year performance period. Actual payouts will be determined based upon CNH Global's achievement of specified key performance measures (Trading Profit and Trading Cash Flow) and Financial Services' achievement of specified key performance measures (Trading Profit and Return on Equity). The two key performance measures for each of CNH Global and Financial Services are equally weighted at 25 percent. Trading profit is measured after restructuring and extraordinary items. Each key performance measure pays out independently as follows: The threshold amount is earned if 90% or greater of the CNH Trading Profit is achieved and if greater than 90% of all other performance objectives are achieved. The target amount is earned if at least 100 percent of the targeted performance level is achieved. The maximum award is earned if at least 150 percent or greater of the targeted performance level is achieved. For this table, an individual performance multiplier of 100 percent was applied. Base salary levels as of December 31, 2012 were used to calculate the estimated dollar value for the 2012 performance period.

(2) The amounts reported in this column represent estimated potential share awards under the Performance and Leadership Bonus plan. The Performance and Leadership Bonus plan estimates are based upon a predetermined percentage of an executive's eligible earnings throughout the one-year performance period. Actual payouts will be determined based upon CNH Global's achievement of specified key performance measures (Trading Profit and Trading Cash Flow) and Financial Services' achievement of specified key performance measures (Trading Profit and Return on Equity). The two key performance measures for each of CNH Global and Financial Services are equally weighted at 25 percent. Trading profit is measured after restructuring and extraordinary items. Each key performance measure pays out independently as follows. The threshold amount is earned if 90% or greater of the CNH Trading Profit is achieved and if greater than 90% on all other performance objectives are achieved. The target amount is earned if at least 100 percent of the targeted performance level is achieved. The maximum award is earned if at least 150 percent or greater of the targeted performance level is achieved. For this table, an individual performance

multiplier of 100 percent was applied. Base salary levels as of December 31, 2012 were used to calculate the estimated dollar value for the 2012 performance period.

- (3) Shares delivered at per share price of \$8.395 which represents 25% of the base price of the option award of \$33.58. The base price of the option reflects the adjustment factor for the special dividend of \$0.823 that was applicable to the award. Black-Scholes option pricing model was not applied for the delivery of shares.
- (4) RSUs granted to the NEOs under the Individual Performance Long-Term Incentive Plan vest equally commencing on the first anniversary of the grant and subsequent second and third anniversaries of the grant. The actual realizable value of the RSU will depend on the fair market value of CNH Global shares at the time of vesting.
- (5) The amounts shown represent the Fair Market Value (\$11.35) of the Stock Options granted on September 7, 2012, adjusted for the special dividend adjustment factor of 0.823.
- (6) The amounts shown do not reflect realized compensation by the NEO. The amounts shown represent the value of the RSU awards granted to the NEOs based upon the grant date value of the award as determined in accordance with FASB ASC Topic 718. The fair market value for the RSUs granted under the Individual Long Term Incentive Plan is based upon the average of the high and low price of CNH Global shares on the award date of November 5, 2012.

Outstanding Equity Awards at 2012 Fiscal Year-End

Outstanding Equity Awards at Fiscal Year End

(for the last completed fiscal year ended 12/31/2012)

(reflecting post-special dividend adjustment balances and exercise prices)

| Name | Option Awards | | | | | | Stock Awards | | | | | | Equity Incentive Plan Awards: Number of Shares, Units or Other Rights that Have Not Vested (\$) | Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights that Have Not Vested (\$) | | |
|---------------------------|-------------------|--|-------------------|---|-------------------|------------------------|---|--|-----------|-----------|------------|--------------|---|--|--|--|
| | Option grant date | Number of Securities Underlying Unexercised Options: | | Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options | | Stock award grant date | Number of Shares or Units of Stock that Have Not Vested (#) | Market Value of Shares or Units of Stock that Have Not Vested (\$) | | | | | | | | |
| | | Exercisable (#) | Unexercisable (#) | Exercisable (#) | Unexercisable (#) | | | | | | | | | | | |
| (a) Bierman, Steven . . . | 4/26/2008 | 2,499 | — | — | \$39.61 | 1/20/2014 | 9/30/2010 | 2,025(3) | \$ 81,587 | — | 91,125(16) | \$ 3,671,426 | — | — | | |
| | 4/30/2010 | — | 9,502 | — | \$26.09 | 2/17/2016 | 9/30/2010 | — | — | — | — | — | — | — | | |
| | 4/29/2011 | 7,065 | 14,131 | — | \$38.85 | 2/26/2017 | 9/30/2011 | 3,645(4) | \$146,857 | — | — | — | — | — | | |
| | 9/7/2012(1) | — | 16,065 | — | \$33.58 | 2/24/2018 | 11/5/2012 | 4,100(5) | \$165,189 | — | — | — | — | — | | |
| MacLeod, Douglas . . . | 4/26/2008 | 589 | — | — | \$39.61 | 1/20/2014 | 9/30/2010 | 486(6) | \$ 19,581 | — | — | — | — | — | | |
| | 4/30/2010 | — | 3,144 | — | \$26.09 | 2/17/2016 | 9/30/2011 | 810(7) | \$ 32,635 | — | — | — | — | — | | |
| | 4/29/2011 | 447 | 5,245 | — | \$38.85 | 2/26/2017 | 9/30/2011 | — | — | 4,860(17) | \$ 195,809 | — | — | — | | |
| | 9/7/2012(1) | — | 6,026 | — | \$33.58 | 2/24/2018 | 11/5/2012 | 911(8) | \$ 36,704 | — | — | — | — | — | | |
| Marinaro, James . . . | 4/26/2008 | 1,162 | — | — | \$39.61 | 1/20/2014 | 9/30/2010 | 1,134(9) | \$ 45,689 | — | 17,010(18) | \$ 685,333 | — | — | | |
| | 4/30/2009 | 149 | — | — | \$11.18 | 1/21/2015 | 9/30/2010 | — | — | — | — | — | — | — | | |
| | 4/30/2010 | — | 4,011 | — | \$26.09 | 2/17/2016 | 9/30/2011 | 1,903(10) | \$ 76,672 | — | — | — | — | — | | |
| | 4/29/2011 | 3,422 | 6,845 | — | \$38.85 | 2/26/2017 | 11/5/2012 | 2,126(11) | \$ 85,657 | — | — | — | — | — | | |
| Morrone, Michele . . . | 4/26/2008 | 512 | — | — | \$39.61 | 1/20/2014 | 9/30/2011 | 810(12) | \$ 32,635 | — | — | — | — | — | | |
| | 4/30/2010 | — | 2,881 | — | \$26.09 | 2/17/2016 | 11/5/2012 | 911(13) | \$ 36,704 | — | — | — | — | — | | |
| | 4/29/2011 | 1,629 | 3,258 | — | \$38.85 | 2/26/2017 | — | — | — | — | — | — | — | — | | |
| | 9/7/2012(1) | — | 3,765 | — | \$33.58 | 2/24/2018 | — | — | — | — | — | — | — | — | | |
| Paulis, Andrea . . . | 4/29/2011 | 1,394 | 2,791 | — | \$38.85 | 2/26/2017 | 9/30/2011 | 607(14) | \$ 24,456 | — | 3,280(19) | \$ 132,151 | — | — | | |
| | 9/7/2012(1) | — | 3,547 | — | \$33.58 | 2/24/2018 | 9/30/2011 | — | — | — | — | — | — | — | | |
| | | | | | | | 11/5/2012 | 668(15) | \$ 26,914 | — | — | — | — | — | | |

(1) The amounts reported with respect to this option grant date represent estimated potential option awards under the Performance and Leadership Bonus plan. The Performance and Leadership Bonus plan estimates are based upon a predetermined percentage of an executive's eligible earnings throughout the one-year performance period. Actual payouts will be determined based upon CNH Global's achievement of specified key performance measures (Trading Profit and Trading Cash Flow) and Financial Services' achievement of specified key performance measures (Trading Profit and Return on Equity). The two key performance measures for each of CNH Global and Financial Services are equally weighted at 25 percent. Trading profit is measured after restructuring and extraordinary items. Each key performance measure pays out independently as follows. The threshold amount is earned if 90% or greater of the CNH Trading Profit is achieved and if greater than 90% of all other performance objectives are achieved. The target amount is earned if at least 100 percent of the targeted performance level is achieved. The maximum award is earned if at least 150 percent or greater of the targeted performance level is achieved. For this table, an individual performance multiplier of 100 percent was applied. Base salary levels as of December 31, 2012 were used to calculate the estimated dollar value for the 2012 performance

period. The base salary level as of December 31, 2012 for Mr. Morrone is converted to U.S. dollars using the exchange rate in effect on December 31, 2012 (1 Canadian dollar=1.0043 U.S. dollar). The base salary level as of December 31, 2012 for Mr. Paulis is converted to U.S. dollars using the exchange rate in effect on December 31, 2012 (1 Euro=1.3194 U.S. dollar).

- (2) The amounts reported in this column represent a CNH Global share price of \$40.29 as of market close on December 31, 2012.
- (3) This amount includes 2,025 RSUs scheduled to vest on September 30, 2013.
- (4) This amount includes 1,823 RSUs scheduled to vest on September 30, 2013 and 1,822 RSUs scheduled to vest on September 30, 2014.
- (5) This amount includes 1,366 RSUs scheduled to vest on November 5, 2013 and 1,367 RSUs scheduled to vest on November 5, 2014 and 1,367 RSUs scheduled to vest on November 5, 2015.
- (6) This amount includes 486 RSUs scheduled to vest on September 30, 2013.
- (7) This amount includes 405 RSUs scheduled to vest on September 30, 2013 and 405 RSUs scheduled to vest on September 30, 2014.
- (8) This amount includes 303 RSUs scheduled to vest on November 5, 2013 and 304 RSUs scheduled to vest on November 5, 2014 and 304 RSUs scheduled to vest on November 5, 2015.
- (9) This amount includes 1,134 RSUs scheduled to vest on September 30, 2013.
- (10) This amount includes 951 RSUs scheduled to vest on September 30, 2013 and 952 RSUs scheduled to vest on September 30, 2014.
- (11) This amount includes 708 RSUs scheduled to vest on November 5, 2013 and 709 RSUs scheduled to vest on November 5, 2014 and 709 RSUs scheduled to vest on November 5, 2015.
- (12) This amount includes 405 RSUs scheduled to vest on September 30, 2013 and 405 RSUs scheduled to vest on September 30, 2014.
- (13) This amount includes 303 RSUs scheduled to vest on November 5, 2013 and 304 RSUs scheduled to vest on November 5, 2014 and 304 RSUs scheduled to vest on November 5, 2015.
- (14) This amount includes 304 RSUs scheduled to vest on September 30, 2013 and 303 RSUs scheduled to vest on September 30, 2014.
- (15) This amount includes 222 RSUs scheduled to vest on November 5, 2013 and 223 RSUs scheduled to vest on November 5, 2014 and 223 RSUs scheduled to vest on November 5, 2015.
- (16) PSU vesting is contingent on CNH Global's achieving 100 percent of the cumulative target results for both performance measures of Trading Profit (after restructuring and extraordinary items) and Trading Cash Flow for one or more cumulative target periods within the CNH Global 2010-2014 Strategic Business Plan. The plan provides interim vesting, which means participants have the opportunity to receive a partial award before the end of the five-year plan. The first vesting period for the cumulative target period of 2010 through 2012 was achieved and 30,375 PSUs vested as of February 8, 2013. The next vesting opportunity is for the performance period 2010 through 2013—if cumulative targets are achieved, an additional 30,375 PSUs vest; and the final vesting opportunity covers the full performance period 2010 through 2014—if cumulative targets are achieved, a cumulative total of 91,125 PSUs vest, providing an opportunity to recover a missed opportunity in the prior vesting period. Vesting for each period requires continued employment and demonstrated individual performance and leadership during that period.
- (17) PSU vesting is contingent on CNH Global's achieving 100 percent of the cumulative target results for both performance measures of Trading Profit (after restructuring and extraordinary items) and Trading Cash Flow for one or more cumulative target periods within the CNH Global 2010-2014 Strategic Business Plan. The plan provides interim vesting, which means participants have the opportunity to receive a partial award before the end of the five-year plan. The first vesting period for the cumulative target period of 2010 through 2012 was achieved and 1,215 PSUs vested. The

next vesting opportunity is for the performance period 2010 through 2013—if cumulative targets are achieved, an additional 1,822 PSUs vest; and the final vesting opportunity covers the full performance period 2010 through 2014—if cumulative targets are achieved, a cumulative total of 4,860 PSUs vest, providing an opportunity to recover a missed opportunity in the prior vesting period. Vesting for each period requires continued employment and demonstrated individual performance and leadership during that period.

- (18) PSU vesting is contingent on CNH Global's achieving 100 percent of the cumulative target results for both performance measures of Trading Profit (after restructuring and extraordinary items) and Trading Cash Flow for one or more cumulative target periods within the CNH Global 2010-2014 Strategic Business Plan. The plan provides interim vesting, which means participants have the opportunity to receive a partial award before the end of the five-year plan. The first vesting period for the cumulative target period of 2010 through 2012 was achieved and 5,670 PSUs vested. The next vesting opportunity is for the performance period 2010 through 2013—if cumulative targets are achieved, an additional 5,670 PSUs vest; and the final vesting opportunity covers the full performance period 2010 through 2014—if cumulative targets are achieved, a cumulative total of 17,010 PSUs vest, providing an opportunity to recover a missed opportunity in the prior vesting period. Vesting for each period requires continued employment and demonstrated individual performance and leadership during that period.
- (19) PSU vesting is contingent on CNH Global's achieving 100 percent of the cumulative target results for both performance measures of Trading Profit (after restructuring and extraordinary items) and Trading Cash Flow for one or more cumulative target periods within the CNH Global 2010-2014 Strategic Business Plan. The plan provides interim vesting, which means participants have the opportunity to receive a partial award before the end of the five-year plan. The first vesting period for the cumulative target period of 2010 through 2012 was achieved and 820 PSUs vested. The next vesting opportunity is for the performance period 2010 through 2013—if cumulative targets are achieved, an additional 1,230 PSUs vest; and the final vesting opportunity covers the full performance period 2010 through 2014—if cumulative targets are achieved, a cumulative total of 3,280 PSUs vest, providing an opportunity to recover a missed opportunity in the prior vesting period. Vesting for each period requires continued employment and demonstrated individual performance and leadership during that period.

2012 Option Exercises and Stock Vested

Option Exercises and Stock Vested

(for the last completed fiscal year ended 12/31/2012)

| Name | Option Awards | | Stock Awards | |
|-------------------------------|--|---------------------------------|--|-----------------------------------|
| | Number of Shares Acquired on Exercise (#)(2) | Value Realized on Exercise (\$) | Number of Shares Acquired on Vesting (#) | Value Realized on Vesting (\$)(3) |
| (a) | (b) | (c) | (d) | (e) |
| Bierman, Steven | 19,193 | \$507,265 | 3,167 | \$123,085 |
| MacLeod, Douglas | 10,000 | \$195,319 | 733 | \$ 28,488 |
| Marinaro, James | 4,976 | \$108,037 | 1,716 | \$ 66,692 |
| Morrone, Michele(1) | 2,371 | \$ 88,253 | 333 | \$ 12,998 |
| Paulis, Andrea | — | — | 250 | \$ 9,716 |

- (1) The amounts reported in column (c) for Mr. Morrone were realized in Canadian dollars and have been converted to U.S. dollars using the exchange rate in effect on December 31, 2012 (1 Canadian dollar=1.0043 U.S. Dollar).
- (2) Reflects shares acquired on stock option exercises. Mr. Bierman acquired all shares through option exercise on November 26 and 27, 2012; Mr. MacLeod acquired all shares through option exercise on December 6, 2012; Mr. Marinaro acquired all shares through option exercise on November 30, 2012; Mr. Morrone acquired all shares through option exercise on February 3, 2012 and March 16, 2012.
- (3) Reflects restricted shares that vested on September 30, 2012. Value realized is based on average of high and low price of \$38.865 of CNH stock on vesting date.

Pension Benefits

None of our Named Executive Officers participated in a defined benefit pension plan during fiscal year 2012; nor do they currently participate in any such plan.

Deferred Compensation Plan

The Case New Holland Inc. 2005 Deferred Compensation Plan (the “Plan”) was adopted effective as of January 1, 2005. The Plan operated through December 31, 2008 in compliance with the provisions of Internal Revenue Code (“Code”) Section 409A and applicable guidance published prior to 2008. The Plan was amended and restated effective as of January 1, 2008 to conform to the provisions of Code Section 409A and the final regulations under section 409A. The first restatement of the Plan also reflects the merger into the Plan of the Case New Holland Inc. Deferred Compensation Plan (the “Prior Plan”), under which participation, deferrals and vesting were frozen as of December 31, 2004. Amounts earned and vested under the Prior Plan as of December 31, 2004 are separately accounted for under this Plan and the terms of the Plan applicable to these “grandfathered” amounts have not been materially modified within the meaning of Code Section 409A after October 3, 2004.

The plan was amended and restated effective September 1, 2010 to permit certain eligible employees to make deferrals of PSUs and RSUs, both as defined under the CNH Global Equity Incentive Plan.

The primary purposes of the Plan are to provide certain employees of participating employers the opportunity to voluntarily defer a portion of their compensation, subject to terms of the Plan, and to protect against reductions in tax deferred contributions and employer matching contributions, fixed

contributions and profit sharing contributions under the CNH U.S. Retirement Savings Plan which may otherwise be limited by operation of certain United States tax laws. Effective as of September 1, 2010, the Plan also is intended to provide a broader group of eligible employees the opportunity to defer PSUs and RSUs granted under the CNH Global Equity Incentive Plan.

The Plan is intended to constitute an unfunded plan that is maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees as described in Parts 2, 3 and 4 of Title I of the Employee Retirement Income Security Act.

Under the Deferred Compensation Plan, eligible Named Executive Officers could defer any eligible component (up to 90%) in 1% increments of their cash compensation, which includes base salary, short-term incentives and sales incentives. In addition, Named Executive Officers may elect to make supplemental tax-deferred contributions, in amounts above the applicable 401(k) deferral limit, as participants contributed under the CNH U.S. Retirement Savings Plan, are credited to the Plan.

Eligible Named Executive Officers could defer RSUs granted in 2012 for each of three vesting periods. There are two deferral choices available (1) percentage of each year's vested units (up to 90%) in 1% increments or (2) all vested units above a designated dollar value and applicable tax withholding.

For participant deferrals of cash compensation as well as all contributions made by Case New Holland Inc., the annual rate credited to Plan accounts is equal to 130% of Moody's Average Corporate Bond Index on the last day of each calendar quarter. Interest is compounded quarterly under the Plan. For 2012, the retirement earnings yield was 5.62%. The above market interest is reported in column "h" of the Summary Compensation Table set forth above.

For participant deferrals of RSUs, the value of participants' accounts is based on the value of CNH Global shares. Upon distribution, CNH intends to pay RSUs in the form of CNH Global shares. Participants do not have voting rights with respect to RSUs or share equivalents during the period of deferral.

An election to defer base salary must be made prior to the beginning of the calendar year in which deferral occurs. An election to defer short-term incentives, under the Performance and Leadership Bonus plan, must be made prior to the Plan year upon which the award is based. An election to defer RSUs must be made within 30 days of the grant date. All deferral elections are irrevocable.

Participants may elect to receive the deferred compensation account balance in a lump sum or in equal annual installments over two to ten years. Distribution must be made within ten years following retirement.

Case New Holland Inc. has promised to pay participants certain benefits under this Plan. However, this nonqualified plan promise is unfunded and unsecured. In the event of a Case New Holland Inc. bankruptcy or insolvency, payment of benefits will depend upon Case New Holland Inc.'s ability to satisfy the claims of all of its creditors. Case New Holland Inc. has adopted an irrevocable grantor trust to reduce the risk of losing a Plan benefit in the case where it refuses to pay benefits. The trustee is a financial institution independent of Case New Holland Inc. The trust will not protect against the risk of corporate insolvency.

Nonqualified Deferred Compensation
 (for the last completed fiscal year ended 12/31/2012)

| Name | Executive Contributions in Last Fiscal Year (\$) | Registrant Contributions in Last Fiscal Year (\$) | Aggregate Earnings in Last Fiscal Year (\$)(3) | Aggregate Withdrawals/ Distributions in Last Fiscal Year (\$) | Aggregate Balance at Last Fiscal Year End (\$) |
|-------------------------------|---|--|---|--|---|
| (a) | (b) | (c) | (d) | (e) | (f) |
| Bierman, Steven(1) | \$58,105 | \$12,694 | \$ 7,339 | \$ 0 | \$165,922 |
| MacLeod, Douglas | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Marinaro, James(1) | \$25,355 | \$ 1,623 | \$13,192 | \$ 0 | \$256,503 |
| Morrone, Michele(2) | N/A | N/A | N/A | N/A | N/A |
| Paulis, Andrea(2) | N/A | N/A | N/A | N/A | N/A |

- (1) Reflects CNH Deferred Compensation Plan. Executive contributions are included in the Salary column and CNH contributions are included in the All Other Compensation column of the Summary Compensation Table.
- (2) Not eligible to participate in the CNH Deferred Compensation Plan.
- (3) Case New Holland Inc. pays above-market interest rates on nonqualified deferred compensation. The annual rate credited to participants' accounts is equal to 130% of Moody's Average Corporate Bond Index. Amounts credited above 100% of the Moody's Corporate Bond Index are deemed above market interest. For the year 2012, the retirement earnings yield was 5.62%, of which 1.30% was considered to be above market.

Separation Pay—Potential Payments Upon Termination or Change in Control

With the exception of the employment agreement between Mr. Bierman and CNH America LLC, we are not obligated to provide special separation payments to any Named Executive Officers. If we terminate Mr. Bierman's employment without cause, pursuant to his employment agreement, dated April 6, 2009, in lieu of severance benefits under our Separation Allowance Policy, we agree to pay to Mr. Bierman an amount equal to two (2) years' base salary in effect at the time of separation. Payment of the severance payment shall be made in the same manner and at the same frequency as Mr. Bierman was paid prior to termination of employment.

Separation payments for Mr. MacLeod and Mr. Marinaro are subject to the provisions of the CNH Separation Allowance Policy for U.S. salaried employees. For Mr. MacLeod, 12 weeks Separation Allowance benefit is provided; for Mr. Marinaro, 28 weeks Separation Allowance benefit is provided. Separation payments for Mr. Morrone are subject to the requirements under the Employment Standards Act, 2000 (ESA) as administered by the Ministry of Labor, Province of Ontario, Canada. For Mr. Morrone, 20 weeks Separation Allowance benefit is provided, four weeks for each year of service, inclusive of five weeks' notification pay. Separation payments for Mr. Paulis are subject to the statutory requirements of the Collective Labor Agreement for Director in Italy. For Mr. Paulis, 104 weeks Separation Allowance benefit is provided.

The benefit amounts calculated to be made as separation payments are presented in the following table:

| Name (a) | Salary (\$) (b) | Welfare benefits (\$)(8) (c) | Total (\$) (d) |
|--|-----------------------|---------------------------------------|----------------------|
| Bierman, Steven | | | |
| Involuntary termination without cause(1) | \$700,000 | \$25,776 | \$725,776 |
| MacLeod, Douglas(2) | \$ 47,423 | \$ 2,934 | \$ 50,357 |
| Marinaro, James(2) | \$108,174 | \$ 6,639 | \$114,813 |
| Morrone, Michele(3)(4) | \$ 63,144 | \$ 914 | \$ 64,058 |
| Paulis, Andrea(5)(6)(7) | \$458,329 | \$ 0 | \$458,329 |

- (1) As referenced within the employment agreement between Mr. Bierman and CNH America LLC, dated April 6, 2009.
- (2) Benefits provided as stipulated in the CNH Separation Allowance Policy for U.S. Salaried Employees.
- (3) The amounts reported for Mr. Morrone that would be paid in Canadian dollars have been converted to U.S. dollars using the exchange rate in effect on December 31, 2012.
- (4) Subject to provisions under the Employment Standards Act, 2000 (ESA) as administered by the Ministry of Labour, Province of Ontario, Canada. Applied 20 weeks total notice and separation benefits.
- (5) Separation Plan as administered under the statutory requirements of the Collective Labor Agreement for Director.
- (6) Column (b) is calculated upon receipt of 104 weeks of separation payment at weekly rate based upon eligible earnings. Eligible earnings are defined by annual base salary plus cash bonus payout (average of last three years) plus car benefit (taxable value) for the three year period from January 2010 through December 2012.
- (7) The amounts reported for Mr. Paulis that would be paid in Euros have been converted to U.S. dollars using the exchange rate in effect on December 31, 2012.
- (8) Cost of Company provided benefits; medical, dental, life (net of employee contributions) during separation pay period. Separation period of 104 weeks for Mr. Bierman; separation period of 12 weeks for Mr. MacLeod; separation period of 28 weeks for Mr. Marinaro; separation period of 20 weeks for Mr. Morrone.

Director Compensation

Directors of CNH Capital do not receive separate compensation for serving as directors.

Compensation Policies and Practices as They Relate to Risk Management

We believe that our executive compensation programs are designed and administered in a manner that is conducive to achieving our business goals and discourages undue risk-taking by our employees. Relevant features of these programs include:

- Corporate Governance and Compensation Committee-approved limits on short-term incentive and long-term incentive awards;

- A long-term incentive plan consisting of two incentive vehicles, RSUs and PSUs, which vest up to three years and five years, respectively, thereby providing strong incentives for sustained business performance; and
- Personal performance and accountability in the design of our pay programs:
 - Importance of individuals' Performance and Leadership Management Assessment in calculating bonus awards made under the Short-Term Incentive Plan and in determining grant awards made under the Individual Performance Long-Term Incentive Plan; and
 - Adherence to the principle of individual accountability in managing personal performance within the context of a rigorous alignment of our business goals.

We believe that, in light of these features of our compensation programs, the risks arising from our compensation policies and practices are not reasonably likely to have a material adverse effect on us.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

All of the equity interests in CNH Capital are owned indirectly by CNHI.

The following table sets forth, to the best of our knowledge, the beneficial ownership of CNHI's common shares as of the close of business on September 30, 2013 by: (i) each person known by us to be the beneficial owner of more than five percent of CNHI's common shares; (ii) each of our directors; (iii) each of our named executive officers; and (iv) all of our directors and executive officers as a group. Unless otherwise indicated, each person listed in the following table (alone or with family members) has sole voting and dispositive power over the shares listed opposite such person's name.

| <u>Name(1)</u> | <u>Amount and Nature of Beneficial Ownership(2)</u> | <u>Percentage</u> |
|---|---|-------------------|
| Exor S.p.A.(3) | 366,927,900(4) | 27.2%(5) |
| Directors and Named Executive Officers:(6) | | |
| Steven C. Bierman | 7,812 | * |
| Richard Tobin(7) | 680,408 | * |
| Michele Morrone(8) | 827 | * |
| Douglas MacLeod | 41,574 | * |
| James Marinaro | 51,461 | * |
| Andrea Paulis | 23,939 | * |
| Directors and executive officers as a group, including those named above (6 persons) | 806,021 | * |

* Less than 1%

- (1) Except as otherwise noted below, the address of each such person is c/o 5729 Washington Avenue, Racine, WI 53406.
- (2) As of the close of business on September 30, 2013, there were 1,348,867,772 common shares outstanding and 474,474,276 special voting shares outstanding. Each special voting share is entitled to one vote, therefore attributing, in effect, double voting rights to the common share to which it is associated. The special voting shares have only de minimis economic entitlements in compliance with Dutch law. The special voting shares cannot be traded and are transferrable only in very limited circumstances together with the associated common shares.
- (3) The address of Exor S.p.A. is Via Nizza 250, 10126 Turin, Italy.
- (4) In addition to the common shares indicated in the table above, as of the close of business on September 30, 2013, Exor S.p.A. beneficially owned 366,927,900 special voting shares of CNHI.
- (5) This percentage does not take into account the voting rights attributable to the special voting shares. Exor S.p.A.'s voting power in CNHI as of the close of business on September 30, 2013 was approximately 40%, calculated as the ratio of (i) the aggregate number of common shares and special voting shares beneficially owned by Exor S.p.A. and (ii) the aggregate number of outstanding common shares and special voting shares of CNHI.
- (6) The number of CNHI's common shares beneficially owned by directors and named executive officers has in each case been rounded to whole shares.
- (7) The address of Richard Tobin is c/o 6900 Veterans Boulevard, Burr Ridge, IL 60527.
- (8) The address of Michele Morrone is c/o 4475 North Service Road, Burlington, ON L7L 4X7, Canada.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

CNH Capital receives compensation from CNH North America for retail installment sales contracts and finance leases that were created under certain low-rate financing programs and interest waiver programs offered to customers by CNH North America. The amounts from CNH North America for below-market interest rate financing recognized as interest income on retail and other notes and finance leases were \$210.0 million, \$216.5 million and \$227.2 million for the years ended December 31, 2012, 2011 and 2010, respectively. The amounts received from CNH North America for this same type of compensation were \$50.1 million and \$50.9 million for the three months ended September 30, 2013 and 2012, respectively, and \$158.6 million and \$155.9 million for the nine months ended September 30, 2013 and 2012, respectively.

For selected operating leases, CNH North America compensates CNH Capital for the difference between the market rental rates and the amount paid by the customer. The amounts from CNH North America recognized as rental income on operating leases were \$30.4 million, \$26.5 million and \$22.3 million for the years ended December 31, 2012, 2011 and 2010, respectively. The amounts received from CNH North America for this same type of compensation were \$8.4 million and \$7.6 million for the three months ended September 30, 2013 and 2012, respectively, and \$25.5 million and \$22.1 million for the nine months ended September 30, 2013 and 2012, respectively.

Similarly, for selected wholesale receivables, CNH North America compensates CNH Capital for the difference between market rates and the amount paid by the dealer. For the years ended December 31, 2012, 2011 and 2010, the amounts recognized as interest and other income from affiliates were \$149.0 million, \$135.3 million and \$115.4 million, respectively. For the three months ended September 30, 2013 and 2012, the amounts received from CNH North America for this same type of compensation were \$43.4 million and \$38.9 million, respectively, and for the nine months ended September 30, 2013 and 2012, the amounts recognized by CNH North America for these wholesale receivables were \$114.7 million and \$110.3 million, respectively.

CNH Capital is also compensated for lending funds to CNH North America and other affiliates for various purposes.

The sources of interest and other income received from affiliates for the three and nine months ended September 30, 2013 and the years ended December 31, 2012, 2011 and 2010 are summarized as follows (in thousands):

| | Three Months Ended September 30, 2013 | Nine Months Ended September 30, 2013 | 2012 | 2011 | 2010 |
|---|--|---|------------------|------------------|------------------|
| Retail subsidy with CNH North America . | \$ 50,100 | \$158,629 | \$209,952 | \$216,544 | \$227,208 |
| Wholesale subsidy: | | | | | |
| CNH North America | 43,389 | 114,660 | 148,997 | 135,294 | 115,353 |
| Other affiliates | 240 | 1,568 | 2,784 | 1,928 | — |
| Operating lease subsidy with CNH North America | 8,424 | 25,529 | 30,376 | 26,518 | 22,273 |
| Lending funds: | | | | | |
| CNH North America | — | — | 352 | 1,700 | 10,329 |
| Other affiliates | — | — | 2 | 22 | 1,220 |
| Total interest and other income from affiliates | <u>\$102,153</u> | <u>\$300,386</u> | <u>\$392,463</u> | <u>\$382,006</u> | <u>\$376,383</u> |

Interest expense to related affiliates was \$34.5 million, \$44.6 million and \$80.6 million for the years ended December 31, 2012, 2011 and 2010, respectively. Interest expense to related affiliates was

\$6.5 million and \$9.4 million for the three months ended September 30, 2013 and 2012, respectively, and \$16.9 million and \$27.1 million for the nine months ended September 30, 2013 and 2012, respectively.

Miscellaneous operating expenses charged by CNH America represent all personnel and administrative tasks CNH America performs on behalf of CNH Capital and are reported as “Fees charged by affiliates” in the accompanying consolidated statements of income.

As of December 31, 2012 and 2011, CNH Capital had various accounts and notes receivable and debt with the following affiliates (dollars in thousands):

| | 2012 | | | 2011 | | |
|--|---------------|----------|------------------|---------------|----------|------------------|
| | Rate | Maturity | Amount | Rate | Maturity | Amount |
| Affiliated receivables from: | | | | | | |
| CNH America | 0% | — | \$ 64,708 | 2.50% | — | \$ 65,335 |
| CNH Canada Ltd. | 0% | — | 17,797 | 1.33% | — | 115,816 |
| Other affiliates | 0% | — | 12,874 | 2.50% | — | 12,766 |
| Total affiliated receivables .. | | | \$ 95,379 | | | \$193,917 |
| Affiliated debt owed to: | | | | | | |
| CNH America | 3.21% | 2013 | \$788,381 | 2.50% - 3.18% | Various | \$525,927 |
| CNH Canada Ltd. | 4.05% | 2013 | 60,651 | — | Various | — |
| Fiat Industrial | 5.87% - 5.83% | 2013 | 15,000 | 3.38% - 7.00% | — | 293,343 |
| Total affiliated debt | | | \$864,032 | | | \$819,270 |

As of September 30, 2013, CNH Capital had various accounts and notes receivable and debt with the following affiliates (dollars in thousands):

| | 2013 | | |
|---|-------|----------|------------------|
| | Rate | Maturity | Amount |
| Affiliated receivables from: | | | |
| CNH America | 0% | — | \$ 624 |
| CNH Canada Ltd. | 0% | — | 232 |
| Other affiliates | 0% | — | 13,115 |
| Total affiliated receivables | | | \$ 13,971 |
| Affiliated debt owed to: | | | |
| CNH America | 3.93% | 2013 | \$680,754 |
| CNH Canada Ltd. | 4.97% | 2013 | 91,935 |
| Total affiliated debt | | | \$772,689 |

The interest rates for CNH Capital’s borrowings from Fiat Industrial outstanding as of December 31, 2011 and 2012 were generally higher than the interest rates for borrowings from or lendings to other affiliates indicated in the tables above, as those borrowings from Fiat Industrial were entered into when prevailing interest rates were higher and those borrowings from Fiat Industrial had longer maturities.

Accounts payable and other accrued liabilities of \$15.4 million and \$24.2 million were payable to related parties as of December 31, 2012 and 2011, respectively, and \$85.5 million as of September 30, 2013.

CNH Canada Ltd., an affiliated entity, owns 76,618,488 shares of preferred stock in CNH Capital Canada Ltd, one of our subsidiaries. This is recorded in “Noncontrolling interest” in the stockholder’s equity in the accompanying consolidated balance sheets. These shares earn dividends of LIBOR plus 1.2% per annum. The dividends are accrued annually and are recorded in “Net income attributed to the noncontrolling interest” in the consolidated statements of income. The accrued, but not declared, dividends are included in “Noncontrolling interest” in the stockholder’s equity in the accompanying consolidated balance sheets.

DESCRIPTION OF CERTAIN OTHER INDEBTEDNESS

Unsecured Debt

During 2011, CNH Capital completed two unsecured funding transactions. In November 2011, CNH Capital completed a private offering of \$500 million in aggregate principal amount of its 6.250% notes, issued at par. These notes will mature on November 1, 2016. In July 2011, CNH Capital entered into a \$250 million five-year unsecured credit facility, consisting of a \$150 million term facility and a \$100 million revolving credit facility, with a final maturity in July 2016.

CNH Capital also completed two unsecured funding transactions in 2012. In April 2012, CNH Capital entered into a \$250 million, unsecured credit agreement with a consortium of banks. The facility has a term of three years. In October 2012, CNH Capital completed a private offering of \$750 million in aggregate principal amount of its 3.875% notes, issued at par. These notes will mature on November 1, 2015.

In April 2013, CNH Capital completed a private offering of \$600 million in aggregate principal amount of its 3.625% notes, issued at par. These notes will mature on April 15, 2018.

In October 2013, CNH Capital completed a private offering of \$500 million in aggregate principal amount of its 3.250% notes, issued at par. These notes will mature on February 1, 2017.

We are subject to restrictive covenants under our unsecured funding transactions, which contain covenants that restrict our ability and/or that of our subsidiaries to, among other things:

- incur additional debt;
- make certain investments;
- enter into certain types of transactions with affiliates;
- use assets as security in other transactions;
- enter into sale and leaseback transactions; and/or
- sell certain assets or merge with or into other companies.

In addition, we are required to maintain certain coverage levels for leverage and EBITDA. See “Risk Factors—Risks Related to Our Indebtedness and Liquidity—Restrictive covenants in our debt agreements could limit our financial and operating flexibility” for additional information.

Secured Debt

We have access to committed asset-backed facilities through which we may sell retail receivables. As these transactions do not meet the accounting criteria for sale, the related debt is included on our consolidated balance sheet. We have utilized these facilities to fund the origination of receivables and have periodically repurchased the receivables and resold the receivables in the term ABS markets (shown below as “Amortizing retail term ABS—N.A.”) or found alternative financing for the receivables. We believe it is probable that these receivables will be repurchased and resold in the ABS markets. Borrowings against these facilities accrue interest at prevailing money market or asset-backed commercial paper rates.

We finance a portion of our wholesale receivable portfolio with the issue of Variable Funding Notes (“VFNs”). These notes are privately subscribed by certain bank and asset-backed commercial paper conduits. These notes accrue interest at prevailing money market or asset-backed commercial paper rates. We also utilize the term ABS market for a portion of our wholesale funding.

The following table summarizes our debt as of September 30, 2013 (in thousands):

| | <u>Maturity(1)</u> | <u>Total Facility/Debt</u> | <u>Short-Term Outstanding</u> | <u>Current Maturities of Long-Term Outstanding</u> | <u>Long-Term Outstanding</u> | <u>Available</u> |
|--|--------------------|----------------------------|-------------------------------|--|------------------------------|--------------------|
| Committed Asset-Backed Facilities | | | | | | |
| Retail—U.S. | | | | | | |
| Retail—U.S. | Sep 2015 | \$ 1,200,000 | \$ — | \$ 69,997 | \$ 299,006 | \$ 830,997 |
| Retail—Canada | Dec 2014 | 485,372 | — | 82,482 | 349,243 | 53,647 |
| Wholesale VFN—U.S. | Various | 1,400,000 | 1,400,000 | — | — | — |
| Wholesale VFN—Canada | Dec 2014 | 568,614 | 568,614 | — | — | — |
| Leases—US | (2) | 100,000 | — | 17,976 | 81,824 | 200 |
| Subtotal | | <u>3,753,986</u> | <u>1,968,614</u> | <u>170,455</u> | <u>730,073</u> | <u>884,844</u> |
| Other Secured Debt | | | | | | |
| Amortizing retail term ABS— | | | | | | |
| N.A. | Various | 6,444,164 | — | 1,941,694 | 4,502,470 | — |
| Wholesale term ABS—N.A. | Aug 2016 | 367,300 | — | — | 367,300 | — |
| Other ABS financing—N.A. | Various | 187,304 | — | 92,846 | 94,458 | — |
| Subtotal | | <u>6,998,768</u> | <u>—</u> | <u>2,034,540</u> | <u>4,964,228</u> | <u>—</u> |
| Unsecured Facilities | | | | | | |
| Revolving credit facilities | Various | 350,000 | — | — | — | 350,000 |
| Unsecured Debt | | | | | | |
| Notes | Various | 1,850,000 | — | — | 1,850,000 | — |
| Term loan | 2016 | 150,000 | — | — | 150,000 | — |
| Subtotal | | <u>2,000,000</u> | <u>—</u> | <u>—</u> | <u>2,000,000</u> | <u>—</u> |
| Total credit facilities and debt | | <u>\$13,102,754</u> | <u>\$1,968,614</u> | <u>\$2,204,995</u> | <u>\$7,694,301</u> | <u>\$1,234,844</u> |

(1) Maturity dates reflect maturities of the credit facility, which may be different than the maturities of the advances under the facility.

(2) Advances under the credit facility end December 2013; however, the maturities of the debt are due as payments from the underlying leases are collected, which extend beyond 2013.

A more detailed description of our credit facilities and debt is provided under “Note 7: Credit Facilities and Debt” in our annual audited consolidated financial statements appearing elsewhere in this prospectus.

DESCRIPTION OF THE NOTES

The old notes were, and the new notes will be, issued under an indenture (the “*Indenture*”), dated as of October 8, 2013, by and among the Company (as defined below), the Guarantors (as defined below) and Wells Fargo Bank, National Association, as trustee (the “*Trustee*”).

The following summaries of the Indenture, the Registration Rights Agreement (as defined below) and the Parent Support Agreement (as defined below) do not include all of the information included in the Indenture, Registration Rights Agreement and the Parent Support Agreement and may not include all of the information that you would consider important. The summary of the Indenture contained herein is qualified by reference to the Trust Indenture Act of 1939, as amended (the “*TIA*”), and to all of the provisions of the Indenture, including the definitions of terms therein and those terms made a part of the Indenture by reference to the TIA as in effect on the date of the Indenture. Copies of the Indenture, the Registration Rights Agreement and the Parent Support Agreement have been filed as exhibits to the registration statement of which this prospectus is a part.

The definitions of most of the capitalized terms used in the following summaries are set forth below under “—Certain Definitions.” For purposes of this section, references to the Company refer only to CNH Capital LLC and not its Subsidiaries.

General

The new notes will be unsecured obligations of the Company ranking senior in right of payment to all future obligations of the Company that are, by their terms, expressly subordinated in right of payment to the notes and *pari passu* in right of payment with all existing and future unsecured obligations of the Company that are not so subordinated. The new notes will rank equally in right of payment with any of the Company’s and the Guarantors’ existing and future senior unsecured indebtedness and will rank effectively junior in right of payment to any of the Company’s and the Guarantors’ existing and future secured indebtedness to the extent of the value of the collateral securing such indebtedness.

The new notes will be issued in fully registered form only, without coupons, in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

Payments on the new notes will be made through the office or agency of a paying agent. Initially, the Trustee will act as paying agent and registrar for the notes. The new notes may be presented for registration or transfer and exchange at the offices of the registrar, which initially will be the Trustee’s corporate trust office. The Company may change any paying agent and registrar without notice to Holders. Methods of receiving payments on global notes are governed by provisions described under “—Book-Entry, Delivery and Form—Payments on Global Notes.” In the case of definitive registered notes, the Company may elect to make payments of interest and premium, if any, by check mailed to the Holders at their addresses set forth in the register of Holders.

Any old notes that remain outstanding after the completion of the exchange offer, together with the new notes issued in connection with the exchange offer, will be treated as a single series of securities under the Indenture.

Principal, Maturity And Interest

In the exchange offer (the “*Exchange Offer*”), the Company will issue up to \$500,000,000 aggregate principal amount of new notes. The Company may issue additional notes from time to time (the “*additional notes*”). Any additional notes subsequently issued under the Indenture will be treated as a single class with the notes for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. The new notes will mature on February 1, 2017. Interest on the new notes will accrue at the rate of 3.250% per annum. Interest on the new notes will

be payable semiannually in arrears in cash on each February 1 and August 1, commencing on February 1, 2014, to the persons who are registered Holders at the close of business on January 15 and July 15 immediately preceding the applicable interest payment date. Interest on the new notes will accrue from and including the most recent date to which interest has been paid or, if no interest has ever been paid, from and including the date of issuance. Interest will be computed on the basis of a 360-day year comprising twelve 30-day months.

The new notes will not be entitled to the benefit of any mandatory sinking fund.

Guarantees

The new notes will be unconditionally, irrevocably, jointly and severally guaranteed by:

- CNH Capital America; and
- New Holland Credit.

The Guarantee of each Guarantor will be a general unsecured obligation of such Guarantor and will rank senior in right of payment to all future obligations of such Guarantor that are, by their terms, expressly subordinated in right of payment to such Guarantee and *pari passu* in right of payment with all existing and future unsecured Indebtedness of such Guarantor that are not so subordinated. The new notes will be effectively subordinated to the obligations of each of the Company's direct and indirect Subsidiaries that is not a Guarantor of the notes. As of September 30, 2013, such non-Guarantor Subsidiaries had \$10.6 billion of outstanding debt. In addition, the assets of our Securitization Subsidiaries, which are variable-interest entities that engage in our Securitization Transactions, do not belong to us and cannot be used to satisfy our obligations under the notes. As of September 30, 2013, the total assets and debt of such Securitization Subsidiaries consolidated on our balance sheet were \$10.2 billion and \$9.7 billion, respectively. See "Risk Factors—Risks Related to the New Notes—Because each guarantor's liability under its guarantee may be reduced to zero, avoided or released under certain circumstances, you may not receive any payments from either or both of the guarantors."

The obligations of each Guarantor under its Guarantee will be limited as necessary to prevent that Guarantee from constituting a fraudulent conveyance under applicable law. If a Guarantee were rendered voidable, it could be subordinated by a court to all other Indebtedness (including guarantees and other contingent liabilities) of the applicable Guarantor, and, depending on the amount of such indebtedness, a Guarantor's liability on its Guarantee could be reduced to zero.

The Guarantee of a Guarantor will be released:

- (1) in connection with any sale or other disposition of all of the Capital Stock of such Guarantor to a Person other than the Company or any Subsidiary of the Company;
- (2) in connection with the sale or other disposition of all or substantially all of the assets or properties of such Guarantor, including by way of merger, consolidation or otherwise, to a Person other than the Company or any Subsidiary of the Company; or
- (3) in the case of any Subsidiary which after the Issue Date is required to Guarantee the notes pursuant to the covenant described under "—Certain Covenants—Issuance of Subsidiary Guarantees," upon either (x) the release or discharge of the guarantee of such Subsidiary of Indebtedness of the Company or any other Person which resulted in the obligation to so Guarantee the notes or (y) the notes reaching Investment Grade Status.

Parent Support Agreement

The Company and CNH Global entered into a support agreement (the “*Parent Support Agreement*”), dated November 4, 2011, pursuant to which CNH Global agreed to, among other things, (a) make cash capital contributions to the Company, to the extent that such payments are necessary to cause the ratio of net earnings available for fixed charges to fixed charges of the Company and its Subsidiaries to be not less than 1.05 for each fiscal quarter of the Company (with such ratio determined, on a consolidated basis and in accordance with U.S. GAAP, for such fiscal quarter and the immediately preceding three fiscal quarters taken as a whole), (b) generally maintain an ownership of at least fifty-one percent (51%) of the Capital Stock of the Company having voting power for the election of directors or managers and (c) cause the Company to have, as at the end of any fiscal quarter, a consolidated tangible net worth of at least \$50 million. CNH Global is required to cure, directly or indirectly, any deficiency in the ratio of net earnings available for fixed charges to fixed charges or in the consolidated tangible net worth not later than 90 days following the end of the fiscal quarter in which the deficiency occurred. Effective as of September 29, 2013, in connection with the merger of CNH Global with and into CNHI, CNHI assumed all of CNH Global’s obligations under the Parent Support Agreement.

The Parent Support Agreement is not intended to be and is not a guarantee by CNHI of the payment of the principal of and any premium and interest on the notes. The obligations of CNHI to the Company pursuant to the Parent Support Agreement are to the Company only and do not run to, and are not enforceable directly by, any creditor of the Company including Holders of notes or the Trustee, and the terms of the Parent Support Agreement will not cause CNHI to be responsible for the payment of any obligations of the Company or of any Guarantor to any creditor thereof, including the Holders of notes or the Trustee; *provided, however*, that the holders of more than 50% of the aggregate outstanding principal amount of all of the Company’s indebtedness (other than indebtedness owed to any Affiliate of the Company but including indebtedness under the notes) will have the right to demand that the Company enforce the Company’s rights under the Parent Support Agreement, and if the Company fails or refuses to take timely action to enforce such rights, such holders may proceed against the Company to require the Company to enforce its rights under the Parent Support Agreement.

Redemption

Optional redemption

The notes will be redeemable, at the Company’s option, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, plus the Make-Whole Premium (a “*Make-Whole Redemption*”).

Selection and notice of redemption

In the event that less than all of the notes are to be redeemed at any time, subject to applicable procedures of DTC with respect to global notes, selection of the notes for redemption will be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which the notes are listed or, if the notes are not then listed on a national securities exchange, on a pro rata basis, by lot or by such method as the Trustee shall deem fair and appropriate; *provided* that no notes of a principal amount of \$2,000 or less shall be redeemed in part.

Notice of an optional redemption shall be mailed at least 30 but not more than 60 days before the redemption date to each Holder to be redeemed at its registered address or otherwise delivered to each Holder in accordance with the applicable procedures of DTC. If any note is to be redeemed in part only, the notice of redemption that relates to such note shall state the portion of the principal amount thereof to be redeemed. A new note in a principal amount equal to the unredeemed portion

thereof will be issued in the name of the Holder thereof upon cancellation of the original note. On and after the redemption date, interest will cease to accrue on notes or portions thereof called for redemption as long as the Company has deposited with the paying agent funds in satisfaction of the applicable redemption price pursuant to the Indenture.

Repurchase at the Option of Holders Upon a Change of Control Triggering Event

The Indenture provides that, upon the occurrence of a Change of Control Triggering Event, each Holder will have the right to require that the Company purchase all or a portion of such Holder's notes pursuant to the offer described below (the "*Change of Control Offer*"), at a purchase price equal to 101% of the principal amount thereof plus accrued interest, if any, thereon to the date of purchase (the "*Change of Control Payment*").

Within 30 days following the date upon which the Change of Control Triggering Event occurs, the Company must send, by first class mail, or otherwise deliver in accordance with the applicable procedures of DTC, a notice to each Holder, with a copy to the Trustee, which notice shall govern the terms of the Change of Control Offer. Such notice shall state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date such notice is mailed (the "*Change of Control Payment Date*"). Holders electing to have a note purchased pursuant to a Change of Control Offer will be required to surrender the note, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the note completed, to the paying agent at the address specified in the notice prior to the close of business on the third Business Day prior to the Change of Control Payment Date.

On the Change of Control Payment Date, the Company will, to the extent lawful:

- (1) accept for payment all notes or portions of notes properly tendered pursuant to the Change of Control Offer;
- (2) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions of notes properly tendered; and
- (3) deliver or cause to be delivered to the Trustee the notes properly accepted together with an officers' certificate stating the aggregate principal amount of notes or portions of notes being purchased by the Company.

Subject to applicable DTC procedures with respect to global notes, the paying agent will as promptly as practicable mail to each Holder of notes properly tendered the Change of Control Payment for such notes, and the Company and the Trustee will as promptly as practicable execute and authenticate and mail (or cause to be transferred by book entry) to each Holder a new note in a principal amount equal to any unpurchased portion of the notes surrendered, if any; *provided, however,* that each new note will be in a principal amount of \$2,000 or an integral multiple of \$1,000 in excess thereof.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations to the extent such laws and regulations are applicable in connection with a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture relating to a Change of Control, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under the applicable provisions of the Indenture by virtue thereof.

The Change of Control purchase feature of the notes may in certain circumstances make more difficult or discourage a sale or takeover of the Company. The Change of Control purchase feature is a result of negotiations between the Company and the Initial Purchaser Representatives. Subject to the limitations discussed below, the Company could, in the future, enter into certain transactions, including

acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Company's capital structure or credit ratings. Restrictions on the Company's ability to incur additional Indebtedness are contained in the covenants described under "Certain Covenants—Limitations on Secured Indebtedness" and "Certain Covenants—Limitations on Sales and Leasebacks." Such restrictions can only be waived with the consent of the Holders of a majority in principal amount of the notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture does not contain any covenants or provisions that may afford Holders protection in the event of a highly leveraged transaction.

The ability of the Company to pay cash to the Holders of notes following the occurrence of a Change of Control may be limited by the Company's then existing financial resources. The Company cannot assure you that it will have sufficient funds available when necessary to make any required repurchases, and the terms of the Company's other financing arrangements may require repurchase or repayment of amounts outstanding in the event of a Change of Control, which could also limit the Company's ability to fund the repurchase of the notes. In the event the Company is required to purchase outstanding notes pursuant to a Change of Control Offer, the Company may seek third-party financing to the extent it does not have available funds to meet its purchase obligations. However, there can be no assurance that the Company would be able to obtain such financing.

The definition of "Change of Control" includes a disposition of all or substantially all of the assets of the Company to any Person. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the assets of the Company absent a decision by a court of competent jurisdiction. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder may require the Company to make an offer to repurchase the notes as described above.

The provisions under the Indenture relative to the Company's obligation to make an offer to repurchase the notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in principal amount of the notes.

Certain Covenants

Limitations on Secured Indebtedness. The Company will not, nor will it permit any Restricted Subsidiary to, incur, issue, assume, guarantee or create any Secured Indebtedness without effectively providing concurrently with the incurrence, issuance, assumption, guaranty or creation of any such Secured Indebtedness that the outstanding notes (together with, if the Company shall so determine, any other Indebtedness of the Company or such Restricted Subsidiary then existing or thereafter created which is not subordinated to the outstanding notes) will be secured equally and ratably with (or prior to) such Secured Indebtedness, so long as such Secured Indebtedness will be secured by a Lien, unless, after giving effect thereto, the sum of the aggregate amount of (a) all outstanding Secured Indebtedness of the Company and its Restricted Subsidiaries, *plus* (b) all Attributable Debt in respect of sale and leaseback transactions (with the exception of Attributable Debt which is excluded pursuant to clauses (1) to (6) inclusive described under "—Limitations on Sales and Leasebacks" below), *plus* (c) all Indebtedness of CNH Capital Canada (other than Indebtedness of CNH Capital Canada owed to CNHI, or any Parent of CNHI, or any of the Subsidiaries of CNHI or any Parent of CNHI) to the extent not included under (a) or (b) above, would not exceed 15% of Consolidated Net Tangible Assets of the Company and its Restricted Subsidiaries; *provided, however*, that this restriction will not apply to,

and there will be excluded from Secured Indebtedness in any computation under this covenant, Indebtedness secured by:

- (1) Liens on property of any Person existing at the time such Person becomes a Subsidiary;
- (2) Liens on property existing at the time of acquisition thereof or incurred within 180 days of the time of acquisition thereof (including, without limitation, acquisition through merger or consolidation) by the Company or any Restricted Subsidiary;
- (3) Liens on property hereafter acquired (or constructed) by the Company or any Restricted Subsidiary and created prior to, at the time of, or within 270 days after such acquisition (including, without limitation, acquisition through merger or consolidation) (or the completion of such construction or commencement of commercial operation of such property, whichever is later) to secure or provide for the payment of all or any part of the purchase price (or the construction price) thereof;
- (4) Liens in favor of the Company or any Restricted Subsidiary;
- (5) Liens in favor of the United States of America, any State thereof or the District of Columbia, or any agency, department or other instrumentality thereof, to secure partial, progress, advance or other payments pursuant to any contract or provisions of any statute;
- (6) Liens incurred or assumed in connection with the issuance of revenue bonds the interest on which is exempt from Federal income taxation pursuant to Section 103(a) of the Internal Revenue Code of 1954, as amended;
- (7) Liens securing the performance of any contract or undertaking not directly or indirectly in connection with the borrowing of money, the obtaining of advances or credit or the securing of Indebtedness, if made and continuing in the ordinary course of business;
- (8) Liens under workers' compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts or deposits to secure public or statutory obligations of the Company or any Restricted Subsidiary, or deposits of cash or obligations of the United States of America to secure surety and appeal bonds to which the Company or any Restricted Subsidiary is a party or in lieu of such bonds, or pledges or deposits for similar purposes in the ordinary course of business, or Liens imposed by law, such as laborers' or other employees', carriers', warehousemen's, mechanics', materialmen's and vendors' Liens and Liens arising out of judgments or awards against the Company or any Restricted Subsidiary with respect to which the Company or such Restricted Subsidiary at the time shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review, or Liens for taxes not yet subject to penalties for nonpayment or the amount or validity of which is being in good faith contested by appropriate proceedings by the Company or any Restricted Subsidiary, as the case may be, or minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions or Liens as to the use of real properties, which Liens, exceptions, encumbrances, easements, reservations, rights and restrictions do not, in the good faith opinion of the Governing Body of the Company, in the aggregate materially detract from the value of said properties or materially impair their use in the operation of the business of the Company and its Restricted Subsidiaries;
- (9) Liens (i) relating to the establishment of depository relations with banks or other financial institutions not given in connection with the incurrence of Indebtedness, (ii) relating to pooled deposit or sweep accounts of the Company or any of its Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company or

any of its Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Company or any of its Subsidiaries in the ordinary course of business;

(10) Liens relating to collateral provided to any counterparty of the Company or any of its Subsidiaries in connection with any Hedging Transaction; or

(11) any extension, renewal, refunding or replacement of the foregoing.

Limitations on Sales and Leasebacks. The Company will not, nor will it permit any Restricted Subsidiary to, enter into any arrangement with any Person providing for the leasing by the Company or any Restricted Subsidiary of any property of the Company or any Restricted Subsidiary, which property has been or is to be sold or transferred by the Company or such Restricted Subsidiary to such Person (a “*sale and leaseback transaction*”) unless, after giving effect thereto, the sum of the aggregate amount of (a) all Attributable Debt with respect to all such sale and leaseback transactions, *plus* (b) all Secured Indebtedness (with the exception of Indebtedness secured by Liens which are incurred, issued, assumed, guaranteed, created or permitted pursuant to clauses (1) to (11) inclusive described under “Limitations on Secured Indebtedness” above), *plus* (c) all Indebtedness of CNH Capital Canada (other than Indebtedness of CNH Capital Canada owed to CNHI, or any Parent of CNHI, or any of the Subsidiaries of CNHI or any Parent of CNHI) to the extent not included under (a) or (b) above, would not exceed 15% of Consolidated Net Tangible Assets. This covenant will not apply to, and there will be excluded from Attributable Debt in any computation under this covenant or under “Limitations on Secured Indebtedness” above, Attributable Debt with respect to any sale and leaseback transaction if:

- (1) The Company or applicable Restricted Subsidiary is permitted to incur Indebtedness secured by a Lien pursuant to clauses (1) to (11) inclusive described under “Limitations on Secured Indebtedness” above on the property to be leased, in an amount equal to the Attributable Debt with respect to such sale and leaseback transaction, without equally and ratably securing the notes;
- (2) The Company or applicable Restricted Subsidiary, within 270 days after the sale or transfer shall have been made by the Company or applicable Restricted Subsidiary, shall apply an amount in cash equal to the greater of (i) the net proceeds of the sale or transfer of the property leased pursuant to such arrangement or (ii) the fair market value of the property so leased at the time of entering into such arrangement (as determined by the President, the Chief Financial Officer or the Treasurer of the Company) to the retirement of Secured Indebtedness of the Company or any Restricted Subsidiary (other than Secured Indebtedness owned by the Company or any Restricted Subsidiary); *provided, however,* that no retirement referred to in this clause (2) may be effected by payment at maturity or pursuant to any mandatory sinking fund payment or any mandatory prepayment provision of any Secured Indebtedness;
- (3) The Company or a Restricted Subsidiary applies the net proceeds of the sale or transfer of the property leased pursuant to such transaction to the purchase of other property or assets used or useful in the Company’s or any Restricted Subsidiary’s business within 270 days prior or subsequent to such sale or transfer;
- (4) the effective date of any such arrangement is within 270 days of the acquisition of the applicable property (including, without limitation, acquisition by merger or consolidation) or the completion of construction and commencement of operation thereof, whichever is later;
- (5) the lease in such sale and leaseback transaction is for a period, including renewals, of not more than three years; or
- (6) the sale and leaseback transaction is entered into between the Company and a Restricted Subsidiary or between Restricted Subsidiaries.

Merger, Consolidation and Sale of Assets. The Company shall not consolidate with or merge with or into any other Person or convey, transfer or lease all or substantially all of its properties and assets to any Person, and the Company shall not permit any Person to consolidate with or merge with or into the Company or convey, transfer or lease all or substantially all of its properties and assets to the Company unless:

- (1) the Person formed by such consolidation or with or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, all or substantially all of the properties and assets of the Company shall be a Person organized and validly existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume, by a supplemental indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of and any premium and interest on the notes and the performance or observance of every covenant of the Indenture on the part of the Company to be performed or observed and shall expressly assume all obligations of the Company under the Registration Rights Agreement and the Parent Support Agreement;
- (2) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Company or a Subsidiary as a result of such transaction as having been incurred by the Company or such Subsidiary at the time of such transaction, no Default or Event of Default shall have occurred and be continuing;
- (3) if, as a result of any such consolidation or merger or such conveyance, transfer or lease, properties or assets of the Company or any Subsidiary would become subject to a mortgage, pledge, lien, security interest or other encumbrance which would not be permitted by the Indenture, the Company or such successor Person, as the case may be, shall take such steps as shall be necessary effectively to secure the notes equally and ratably with (or prior to) all indebtedness secured thereby; and
- (4) the Company has delivered to the Trustee an officers' certificate and an opinion of counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with the applicable provisions of the Indenture and that all conditions precedent therein provided for relating to such transaction have been complied with.

For purposes of the foregoing, the conveyance, transfer or lease of all or substantially all of the properties or assets of one or more Subsidiaries, the Capital Stock of which constitutes all or substantially all of the properties and assets of the Company shall be deemed to be the transfer of all or substantially all of the properties and assets of the Company.

Upon any consolidation of the Company with, or merger of the Company with or into, any other Person or any conveyance, transfer or lease of all or substantially all of the properties and assets of the Company in accordance with the foregoing, the successor Person formed by such consolidation or with or into which the Company is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture with the same effect as if such successor Person had been named as the Company in the Indenture; and in the event of any such conveyance, transfer or lease, the Company (which term shall for this purpose mean the Person named as the Company or any successor corporation which shall have theretofore become such in the manner prescribed above) shall be discharged from all liability under the Indenture and in respect of the notes or its Guarantee, as the case may be, and be dissolved and liquidated.

No Guarantor (other than a Guarantor whose Guarantee is to be released in accordance with the terms of the Guarantee and the Indenture) shall consolidate with or merge with or into any other Person or convey, transfer or lease all or substantially all of its properties and assets to any Person, and the Company shall not permit any Person to consolidate with or merge with or into any other Guarantor or convey, transfer or lease all or substantially all of its properties and assets to any other Guarantor, unless:

- (1) if such Guarantor shall consolidate with or merge with or into another Person or convey, transfer or lease all or substantially all of its properties and assets to any Person, the Person formed by such consolidation or with or into which such Guarantor is merged or the Person which acquires by conveyance or transfer, or which leases, all or substantially all of the properties and assets of such Guarantor shall be organized and validly existing under the laws of (x) if such Guarantor is organized and existing under the laws of the United States or any State thereof or the District of Columbia, the United States or any State thereof or the District of Columbia; or (y) if such Guarantor is organized and existing under the laws of any other jurisdiction (i) a member state of the European Union (as it exists on the Issue Date), (ii) the United States or any state thereof or the District of Columbia or (iii) the jurisdiction or organization or existence of such Guarantor to which such consolidation or merger relates and, in each case, shall expressly assume, by a supplemental indenture, all of the obligations of such Guarantor under the Indenture, such Guarantor's Guarantee and the Registration Rights Agreement;
- (2) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of such Guarantor as a result of such transaction as having been incurred by such Guarantor at the time of such transaction, no Default or Event of Default shall have happened and be continuing;
- (3) if, as a result of any such consolidation or merger or such conveyance, transfer or lease, properties or assets of such Guarantor would become subject to a mortgage, pledge, lien, security interest or other encumbrance which would not be permitted by the Indenture, such Guarantor or such successor Person, as the case may be, shall take such steps as shall be necessary effectively to secure its Guarantee of the notes equally and ratably with (or prior to) all indebtedness secured thereby; and
- (4) such Guarantor has delivered to the Trustee an officers' certificate and an opinion of counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with the applicable provisions of the Indenture and that all conditions precedent therein provided for relating to such transaction have been complied with.

Upon any consolidation of a Guarantor with, or merger of such Guarantor with or into, any other Person or any conveyance, transfer or lease of all or substantially all of the properties and assets of such Guarantor with or in accordance with the foregoing, the successor Person formed by such consolidation or with or into which such Guarantor is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of such Guarantor under the Indenture with the same effect as if such successor Person had been a Guarantor under the Indenture; and in the event of any such conveyance, transfer or lease, such Guarantor (which term shall for this purpose mean the Person named as such Guarantor or any successor corporation which shall have theretofore become such in the manner prescribed above) shall be discharged from all liability under the Indenture and in respect of its Guarantee of the notes, and be dissolved and liquidated.

Issuance of Subsidiary Guarantees. The Company will not cause or permit any of its Restricted Subsidiaries, directly or indirectly, to be obligated as a guarantor, other than as a result of any bank or

other depository institution's right of set-off, of the obligation of the Company or any other Person under any Indebtedness in excess of \$50.0 million in the aggregate unless such Restricted Subsidiary concurrently therewith:

- (1) executes and delivers to the Trustee a supplemental indenture pursuant to which such Subsidiary shall unconditionally guarantee (each, a "*Guarantee*") all of the Company's obligations under the notes and the Indenture on the terms set forth in the Indenture for so long as such guaranteed Indebtedness exceeds \$50.0 million in the aggregate; and
- (2) delivers to the Trustee an opinion of counsel (which may contain customary exceptions) that such supplemental indenture has been duly authorized, executed and delivered by such Subsidiary and constitutes a legal, valid, binding and enforceable obligation of such Subsidiary.

Thereafter, such Restricted Subsidiary shall be a Guarantor for all purposes of the Indenture until such Guarantee is released in accordance with the provisions of "*Guarantees*" above. The Company may cause any other Subsidiary of the Company to issue a Guarantee and become a Guarantor.

Payments for Consent. The Company will not, and will not cause or permit any Subsidiary to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture, the notes or the Guarantees unless such consideration is offered to be paid to all Holders who so consent, waive or agree to amend in the time frame set forth in solicitation documents relating to such consent, waiver or amendment.

Reports to Holders. The Company will deliver to the Trustee, within 15 days after it is required to file them with the Commission, copies of: (A) annual reports on Form 10-K (or any successor or comparable form) containing the information required to be contained therein (or required in such successor or comparable form); (B) reports on Form 10-Q (or any successor or comparable form) containing the information required to be contained therein (or required in such successor or comparable form); (C) reports on Form 8-K (or any successor or comparable form) containing the information required to be contained therein (or required in such successor or comparable form); and (D) any other information, documents or other reports which the Company would be required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act; *provided, however,* if the Company is not obligated to file the information, documents and reports described in clauses (A), (B), (C) or (D) of this sentence with the Commission, or if the Commission does not permit such filing, the Company shall make available such information, documents and reports to prospective purchasers of the notes, in addition to providing such information to the Trustee and the Holders, in each case within 30 days after the time the Company would have been required to file such information with the Commission, if it were subject to Section 13 or 15(d) of the Exchange Act. The Company shall be deemed to have furnished such information, documents or reports to the Trustee, the Holders and/or prospective purchasers of the notes, if the Company has filed such information, documents or reports with the Commission via the EDGAR filing system (or any successor system) and/or posted such information, documents or reports on the Company's website and such information, documents or reports are publicly available. The Company has also agreed that, for so long as any notes remain outstanding during any period when it is not subject to Section 13 or 15(d) of the Exchange Act, or otherwise permitted to furnish the SEC with certain information pursuant to Rule 12g3-2(b) under the Exchange Act, it will furnish to the holders of the notes and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

The Company will transmit by mail to all Holders, as the names and addresses of such Holders appear upon the register, within 30 days after the filing thereof with the Trustee, the summaries of information, documents and reports required to be filed by the Company, if any, pursuant to the

Indenture as may be required by rules and regulations prescribed from time to time by the Commission.

Compliance with Parent Support Agreement. The Company (i) will observe and perform in all material respects all of its covenants or agreements contained in the Parent Support Agreement, (ii) will use commercially reasonable efforts to cause CNHI to observe and perform in all material respects all covenants or agreements of CNHI contained in the Parent Support Agreement and (iii) will not waive compliance under, amend in any material respect or terminate the Parent Support Agreement; *provided, however,* that the Parent Support Agreement may, in accordance with the terms thereof, be modified, amended or terminated, at CNHI's election, upon thirty days prior written notice to the Company and to Moody's and S&P if (a) such modification, amendment or termination would not result in a downgrade of the Company's rated indebtedness by Moody's or S&P; (b) the modification, amendment or notice of termination provides that the Parent Support Agreement will continue in effect with respect to the Company's rated indebtedness outstanding on the effective date of the modification, amendment or termination; or (c) there is no long-term rated indebtedness of the Company outstanding.

Events of Default

The following events will be defined in the Indenture as “*Events of Default*”:

- (1) the failure to pay interest on any notes when the same becomes due and payable and such default continues for a period of 30 days;
- (2) the failure to pay the principal of any notes, when such principal becomes due and payable, at maturity, upon redemption or otherwise (including the failure to make a payment to purchase notes tendered pursuant to a Change of Control Offer);
- (3) a default in the performance, or breach, of any term or provision of those covenants contained in the Indenture that are described under clause (iii) of “Certain Covenants—Compliance with Parent Support Agreement”;
- (4) a default in the observance or performance of any other covenant or agreement contained in the Indenture which default continues for a period of 30 days after the Company receives written notice specifying the default from the Trustee or the Holders of at least 25% of the outstanding principal amount of the notes (except in the case of a default with respect to the covenant described under “—Certain Covenants—Merger, Consolidation and Sale of Assets,” which will constitute an Event of Default with such notice requirement but without such passage of time requirement);
- (5) a default under any Indebtedness of the Company, any Restricted Subsidiary of the Company or any Guarantor that, in the case of any such Restricted Subsidiary or Guarantor is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company and/or Guarantors that, together would constitute a Significant Subsidiary (or the payment of which is guaranteed by the Company or any such Restricted Subsidiary of the Company or Guarantor or group of Restricted Subsidiaries of the Company and/or Guarantors), whether such Indebtedness now exists or is created after the Issue Date, which default (A) is caused by a failure to pay principal of such Indebtedness after any applicable grace period provided in such Indebtedness on the date of such default (a “*payment default*”) or (B) results in the acceleration of such Indebtedness prior to its express maturity and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a payment default or the maturity of which has been so accelerated, aggregates to an amount in excess of \$75.0 million;

- (6) one or more judgments in an aggregate amount in excess of \$75.0 million not covered by adequate insurance shall have been rendered against the Company, any Restricted Subsidiary of the Company or Guarantor that, in the case of any such Restricted Subsidiary or Guarantor is a Significant Subsidiary or group of Restricted Subsidiaries of the Company and/or Guarantors that, together, would constitute a Significant Subsidiary and such judgments remain undischarged, unpaid or unstayed for a period of 60 days after such judgment or judgments become final and nonappealable;
- (7) certain events of bankruptcy as set forth in the Indenture affecting the Company or any Restricted Subsidiary or Guarantor that, in the case of any such Restricted Subsidiary or Guarantor is a Significant Subsidiary or group of Restricted Subsidiaries of the Company and/or Guarantors that, together, would constitute a Significant Subsidiary; or
- (8) any Guarantee of any Guarantor ceases to be in full force and effect or any Guarantee of such Guarantor is declared to be null and void and unenforceable or any Guarantee of such Guarantor is found to be invalid or any Guarantor denies its liability under its Guarantee (other than by reason of release of such Guarantor in accordance with the terms of the Indenture).

If an Event of Default (other than an Event of Default specified in clause (7) above) shall occur and be continuing, the Trustee or the Holders of at least 25% in principal amount of outstanding notes may declare the principal of, premium, if any, and accrued interest on all the notes to be due and payable by notice in writing to the Company and (if given by the Holders) the Trustee specifying the respective Events of Default and that it is a "notice of acceleration," and the same shall become immediately due and payable. If an Event of Default specified in clause (7) above occurs with respect to the Company and is continuing, then all unpaid principal of, premium, if any, and accrued and unpaid interest on all of the outstanding notes shall *ipso facto* become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

The Indenture provides that, at any time after a declaration of acceleration with respect to the notes as described in the preceding paragraph, the Holders of a majority in principal amount of the then outstanding notes may rescind and cancel such declaration and its consequences:

- (1) if the rescission would not conflict with any judgment or decree;
- (2) if all existing Events of Default have been cured or waived except for nonpayment of principal or interest that has become due solely because of the acceleration;
- (3) to the extent the payment of such interest is lawful, if interest on overdue installments of interest and overdue principal, which has become due otherwise than by such declaration of acceleration, has been paid;
- (4) if the Company has paid the Trustee its reasonable compensation and reimbursed the Trustee for its expenses, disbursements and advances; and
- (5) in the event of the cure or waiver of an Event of Default of the type described in clause (7) of the description above of Events of Default, the Trustee shall have received an officers' certificate and an opinion of counsel that such Event of Default has been cured or waived.

No such rescission shall affect any subsequent Default or Event of Default or impair any right consequent thereto.

The Holders of a majority in principal amount of the then outstanding notes may waive any existing Default or Event of Default under the Indenture, and its consequences, except a default in the payment of the principal of or premium, if any, or interest on any notes.

Holders of the notes may not enforce the Indenture or the notes except as provided in the Indenture and under the TIA. Subject to the provisions of the Indenture relating to the duties of the Trustee, the Trustee is under no obligation to exercise any of its rights, or powers under the Indenture at the request, order or direction of any of the Holders, unless such Holders have offered to the Trustee satisfactory security or indemnity. Subject to all provisions of the Indenture and applicable law, the Holders of a majority in aggregate principal amount of the then outstanding notes have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee.

Under the Indenture, the Company is required to provide an officers' certificate to the Trustee promptly upon the Company obtaining knowledge of any Default or Event of Default (*provided* that the Company shall provide such certification at least annually whether or not it knows of any Default or Event of Default) that has occurred and, if applicable, describe such Default or Event of Default and the status thereof.

Legal Defeasance and Covenant Defeasance

The Company may, at its option and at any time, elect to have its obligations and the obligations of any Guarantors discharged with respect to the outstanding notes ("legal defeasance"). Such legal defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by the outstanding notes, except for:

- (1) the rights of Holders to receive payments in respect of the principal of, premium, if any, and interest on the notes when such payments are due;
- (2) the Company's obligations with respect to the notes concerning issuing temporary notes, registration of notes, mutilated, destroyed, lost or stolen notes and the maintenance of an office or agency for payments;
- (3) the rights, powers, trust, duties and immunities of the Trustee and the Company's obligations in connection therewith; and
- (4) the legal defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have its obligations of the Company released with respect to certain covenants that are described in the Indenture ("covenant defeasance") and thereafter any omission or failure to comply, with such obligations shall not constitute a Default or Event of Default with respect to the notes. In the event covenant defeasance occurs, certain events (not including nonpayment, bankruptcy, receivership, reorganization and insolvency events) described under "—Events of Default" will no longer constitute an Event of Default with respect to the notes.

In order to exercise legal defeasance or covenant defeasance:

- (1) The Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders cash in U.S. dollars, non-callable U.S. government obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants selected by the Company expressed in a written certification to the Trustee, to pay the principal of, premium, if any, and interest on the notes on the stated date of payment thereof or on the applicable redemption date, as the case may be; *provided* that the Trustee shall have received an irrevocable written order from the Company instructing the Trustee to apply such cash or the proceeds of such obligations to said payments with respect to such notes;
- (2) in the case of legal defeasance, the Company shall have delivered to the Trustee an opinion of counsel in the United States reasonably acceptable to the Trustee confirming that (A) the

Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the date of the Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such opinion of counsel shall confirm that, the Holders will not recognize income, gain or loss for federal income tax purposes as a result of such legal defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such legal defeasance had not occurred;

- (3) in the case of covenant defeasance, the Company shall have delivered to the Trustee an opinion of counsel in the United States reasonably acceptable to the Trustee confirming that the Holders will not recognize income, gain or loss for federal income tax purposes as a result of such covenant defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred;
- (4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit (other than a Default or Event of Default resulting from the incurrence of Indebtedness all or a portion of the proceeds of which will be used to defease the notes concurrently with such incurrence);
- (5) such legal defeasance or covenant defeasance shall not result in a breach or violation of or constitute a default under the Indenture or any other material agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound;
- (6) the Company shall have delivered to the Trustee an officers' certificate stating that the deposit was not made by the Company with the intent of preferring the Holders over any other creditors of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company or others;
- (7) the Company shall have delivered to the Trustee an officers' certificate and an opinion of counsel, each stating that all conditions precedent (other than, in the case of such legal opinion, paragraph (6) above as to which such counsel need express no opinion) provided for or relating to the legal defeasance or the covenant defeasance have been complied with; and
- (8) the Company shall have delivered to the Trustee an opinion of counsel to the effect that after the 91st day following the deposit and assuming that no Holder is an "insider" with respect to the Company, as that term is defined in Section 101 of title 11, United States Bankruptcy Code (the "*Bankruptcy Code*"), the cash or securities deposited in trust will not be subject to avoidance and repayment under Sections 547 and 550 of the Bankruptcy Code.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to surviving rights or registration of transfer or exchange of the notes, as expressly provided for in the Indenture) as to all outstanding notes when:

- (1) either (a) all the notes theretofore authenticated and delivered (except lost, stolen or destroyed notes which have been replaced or paid and notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust) have been delivered to the Trustee for cancellation or (b) all of the notes (i) have become due and payable, (ii) will become due and payable at their stated maturity within one year or (iii) if redeemable at the option of the Company, are to be called for redemption within one year under arrangements

satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company, and the Company has irrevocably deposited or caused to be deposited with the Trustee funds in an amount sufficient to pay and discharge the entire Indebtedness on the notes not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the notes to the date of deposit together with irrevocable instructions from the Company directing the Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be;

- (2) the Company and/or the Guarantors have paid all other sums payable under the Indenture; and
- (3) the Company has delivered to the Trustee an officers' certificate and an opinion of counsel stating that all conditions precedent under the Indenture relating to the satisfaction and discharge of the Indenture have been complied with.

Modification of the Indenture

From time to time, the Company, the Guarantors and the Trustee, without the consent of the Holders, may amend the Indenture for certain specified purposes, including curing ambiguities, defects or inconsistencies, so long as such change does not, in the opinion of the Company, adversely affect the rights of any of the Holders in any material respect. The Trustee will be entitled to rely on such evidence as it deems appropriate, including, without limitation, solely on an opinion of counsel. Other modifications and amendments of the Indenture may be made with the consent of the Holders of a majority in principal amount of the then outstanding notes issued under the Indenture, except that, without the consent of each Holder affected thereby, no amendment may:

- (1) reduce the amount of notes whose Holders must consent to an amendment;
- (2) reduce the rate of or change or have the effect of changing the time for payment of interest, including defaulted interest, on any notes;
- (3) reduce the principal of or change or have the effect of changing the fixed maturity of any notes, or change the date on which any notes may be subject to redemption or repurchase, or reduce the redemption or repurchase price therefor;
- (4) make any notes payable in a currency other than that stated in the notes;
- (5) make any change in provisions of the Indenture protecting the right of each Holder to receive payment of principal of, premium, if any, and interest on such notes on or after the stated due date thereof or to bring suit to enforce such payment, or permitting Holders of a majority in principal amount of the then outstanding notes to waive Defaults or Events of Default;
- (6) amend, change or modify in any material respect the obligation of the Company to make and consummate a Change of Control Offer after the occurrence of a Change of Control Triggering Event or, after such Change of Control Triggering Event has occurred, modify any of the provisions or definitions with respect thereto;
- (7) modify or change any provision of the Indenture or the related definitions affecting the ranking of the notes or any Guarantee in a manner which adversely affects the Holders; or
- (8) release any Guarantor from any of its obligations under its Guarantee or the Indenture otherwise than in accordance with the terms of the Indenture.

Governing Law; Waiver of Trial by Jury

The Indenture provides that it, the notes and any Guarantees will be governed by, and construed in accordance with, the laws of the State of New York but without giving effect to applicable principles

of conflicts of law to the extent that the application of the law of another jurisdiction would be required thereby. The Indenture provides that we, the Guarantors and the Trustee, and each Holder of a note by its acceptance thereof, irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to the Indenture, the notes or any transaction contemplated thereby.

The Trustee

The Indenture provides that, except during the continuance of an Event of Default, the Trustee will perform only such duties as are specifically set forth in the Indenture. During the existence of an Event of Default that has not been cured or waived, the Trustee will exercise such rights and powers vested in it by the Indenture, and use the same degree of care and skill in its exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The Indenture and the provisions of the TIA contain certain limitations on the rights of the Trustee, should it become a creditor of the Company or a Guarantor, to obtain payments of claims in certain cases or to realize on certain property received in respect of any such claim as security or otherwise. Subject to the TIA, the Trustee will be permitted to engage in other transactions; *provided* that if the Trustee acquires any conflicting interest as described in the TIA it must apply to the Commission for permission to continue, eliminate such conflict, or resign within 90 days as provided in the Indenture.

Certain Definitions

Set forth below is a summary of certain of the defined terms used in the Indenture. Reference is made to the Indenture for the full definition of all such terms, as well as any other terms used herein for which no definition is provided.

“Affiliate” means with respect to any specified Person, any other Person who directly or indirectly through one or more intermediaries controls, or is controlled by or is under common control with, such specified Person. The term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Applicable Treasury Rate” for any redemption date, means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) that has become publicly available at least two Business Days prior to the Make-Whole Redemption Date of such note (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the Make-Whole Redemption Date to February 1, 2017; *provided, however*, that if the period from the Make-Whole Redemption Date to February 1, 2017 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Applicable Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given except that if the period from the Make-Whole Redemption Date to February 1, 2017 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

“Attributable Debt” means, as to any particular lease under which either the Company or any Restricted Subsidiary is at the time liable as lessee for a term of more than 12 months and at any date as of which the amount thereof is to be determined, the total net obligations of the lessee for rental payments during the remaining term of the lease (excluding any period for which such lease has been extended or may, at the option of the lessor, be extended) discounted from the respective due dates

thereof to such determination date at a rate per annum equivalent to the greater of (a) the weighted-average Yield to Maturity of the notes and (b) the interest rate inherent in such lease (as determined in good faith by the Company), both to be compounded semi-annually. The net total obligations of the lessee for rental payments under any such lease for any such period shall be the aggregate amount of the rent payable by the lessee with respect to such period after excluding amounts required to be paid on account of maintenance and repairs, services, insurance, taxes, assessments, water rates and similar charges and contingent rents (such as those based on sales or monetary inflation). If any lease is terminable by the lessee upon the payment of a penalty and under the terms of the lease the termination right is not exercisable until after the determination date and the amount of such penalty discounted to the determination date as provided above is less than the net amount of rentals payable after the time as of which such termination could occur (the “termination time”) discounted to the determination date as provided above, then such discounted penalty amount shall be used instead of such discounted amount of net rentals payable after the termination time in calculating the Attributable Debt for such lease. If any lease is terminable by the lessee upon the payment of a penalty and such termination right is exercisable on the determination date and the amount of the net rentals payable under such lease after the determination date discounted to the determination date as provided above is greater than the amount of such penalty, the “Attributable Debt” for such lease as of such determination date shall be equal to the amount of such penalty.

“Business Day” means a day other than a Saturday, Sunday or other day on which the Trustee or commercial banking institutions in New York City are authorized or required by law to close.

“Capital Stock” means

- (1) with respect to any Person that is a corporation, any and all shares of corporate stock of such Person;
- (2) with respect to any Person that is an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated and whether or not voting) of corporate stock of such Person;
- (3) with respect to any Person that is a partnership or limited liability company, any and all partnership or membership interests (whether general or limited) of such Person; and
- (4) with respect to any other Person, any other interest or participation that confers on a Person the right to receive a share of the profits, losses of, or distributions of assets of, the issuing Person.

“Capital Lease Obligations” of either the Company or any Restricted Subsidiary means the obligations of such Person under a lease that are required to be classified and accounted for as capital lease obligations under GAAP and, for purposes of this definition, the amount of such obligations at any date shall be the capitalized amount of such obligations at such date determined in accordance with generally accepted accounting principles.

“Change of Control” means the occurrence of one or more of the following events:

- (1) any Person or group of related Persons for purposes of Section 13(d) of the Exchange Act (a “Group”), other than one or more Permitted Holders, becomes the beneficial owner (as defined under Rule 13d-3 or any successor rule or regulation promulgated under the Exchange Act, except that a Person will be deemed to have “beneficial ownership” of all securities that such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time) of more than 50% of the total voting power of the Company’s Capital Stock;
- (2) there is consummated any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company and its

Subsidiaries taken as a whole to any Person or Group, together with any Affiliates thereof (whether or not otherwise in compliance with the provisions of the Indenture), other than any transfer to (x) the Company or one or more Subsidiaries of the Company or (y) any Person of which more than 50% of the voting power of such Person's Capital Stock is owned directly or indirectly by one or more Permitted Holders;

- (3) there is consummated any consolidation or merger of the Company in which the Company is not the continuing or surviving Person or pursuant to which the Capital Stock of the Company would be converted into cash, securities or other property, other than a merger or consolidation of the Company (x) in which the holders of the Capital Stock of the Company outstanding immediately prior to the consolidation or merger hold, directly or indirectly, at least a majority of the Capital Stock of the surviving corporation immediately after such consolidation or merger or (y) with any Person of which more than 50% of the voting power of such Person's Capital Stock is owned directly or indirectly by one or more Permitted Holders;
- (4) the approval by the holders of Capital Stock of the Company of any plan or proposal for the liquidation or dissolution of the Company (whether or not otherwise in compliance with the provisions of the Indenture);
- (5) during any period of two consecutive years, individuals who at the beginning of such period constituted the Governing Body of the Company (together with any new directors or managers whose election by such Governing Body or whose nomination for election by the equity-holders of the Company was approved either (x) pursuant to a vote of a majority of the directors or managers then still in office who were either directors or managers at the beginning of such period or whose election or nomination for election was previously so approved or (y) by the Permitted Holders) cease for any reason to constitute a majority of the Governing Body of the Company then in office; or
- (6) the first day on which CNHI fails to own, either directly or indirectly, through one or more Subsidiaries, more than 50% of the total voting power of the Company's Capital Stock.

“Change of Control Triggering Event” means both (i) a Change of Control shall have occurred and (ii) either (x) the notes shall not have Investment Grade Status at the time of the occurrence of such Change of Control and shall not have obtained Investment Grade Status within 30 days after public notice of the occurrence of such Change of Control or (y) the notes shall have Investment Grade Status at the time of the occurrence of such Change of Control but a Rating Decline shall have occurred and, after giving effect to such Rating Decline, the notes shall cease to have Investment Grade Status.

“CNHI” means CNH Industrial N.V., a corporation organized under the laws of the Kingdom of The Netherlands, and, for the avoidance of doubt, its successors in interest (whether by merger, consolidation, sale of assets or otherwise).

“Commission” means the Securities and Exchange Commission, as from time to time constituted, or if at any time after the execution of the Indenture such Commission is not existing and performing the applicable duties now assigned to it, then the body or bodies performing such duties at such time.

“Consolidated Net Tangible Assets” means, at any date, the total assets (net of applicable reserves) appearing on the most recent consolidated balance sheet of the Company and its Restricted Subsidiaries (excluding assets of any Securitization Subsidiaries, as reflected in the table relating to consolidated variable interest entities accompanying such balance sheet) at the end of the fiscal quarter of the Company ending not more than 135 days prior to such date, prepared in accordance with generally accepted accounting principles, after deducting therefrom (a) all current liabilities (due within one year) of the Company and such Restricted Subsidiaries reflected on such balance sheet (excluding

current liabilities of any Securitization Subsidiaries, as reflected in the table relating to consolidated variable interest entities accompanying such balance sheet) and (b) all Intangible Assets and related liabilities of the Company and such Restricted Subsidiaries reflected on such balance sheet (excluding Intangible Assets and related liabilities of any Securitization Subsidiaries, as reflected in the table relating to consolidated variable interest entities accompanying such balance sheet).

“Default” means an event or condition the occurrence of which is, or with the lapse of time or the giving of notice or both with respect to which, would be, an Event of Default.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto, and the rules and regulations of the Commission promulgated thereunder.

“Governing Body” means, as to any Person, the board of directors, board of managers or other governing body of such Person or any duly authorized committee thereof.

“Guarantee” has the meaning set forth under “—Certain Covenants—Issuance of Subsidiary Guarantees.”

“Guarantor” means (1) each Subsidiary of the Company that executes a Guarantee on the Issue Date and (2) each other Subsidiary that in the future executes a Guarantee pursuant to the covenant described under “—Certain Covenants—Issuance of Subsidiary Guarantees” or otherwise; *provided* that any Person constituting a Guarantor as described above shall cease to constitute a Guarantor when its Guarantee is released in accordance with the terms of the Indenture.

“Hedging Transaction” means any transaction to hedge interest rate, currency, commodity and/or equity risks and exposures, including a rate swap transaction, swap option, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, credit protection transaction, credit swap, credit default swap, credit default option, total return option, credit spread transaction, repurchase transaction, reverse repurchase transaction, security lending transaction, buy/sell-back transaction, agreement for the purchase, sale or transfer of any commodity or any other commodity trading transaction or any other similar transaction (including any option with respect to any of these transactions) or any combination of these transactions or any transactions similar to the transactions described above.

“Holder” means any registered holder, from time to time, of any notes.

“Indebtedness” means, at any date, without duplication, (i) all obligations for borrowed money of the Company or a Restricted Subsidiary of the Company or any other indebtedness of the Company or a Restricted Subsidiary of the Company, evidenced by bonds, debentures, notes or other similar instruments, maturing more than 12 months after the time of computation thereof, (ii) guarantees of any such obligations or indebtedness or of dividends of others (except guarantees in connection with the sale or discount of accounts receivable, trade acceptances and other commercial paper arising in the ordinary course of business), (iii) in the case of any Restricted Subsidiary all Preferred Stock of such Restricted Subsidiary and (iv) all Capital Lease Obligations; *provided, however*, that in each such case, obligations and other indebtedness of the Company or a Restricted Subsidiary of the Company incurred as a part of a Securitization Transaction shall not constitute Indebtedness.

“Initial Purchaser Representatives” means Citigroup Global Markets Inc., Credit Agricole Securities (USA) Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley & Co. LLC.

“Intangible Assets” means, at any date, the value (net of any applicable reserves), as shown on or reflected in the most recent consolidated balance sheet of the Company and its Restricted Subsidiaries as at the end of the fiscal quarter of the Company ending not more than 135 days prior to such date,

prepared in accordance with generally accepted accounting principles, of: (i) all trade names, trademarks, licenses, patents, copyrights, service marks, goodwill and other like intangibles; (ii) organizational and development costs; (iii) deferred charges (other than prepaid items such as insurance, taxes, interest, commissions, rents, deferred interest waiver, compensation and similar items and tangible assets being amortized); and (iv) unamortized debt discount and expense, less unamortized premium.

“Investment Grade Rating” means a rating equal to or higher than Baa3 (or the equivalent) by Moody’s and BBB- (or the equivalent) by S&P or an equivalent rating by any Successor Rating Agency.

“Investment Grade Status” means that the notes shall have an Investment Grade Rating from both Rating Agencies, *provided* that no Default or Event of Default has occurred and is continuing.

“Issue Date” means October 8, 2013, the date of initial issuance of the old notes.

“Lien” means, with respect to any asset or property, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset or property, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement or lease in the nature thereof); *provided*, that in no event shall an operating lease be deemed to constitute a Lien.

“Make-Whole Premium” means, as to each note, an amount equal to the greater of (i) 1.0% of the principal amount of such note and (ii) the excess of (x) the present value of the sum of the principal amount and premium, if any, that would be payable on such note on February 1, 2017 and all remaining interest payments to and including February 1, 2017 (but excluding any interest accrued to the Make-Whole Redemption Date), discounted on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) from February 1, 2017 to the Make-Whole Redemption Date at a per annum interest rate equal to the Applicable Treasury Rate on such Make-Whole Redemption Date plus 0.50%, over (y) the outstanding principal amount of such note.

“Make-Whole Redemption Date” with respect to a Make-Whole Redemption, means the date such Make-Whole Redemption is effected.

“Moody’s” means Moody’s Investors Service, Inc., or any successor thereto.

“Parent” means, with respect to any Person, any other Person of which such Person is a direct or indirect Subsidiary.

“Permitted Holders” means each of:

(a) CNHI;

(b) any Person that is a Subsidiary of CNHI for so long as such Person continues to be a Subsidiary of CNHI; and

(c) any Parent of CNHI (provided that in the case of this clause (c), at all times, the Company shall also be a direct or indirect Subsidiary of CNHI).

“Person” means an individual, partnership, corporation, limited liability company, unincorporated organization, trust, joint venture or government or any agency or political subdivision thereof or any other entity.

“Preferred Stock” of any Person means any Capital Stock of such Person that has preferential rights to any other Capital Stock of such Person with respect to dividends or redemptions or upon liquidation.

“Rating Agencies” mean Moody’s and S&P; *provided* that if S&P, Moody’s or any Successor Rating Agency (as defined below) shall cease to be in the business of providing rating services for debt securities generally, the Company shall be entitled to replace any such Rating Agency or Successor Rating Agency, as the case may be, which has ceased to be in the business of providing rating services for debt securities generally with a security rating agency which is in the business of providing rating services for debt securities generally and which is nationally recognized in the United States (such rating agency, a “*Successor Rating Agency*”).

“Rating Decline” shall be deemed to occur if, within 60 days after public notice of the occurrence of a Change of Control (which period shall be extended to up to 180 days after public notice of the occurrence of a Change of Control so long as the rating of the notes is under publicly announced consideration for possible downgrade as a result of the occurrence of such Change of Control by either of the Rating Agencies), the rating of the notes by either Rating Agency shall be decreased.

“Receivables” means any right of payment from or on behalf of any obligor, whether constituting an account, chattel paper, instrument, general intangible or otherwise, arising from the financing by the Company or any Subsidiary of the Company of property or services, and monies due thereunder, security interests in the property and services financed thereby and any and all other related rights.

“Registration Rights Agreement” means the Registration Rights Agreement to be dated the Issue Date among the Company, the Guarantors and the Initial Purchaser Representatives.

“Restricted Subsidiary” means any Subsidiary of the Company that is not an Unrestricted Subsidiary. As of the Issue Date, each of the following Subsidiaries of the Company will be a Restricted Subsidiary: CNH Capital America, CNH Capital Canada and New Holland Credit.

“S&P” means Standard & Poor’s, a division of The McGraw-Hill Companies, Inc., or any successor thereto.

“Secured Indebtedness” means Indebtedness which is secured by any Lien on, any asset or property (whether owned on the date of the Indenture or thereafter acquired or created) of the Company or of a Restricted Subsidiary.

“Securities Act” means the Securities Act of 1933, as amended, or any successor statute or statutes thereto, and the rules and regulations of the Commission promulgated thereunder.

“Securitization Subsidiary” means a Subsidiary of the Company (a) which is formed for the purpose of effecting one or more Securitization Transactions and engaging in other activities reasonably related thereto and (b) as to which no portion of the indebtedness or any other obligations of which (i) is guaranteed by the Company or any Restricted Subsidiary, or (ii) subjects any property or assets of the Company or any Restricted Subsidiary, directly or indirectly, contingently or otherwise, to any Lien, other than pursuant to representations, warranties and covenants (including those related to servicing) entered into in the ordinary course of business in connection with a Securitization Transaction and affiliate notes and other forms of capital or credit support relating to the transfer or sale of Receivables or asset-backed securities to such Securitization Subsidiary and customarily necessary or desirable in connection with such transactions.

“Securitization Transaction” means any transaction or series of transactions that have been or may be entered into by the Company or any of its Subsidiaries in connection with or reasonably related to a transaction or series of transactions in which the Company or any of its Subsidiaries may sell, convey or otherwise transfer to (i) a Securitization Subsidiary or (ii) any other Person, or may grant a security interest in, any Receivables or asset-backed securities or interest therein (whether such Receivables or securities are then existing or arising in the future) of the Company or any of its Subsidiaries, and any assets related thereto, including, without limitation, all security interests in the property or services financed thereby, the proceeds of such Receivables or asset-backed securities and any other assets

which are sold or in respect of which security interests are granted in connection with securitization transactions involving such assets.

“Significant Subsidiary” means, with respect to any Person, any Subsidiary of such Person that satisfies the criteria for a “significant subsidiary” set forth in Rule 1-02(w) of Regulation S-X under the Securities Act, as such Regulation is in effect on the Issue Date.

“Subsidiary,” with respect to any Person, means

- (1) any corporation of which the outstanding Capital Stock having at least a majority of the votes entitled to be cast in the election of directors or managers under ordinary circumstances shall at the time be owned, directly or indirectly, by such Person or
- (2) any other Person of which at least a majority of the voting interest under ordinary circumstances is at the time, directly or indirectly, owned by such Person.

“Unrestricted Subsidiary” means:

- (1) any Subsidiary of the Company that at the time of determination shall be designated an Unrestricted Subsidiary by the Governing Body of the Company in the manner provided below;
- (2) any Subsidiary of an Unrestricted Subsidiary; and
- (3) any successor by merger or consolidation of an Unrestricted Subsidiary unless such merger or consolidation is with a Restricted Subsidiary;

provided that each Subsidiary of the Company in existence on the Issue Date, other than CNH Capital America, CNH Capital Canada and New Holland Credit, shall be considered an Unrestricted Subsidiary.

The Governing Body of the Company may designate any Subsidiary of the Company (including any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock or Indebtedness of, or holds any Lien on any property of, the Company or any other Subsidiary of the Company that is not a Subsidiary of the Subsidiary to be so designated; *provided, however,* that the Subsidiary to be so designated has total assets of \$1,000 or less.

The Governing Body of the Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided, however,* that immediately after giving effect to such designation, no default shall have occurred and be continuing. Any such designation by the Governing Body shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of the Governing Body giving effect to such designation and an officers’ certificate certifying that such designation complied with the foregoing provisions.

“Yield to Maturity” means the yield to maturity, calculated at the time of issuance of the notes calculated in accordance with generally accepted financial practice.

THE EXCHANGE OFFER

Purposes and Effect of the Exchange Offer

We sold the old notes in a private offering in October 2013 to the initial purchasers thereof, who resold the old notes to “qualified institutional buyers” in reliance on Rule 144A under the Securities Act and, outside the United States, to non-U.S. persons in compliance with Regulation S under the Securities Act.

In connection with the issuance of the old notes, CNH Capital LLC, the guarantors and the representatives of the initial purchasers thereof entered into the Registration Rights Agreement for the benefit of holders of the old notes. The following description of the Registration Rights Agreement is a summary only. It is not complete and does not describe all of the provisions of the Registration Rights Agreement. For more information, you should review the provisions of the Registration Rights Agreement that we filed with the SEC as an exhibit to the registration statement of which this prospectus is a part.

Pursuant to the Registration Rights Agreement, CNH Capital LLC and the guarantors agreed, at our cost, for the benefit of the holders of the old notes, to:

- file a registration statement with the SEC with respect to a registered offer to exchange the notes for new notes of CNH Capital LLC evidencing the same continuing indebtedness under, and having terms substantially identical in all material respects to, the old notes (except that the exchange notes will not contain terms with respect to transfer restrictions); and
- use reasonable best efforts to cause the exchange offer registration statement to be declared effective under the Securities Act not later than 365 days after the date of the issuance of the old notes (the “Effectiveness Deadline”).

Upon the effectiveness of the exchange offer registration statement, we will offer the new notes in exchange for surrender of the old notes. We will keep the registered exchange offer open for not less than 20 business days (or longer if required by applicable law) and not more than 30 business days after the date notice of the registered exchange offer is mailed to the holders of the old notes. For each old note surrendered to us pursuant to the registered exchange offer, the holder of such note will receive a new note having a principal amount equal to that of the surrendered note. Interest on each new note will accrue from the last interest payment date on which interest was paid on the old note surrendered in exchange thereof or, if no interest has been paid on such old note, from the date of its original issue.

Under existing SEC interpretations, the new notes would be freely transferable by holders of such notes other than our affiliates after the registered exchange offer without further registration under the Securities Act if the holder of the new notes represents that it is acquiring the new notes in the ordinary course of its business, that it has no arrangement or understanding with any person to participate in the distribution of the new notes and that it is not our affiliate, as such terms are interpreted by the SEC; *provided* that broker-dealers (“participating broker-dealers”) receiving new notes in the registered exchange offer will have a prospectus delivery requirement with respect to resales of such new notes. The SEC has taken the position that participating broker-dealers may fulfill their prospectus delivery requirements with respect to new notes (other than a resale of an unsold allotment from the original sale of the old notes) with the prospectus contained in the exchange offer registration statement. Under the Registration Rights Agreement, we are required to allow participating broker-dealers and other persons, if any, with similar prospectus delivery requirements to use the prospectus contained in the exchange offer registration statement in connection with the resale of such new notes.

A holder of old notes (other than certain specified holders) who wishes to exchange such notes for new notes in the registered exchange offer is required to represent that any new notes to be received by it will be acquired in the ordinary course of its business and that at the time of the commencement of the registered exchange offer it has no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the new notes and that it is not our “affiliate,” as defined in Rule 405 under the Securities Act, or if it is an affiliate, that it will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable.

In the event that:

- (i) applicable interpretations of the staff of the SEC do not permit us to effect such a registered exchange offer,
- (ii) for any other reason the exchange offer registration statement is not declared effective by the Effectiveness Deadline or the registered exchange offer is not consummated on or prior to the 395th day after the date of the issuance of the old notes (subject to certain exceptions),
- (iii) the initial purchasers so request with respect to old notes not eligible to be exchanged for exchange notes in the registered exchange offer,
- (iv) any holder of old notes (other than any of the initial purchasers) is not eligible to participate in the registered exchange offer, or
- (v) any initial purchaser who participates in the registered exchange offer or otherwise acquires new notes, in exchange for an unsold allotment from the original sale of the old notes, does not receive freely tradeable new notes other than by reason of such holder being an affiliate of us (it being understood that the requirement that a participating broker-dealer deliver the prospectus contained in the exchange offer registration statement in connection with sales of new notes shall not result in such exchange notes being not “freely tradeable”),

we will, at our cost,

- (a) as promptly as practicable, file a registration statement (the “shelf registration statement”) covering resales of the old notes or the new notes, as the case may be,
- (b) use our reasonable best efforts to cause the shelf registration statement to be declared effective under the Securities Act and
- (c) use our reasonable best efforts to keep the shelf registration statement effective until two years after its effective date.

We will, in the event a shelf registration statement is filed, among other things, provide to each holder for whom such shelf registration statement was filed copies of the prospectus which is a part of the shelf registration statement, notify each such holder when the shelf registration statement has become effective and take certain other actions as are required to permit unrestricted resales of the old notes or the new notes, as the case may be. A holder selling such old notes or new notes pursuant to the shelf registration statement generally would be required to be named as a selling security holder in the related prospectus and to deliver a prospectus to purchasers, 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 holder (including certain indemnification obligations).

If

- (a) on or prior to the Effectiveness Deadline, the exchange offer registration statement has not been declared effective,

- (b) on or prior to the 395th day after the date of the issuance of the old notes, the registered exchange offer has not been consummated,
- (c) notwithstanding that CNH Capital LLC has consummated the exchange offer, if CNH Capital LLC is required to file a shelf registration statement, the shelf registration statement is not filed or has not been declared effective within the time periods provided for in the Registration Rights Agreement, or
- (d) after either the exchange offer registration statement or the shelf registration statement has been declared effective, such registration statement thereafter ceases to be effective or usable (subject to certain exceptions) in connection with resales of old notes or new notes in accordance with and during the periods specified in the Registration Rights Agreement,

(each such event referred to in clauses (a) through (d), a “registration default”), interest (“additional interest”) will accrue on the principal amount of the old notes and the new notes (in addition to the stated interest on the old notes and the new notes) from and including the date on which any such registration default shall occur to but excluding the date on which all registration defaults have been cured; *provided* that we will not be required to pay additional interest for more than one registration default at any given time. Additional interest will accrue at a rate of 0.25% per annum during the 90-day period immediately following the occurrence of such registration default and shall increase by 0.25% per annum at the end of each subsequent 90-day period, but in no event shall such rate exceed 1.0% per annum.

The summary herein of certain provisions of the Registration Rights Agreement does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the Registration Rights Agreement, a copy of which has been filed with the SEC as an exhibit to the registration statement of which this prospectus is a part.

Resale of the New Notes

Based on an interpretation by the staff of the SEC set forth in no-action letters issued to third parties, we believe that, unless you are a broker-dealer or an affiliate of us, you may offer for resale, resell or otherwise transfer the new notes issued to you pursuant to the exchange offer without compliance with the registration and prospectus delivery provisions of the Securities Act, *provided* that you acquire the new notes in the ordinary course of business and you do not intend to participate in and have no arrangement or understanding with any person to participate in the distribution of the new notes.

If you are an affiliate of us or if you tender in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of the new notes, you may not rely on the position of the staff of the SEC enunciated in Exxon Capital Holdings Corporation (available May 13, 1988) and Morgan Stanley & Co., Incorporated (available June 5, 1991), or similar no-action letters, but rather must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. In addition, any such resale transaction should be covered by an effective registration statement containing the selling security holder information required by Item 507 or 508, as applicable, of Regulation S-K of the Securities Act.

Any broker-dealer that resells the new notes that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of new notes may be deemed to be an “underwriter” within the meaning of the Securities Act. Accordingly, each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. See “Plan of Distribution.”

By tendering in the exchange offer, you represent to us that, among other things:

- (1) you are acquiring the new notes in the ordinary course of business;
- (2) you have no arrangement or understanding with any person to participate in a distribution of the old notes or the new notes;
- (3) you are not an “affiliate” of us (as defined under the Securities Act) or if you are an affiliate of us, that you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;
- (4) you are not engaged in, and do not intend to engage in, the distribution of the new notes;
- (5) if you are a broker-dealer that will receive new notes for your own account in exchange for any old notes that were acquired by you as a result of market-making activities or other trading activities:
 - (a) you cannot rely on the no-action letters described above;
 - (b) you will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the new notes; and
 - (c) in the European Economic Area, you will not make any offer or sale which will require us to publish a prospectus pursuant to Article 3 of Directive 2003/71/EC (the “Prospectus Directive”);
- (6) if you are located in a member state of the European Economic Area which has implemented the Prospectus Directive, from and including the date on which the Prospectus Directive is implemented in that relevant member state (the “Relevant Member State”), you have not made and will not make an offer of notes to the public in that Relevant Member State other than:
 - (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
 - (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of us for any such offer; or
 - (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of notes shall require us to publish a prospectus pursuant to Article 3 of the Prospectus Directive.
- (7) you are not located or resident in the United Kingdom or, if you are located or resident in the United Kingdom, you are a person falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or within Article 43(2) of the Order, or to whom this prospectus may lawfully be communicated in accordance with the Order; and
- (8) you are not acting on behalf of someone who cannot truthfully and completely make such representations.

Terms of the Exchange Offer

Upon satisfaction or waiver of the conditions of the exchange offer, we will accept any and all old notes properly tendered and not validly withdrawn prior to 5:00 p.m., New York City time, on the expiration date. We will promptly issue the new notes following expiration of the exchange offer. See “—Conditions to the Exchange Offer” and “—Procedures for Tendering.” We will issue \$1,000

principal amount of new notes in exchange for each \$1,000 principal amount of old notes accepted in the exchange offer. As of the date of this prospectus, there is \$500,000,000 aggregate principal amount of old notes outstanding. Holders may tender some or all of their old notes pursuant to the exchange offer. However, old notes may be tendered only in integral multiples of \$1,000 and a minimum denomination of \$2,000. The exchange offer is not conditioned upon any number or aggregate principal amount of old notes being tendered.

The form and terms of the new notes will be the same in all material respects as the form and terms of the old notes, except that the new notes will be registered under the Securities Act and therefore will not bear legends restricting their transfer. The new notes will evidence the same debt as the old notes and will be issued pursuant to, and entitled to the benefits of, the applicable indenture pursuant to which the old notes were issued. Old notes that are accepted for exchange will be cancelled and retired.

Interest on the new notes will accrue from the most recent date to which interest has been paid on the old notes or, if no interest has been paid on the old notes, the issue date. Accordingly, registered holders of new notes on the relevant record date for the first interest payment date following the completion of the exchange offer will receive interest accruing from the most recent date to which interest has been paid or, if no interest has been paid on the old notes, the issue date. Old notes accepted for exchange will cease to accrue interest from and after the date the exchange offer closes. If your old notes are accepted for exchange, you will not receive any payment in respect of interest on the old notes for which the record date occurs on or after completion of the exchange offer.

You do not have any appraisal or dissenters' rights under the indenture in connection with the exchange offer. We intend to conduct the exchange offer in accordance with the provisions of the Registration Rights Agreement. If you do not tender for exchange or if your tender is not accepted, the old notes will remain outstanding and you will be entitled to the benefits of the applicable indenture, but will not be entitled to any registration rights under the Registration Rights Agreement.

For purposes of the exchange offer, we will be deemed to have accepted validly tendered old notes when, and if, we have given oral or written notice thereof to the exchange agent. The exchange agent will act as our agent for the purpose of distributing the appropriate new notes from us to the tendering holders. If we do not accept any tendered old notes because of an invalid tender or the occurrence of certain other events set forth in this prospectus, we will return the unaccepted old notes, without expense, to the tendering holder thereof promptly after the expiration date.

If you tender your old notes in the exchange offer, you 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 old notes pursuant to the exchange offer. We will pay all charges and expenses, other than certain applicable taxes described below, in connection with the exchange offer. See "—Fees and Expenses" below.

Expiration Date; Extension; Termination; Amendments

The exchange offer will expire at 5:00 p.m., New York City time, on January 22, 2014, unless extended (the "expiration date"). We reserve the right to extend the exchange offer at our discretion (subject to the requirements of the Registration Rights Agreement), in which event the term "expiration date" shall mean the time and date on which the exchange offer as so extended shall expire. We will notify the exchange agent of any extension by oral or written notice and will make a public announcement of any extension and specify the principal amount of old notes tendered to date, each prior to 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 sole discretion (subject to the requirements of the Registration Rights Agreement), to:

- (1) delay accepting for exchange any old notes for new notes or to extend or terminate the exchange offer and not accept for exchange any old notes for new notes if any of the events set forth under “—Conditions of the Exchange Offer” occur and we do not waive the condition by giving oral or written notice of the delay or termination to the exchange agent; or
- (2) amend the terms of the exchange offer in any manner.

We will not delay payment of accepted old notes after the expiration date other than in anticipation of our receipt of any necessary government approvals.

Any delay in acceptance for exchange, extension or amendment will be followed as promptly as practicable by a public announcement of the delay. If we amend the exchange offer in a manner we determine constitutes a material change, we will promptly disclose the amendment in a manner reasonably calculated to inform the holders of old notes of the amendment, and we will extend the exchange offer for a period of five to ten business days, depending upon the significance of the amendment and the manner of disclosure to the holders of the old notes, if the exchange offer would otherwise expire during that five to ten business day period. If we change the consideration being offered or the percentage of old notes being sought in the exchange offer, we will keep the exchange offer open for at least ten business days from the date on which we provide notice to holders of the old notes. The rights we have reserved in this paragraph are in addition to our rights set forth under “—Conditions of the Exchange Offer.”

Conditions of the Exchange Offer

Our obligation to consummate the exchange offer is not subject to any conditions other than that the exchange offer does not violate any applicable law or applicable interpretation of the SEC staff. Accordingly, we will not be required to accept for exchange any old notes tendered and may terminate or amend the exchange offer as provided herein before the acceptance of any old notes if:

- (1) any action or proceeding is instituted or threatened in any court or by or before any governmental agency or regulatory authority with respect to the exchange offer which, in our judgment, could reasonably be expected to materially impair our ability to proceed with the exchange offer; or
- (2) there shall have been proposed, adopted or enacted any law, statute, rule, regulation, order or SEC staff interpretation which, in our judgment, could reasonably be expected to materially impair our ability to proceed with the exchange offer.

The foregoing conditions are for our sole benefit and may be asserted regardless of the circumstances giving rise to the conditions or may be waived by us in whole or in part at any time and from time to time in our sole discretion prior to the expiration date. If we waive or amend the foregoing conditions, we will, if required by applicable law, extend the exchange offer for a minimum of five business days from the date that we first give notice, by public announcement or otherwise, of such waiver or amendment, if the exchange offer would otherwise expire within that five business-day period. Our determination concerning the events described above will be final and binding upon all parties.

Procedures for Tendering

Only a holder of old notes may tender them in the exchange offer. To validly tender in the exchange offer by book-entry transfer, you must deliver an agent's message or a completed and signed letter of transmittal (or facsimile thereof), together with any required signature guarantees and any

other required documents, to the exchange agent prior to 5:00 p.m., New York City time, on the expiration date, and the old notes must be tendered pursuant to the procedures for book-entry transfer set forth below. To validly tender by means other than book-entry transfer, you must deliver a completed and signed letter of transmittal (or facsimile thereof), together with any required signature guarantees and any other required documents and the old notes, to the exchange agent prior to 5:00 p.m., New York City time, on the expiration date.

Any financial institution that is a participant in DTC's Book-Entry Transfer Facility system may make book-entry delivery of the old notes by causing DTC to transfer the old notes into the exchange agent's account in accordance with DTC's ATOP procedures for transfer. However, although delivery of old notes may be effected through book-entry transfer into the exchange agent's account at DTC, an agent's message or a completed and signed letter of transmittal (or facsimile thereof), with any required signature guarantees and any other required documents, must, in any case, be transmitted to and received or confirmed by the exchange agent at its addresses set forth under "—Exchange Agent" prior to 5:00 p.m., New York City time, on the expiration date, or the guaranteed delivery procedure set forth below must be complied with. **DELIVERY OF DOCUMENTS TO DTC IN ACCORDANCE WITH DTC'S PROCEDURES DOES NOT CONSTITUTE DELIVERY TO THE EXCHANGE AGENT.**

The term "agent's message" means, with respect to any tendered old notes, a message transmitted by DTC to and received by the exchange agent and forming part of a book-entry confirmation, stating that DTC has received an express acknowledgment from each tendering participant to the effect that, with respect to those old notes, the participant has received and agrees to be bound by the letter of transmittal and that we may enforce the letter of transmittal against the participant. The term "book-entry confirmation" means a timely confirmation of a book-entry transfer of old notes into the exchange agent's account at DTC.

If you tender an old note, and do not validly withdraw your tender, your actions will constitute an agreement with us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

The method of delivery of your old 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 old note should be sent to us; instead, they should be sent to the exchange agent. You may request that your broker, dealer, commercial bank, trust company or nominee effect the tender for you.

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

- (1) by a registered holder who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal; or
- (2) for the account of an eligible institution.

If signatures on a letter of transmittal or a notice of withdrawal, as the case may be, are required to be guaranteed, the guarantee must be by a member of a signature guarantee program within the meaning of Rule 17Ad-15 under the Exchange Act (an "eligible institution").

If the letter of transmittal or any old notes 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 so indicate when signing, and unless we waive it, evidence satisfactory to us of their authority to 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) and acceptance and withdrawal of tendered old notes. Our determination will be final and binding. We reserve the absolute right to reject any and all old notes not properly tendered or any old 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 old 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, you must cure any defects or irregularities in connection with tenders of your old notes within a time period we will determine. Although we intend to request that the exchange agent notify you of defects or irregularities with respect to your tender of old notes, we will not, nor will the exchange agent or any other person, incur any liability for failure to give you any notification. Tenders of old notes will not be deemed to have been made until any defects or irregularities have been cured or waived. Any old 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, promptly after the expiration date.

In addition, we reserve the right in our sole discretion (subject to the limitations contained in the indenture for the notes):

- (1) to purchase or make offers for any old notes that remain outstanding after the expiration date; and
- (2) to the extent permitted by applicable law, to purchase old notes that remain outstanding after the expiration date in the open market, in privately negotiated transactions or otherwise.

The terms of any purchases or offers could differ from the terms of the exchange offer.

Guaranteed Delivery Procedures

If you wish to tender your old notes and either your old notes are not immediately available, or you cannot deliver your old notes and other required documents to the exchange agent, or cannot complete the procedure for book-entry transfer prior to the expiration date, you may effect a tender if:

- (1) you make a tender through an eligible institution;
- (2) prior to the expiration date, the exchange agent receives from the eligible institution (which may include through DTC's system and procedures) a properly completed and duly executed notice of guaranteed delivery (by facsimile transmission, mail or hand delivery) setting forth your name and address, the CUSIP number of the old notes, the certificate number(s) of the old notes (if available) and the principal amount of old notes tendered together with a duly executed letter of transmittal (or a facsimile thereof), stating that the tender is being made thereby and guaranteeing that, within three business days after the expiration date, the certificate(s) representing the old notes to be tendered, in proper form for transfer (or a confirmation of a book-entry transfer into the exchange agent's account at DTC of old notes delivered electronically) and any other documents required by the letter of transmittal, will be deposited by the eligible institution with the exchange agent; and
- (3) the certificate(s) representing all tendered old notes in proper form for transfer (or confirmation of a book-entry transfer into the exchange agent's account at DTC of old notes delivered electronically) and all other documents required by the letter of transmittal are received by the exchange agent within three business days after the expiration date.

Upon request to the exchange agent, you will be sent a notice of guaranteed delivery if you wish to tender your old notes according to the guaranteed delivery procedures set forth above.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, you may withdraw any tenders of old notes at any time prior to 5:00 p.m., New York City time, on the expiration date. For your withdrawal to be effective, the exchange agent must receive a written or facsimile transmission notice of withdrawal (or a withdrawal through DTC's system and procedures) at its address set forth herein prior to 5:00 p.m., New York City time, on the expiration date, and prior to our acceptance for exchange. Any notice of withdrawal must:

- (1) specify the name of the person having tendered the old notes to be withdrawn;
- (2) identify the old notes to be withdrawn (including the CUSIP number, certificate number(s), if applicable, and principal amount of the old notes);
- (3) be signed in the same manner as the old signature on the letter of transmittal by which the old notes were tendered (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the trustee with respect to the old notes register the transfer of the old notes into the name of the person withdrawing the tender; and
- (4) specify the name in which any old notes are to be registered, if different from that of the person having tendered the old notes.

We will determine all questions as to the validity, form and eligibility (including time of receipt) of withdrawal notices in our sole discretion. This determination shall be final and binding on all parties. Any old 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 to them unless the old notes so withdrawn are validly re-tendered. Any old notes which have been tendered but which are not accepted for exchange or which are withdrawn will be returned to you, without cost, promptly after withdrawal, rejection of tender or termination of the exchange offer. You may re-tender properly withdrawn old notes by following one of the procedures described above under "—Procedures for Tendering" at any time prior to the expiration date.

Fees and Expenses

We will bear the expenses of soliciting tenders pursuant to the exchange offer. The principal solicitation for tenders pursuant to the exchange offer is being made by mail; however, additional solicitation may be made by telephone, telecopy, in person or by other means by our officers and regular employees and by officers and employees of our affiliates.

We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to brokers, dealers or others soliciting acceptances of the exchange offer. However, we will pay the exchange agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses. We may also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this prospectus, letters of transmittal and related documents to the beneficial owners of the old notes and in handling or forwarding tenders for exchange. We will pay the other expenses incurred in connection with the exchange offer, including fees and expenses of the trustee, accounting and legal fees and printing costs.

We will pay all transfer taxes, if any, applicable to the exchange of old notes pursuant to the exchange offer. If, however, certificates representing new notes or old 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 old notes tendered, or if tendered old 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 old notes pursuant to the exchange

offer, then the amount of any transfer taxes (whether imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of any taxes or exemption therefrom is not submitted with the letter of transmittal, the amount of any transfer taxes will be billed directly to the tendering holder.

Consequences of Failure to Exchange

If you do not exchange your old notes in the exchange offer, you will remain subject to the existing restrictions on transfer of the old notes. In general, you may not offer or sell the old notes unless they are registered under the Securities Act or unless the offer or sale is exempt from the registration requirements under the Securities Act and applicable state securities laws. Except as required by the Registration Rights Agreement, we do not intend to register resales of the old notes under the Securities Act.

Other Considerations

Participation in the exchange offer is voluntary and you should carefully consider whether to accept. You are urged to consult your financial and tax advisors in making your decision on what action to take.

No person has been authorized to give any information or to make any representations in connection with the exchange offer other than those contained in this prospectus. If given or made, that information or those representations should not be relied upon as having been authorized by us. Neither the delivery of this prospectus nor any exchange made pursuant to the exchange offer will, under any circumstances, create any implication that there has been no change in our affairs since the respective dates as of which the information contained in this prospectus is given. The exchange offer is not being made to (and tenders will not be accepted from or on behalf of) holders of old notes in any jurisdiction in which the making of the exchange offer or the acceptance of the offer would not be in compliance with the laws of such jurisdiction. However, we intend to take any action we deem necessary to permit the completion of the exchange offer in any jurisdiction and to extend the exchange offer to holders of old notes in that jurisdiction.

We may in the future seek to acquire old notes in the open market or privately negotiated transactions, through subsequent exchange offers or otherwise. We have no present plans to acquire any old notes that are not tendered in the exchange offer nor to file a registration statement to permit resales of any old notes.

Accounting Treatment

The new notes will be recorded at the same carrying value as the old notes, as reflected in our accounting records on the date of the exchange. Accordingly, we will not recognize any gain or loss for accounting purposes upon the completion of the exchange offer. The expenses of the exchange offer will be amortized over the term of the new notes under accounting principles generally accepted in the United States.

Exchange Agent

Wells Fargo Bank, National Association has been appointed as exchange agent for the exchange offer. All correspondence in connection with the exchange offer and the letter of transmittal should be addressed to the exchange agent, as follows:

By Registered & Certified Mail:

WELLS FARGO BANK, NATIONAL
ASSOCIATION
Corporate Trust Operations
MAC Code: N9303-121
P.O. Box 1517
Minneapolis, MN 55480

By Regular Mail or Overnight Courier:

WELLS FARGO BANK, NATIONAL
ASSOCIATION
Corporate Trust Operations
MAC Code: N9303-121
6th St & Marquette Avenue
Minneapolis, MN 55479

In Person by Hand Only:

WELLS FARGO BANK, NATIONAL ASSOCIATION
Corporate Trust Services
Northstar East Building—12th Floor
608 Second Avenue South
Minneapolis, MN 55402

By Facsimile (for Eligible Institutions only):

(612) 667-6282

Attention: Corporate Trust Operations

For Information or Confirmation by Telephone:

(800) 344-5128

MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The exchange of old notes for new notes will not be treated as an “exchange” for U.S. Federal income tax purposes because the new notes will not be considered to be a “significant modification” of the old notes. Rather, the new notes you receive will be treated as a continuation of your investment in the old notes. As a result, you will not recognize gain or loss upon the exchange of your old notes for new notes. In addition, your basis and holding period in the new notes will be the same as your basis and holding period in the old notes exchanged therefor.

IF YOU ARE CONSIDERING EXCHANGING YOUR OLD NOTES FOR NEW NOTES, YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE TAX CONSEQUENCES OF THE EXCHANGE ARISING UNDER STATE, LOCAL OR FOREIGN LAWS.

BOOK-ENTRY, DELIVERY AND FORM

The Global Notes

New notes offered pursuant to the exchange offer will be issued in the form of one or more registered notes in global form, without interest coupons (collectively, the “Global Notes”). The Global Notes will be deposited on the issue date with, or on behalf of, The Depository Trust Company (“DTC”) and registered in the name of Cede & Co., as nominee of DTC, or will remain in the custody of the trustee pursuant to the FAST Balance Certificate Agreement between DTC and the trustee.

Except as set forth below, the Global Notes may be transferred, in whole and not in part, solely to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes (“Book-Entry Interests”) may not be exchanged for notes in physical, certificated form (“Certificated Notes”) except in the limited circumstances described below.

All interests in the Global Notes may be subject to the procedures and requirements of DTC.

Book-Entry Interests will be shown on, and transfers thereof will be done only through, records maintained in book-entry form by DTC and its participants. The foregoing limitations may impair your ability to own, transfer or pledge Book-Entry Interests. In addition, while the notes are in global form, holders of Book-Entry Interests will not be considered the owners or “holders” of notes for any purpose.

So long as the notes are held in global form, DTC (or its nominee), will be considered the sole holders of Global Notes for all purposes under the Indenture. In addition, participants in DTC must rely on the procedures of DTC and indirect participants must rely on the procedures of DTC and the participants through which they own Book-Entry Interests, to transfer their interests or to exercise any rights of holders under the Indenture.

None of us, the Guarantors and the Trustee will have any responsibility or be liable for any aspect of the records relating to the Book-Entry Interests.

Redemption of the Global notes

In the event any Global Note (or any portion thereof) is redeemed, DTC (or its nominees) will redeem an equal amount of the Book-Entry Interests in such Global Note from the amount received by it in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by DTC, in connection with the redemption of such Global Note (or any portion thereof). We understand that, under existing practices of DTC if fewer than all of the notes are to be redeemed at any time, DTC will credit its participants’ accounts on a proportionate basis (with adjustments to prevent fractions) or by lot or on such other basis as they deem fair and appropriate; *provided, however,* that no Book-Entry Interest of \$2,000 principal amount or less may be redeemed in part.

Payments on Global Notes

We will make payments of any amounts owing in respect of the Global Notes (including principal, premium, if any, interest, additional interest, if any) to DTC or its nominee, which will distribute such payments to participants in accordance with its procedures; *provided* that, at our option, payment of interest may be made by check mailed to the address of the holders of the notes as such address appears in the note register. We will make payments of all such amounts without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature except as may be required by law. We expect that standing customer instructions and customary practices will govern payments by participants to owners of Book-Entry Interests held through such participants.

Under the terms of the Indenture, we and the Trustee will treat the registered holders of the Global Notes (e.g., DTC (or its respective nominee)) as the owners thereof for the purpose of receiving payments and for all other purposes. Consequently, none of us, the Trustee, the initial purchaser or any of our and their respective agents has or will have any responsibility or liability for:

- any aspect of the records of DTC or any participant or indirect participant relating to payments made on account of a Book-Entry Interest or for maintaining, supervising or reviewing the records of DTC or any participant or indirect participant relating to or payments made on account of a Book-Entry Interest; or
- DTC or any participant or indirect participant.

Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants.

Currency of Payment for the Global Notes

Except as may otherwise be agreed between DTC and any holder, the principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Global Notes will be paid to holders of interests in such notes (the “DTC Holders”) through DTC in U.S. dollars.

Payments will be subject in all cases to any fiscal or other laws and regulations (including any regulations of the applicable clearing system) applicable thereto. None of us, the Trustee, the initial purchaser or any of our and their respective agents will be liable to any holder of a Global Note or any other person for any commissions, costs, losses or expenses in relation to or resulting from any currency conversion or rounding effected in connection with any such payment.

Action by Owners of Book-Entry Interests

DTC advised us that it will take any action permitted to be taken by a holder of notes (including the presentation of notes for exchange as described below) only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of notes as to which such participant or participants has or have given such direction. DTC will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Notes. However, if there is an event of default under the notes, DTC reserves the right to exchange the Global Notes for definitive registered notes in certificated form (the “Definitive Registered Notes”), and to distribute Definitive Registered Notes to its participants.

Transfers

Transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants, which rules and procedures may change from time to time.

Definitive Registered Notes

Under the terms of the Indenture, owners of the Book-Entry Interests will receive Definitive Registered Notes:

- if DTC notifies us that it is unwilling or unable to continue as depositary for the Global Note, or DTC ceases to be a clearing agency registered under the Exchange Act and, in either case, a qualified successor depositary is not appointed by us within 120 days;

- if DTC so requests following an event of default under the Indenture; or if the owner of a Book-Entry Interest requests such exchange in writing delivered through DTC following an event of default under the Indenture.

In the case of the issuance of Definitive Registered Notes, the holder of a Definitive Registered Note may transfer such note by surrendering it at the offices of the transfer agent or the Registrar. In the event of a partial transfer or a partial redemption of a holding of Definitive Registered Notes represented by one Definitive Registered Note, a Definitive Registered Note shall be issued to the transferee in respect of the part transferred, and a new Definitive Registered Note in respect of the balance of the holding not transferred or redeemed shall be issued to the transferor or the holder, as applicable; *provided* that no Definitive Registered Note in a denomination less than \$2,000 shall be issued. We will bear the cost of preparing, printing, packaging and delivering the Definitive Registered Notes.

We shall not be required to register the transfer or exchange of Definitive Registered Notes for a period of 15 calendar days preceding (a) the record date for any payment of interest on the notes, (b) any date fixed for redemption of the notes or (c) the date fixed for selection of the notes to be redeemed in part. Also, we are not required to register the transfer or exchange of any notes selected for redemption or that the registered holder of notes has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer. In the event of the transfer of any Definitive Registered Note, the transfer agent may require a holder, among other things, to furnish appropriate endorsements and transfer documents as described in the Indenture. We may require a holder to pay any taxes and fees required by law or permitted by the Indenture and the notes.

We will pay interest on the notes to Persons who are registered holders at the close of business on the record date immediately preceding the interest payment date for such interest. Such holders must surrender the notes to a Paying Agent to collect principal payments.

If Definitive Registered Notes are issued and a holder thereof claims that such Definitive Registered notes have been lost, destroyed or wrongfully taken or if such Definitive Registered Notes are mutilated and are surrendered to the Registrar or at the office of a transfer agent, we shall issue and the Trustee shall authenticate a replacement Definitive Registered Note if the Trustee's and our requirements are met. The Trustee or we may require a holder requesting replacement of a Definitive Registered Note to furnish an indemnity bond sufficient in the judgment of both the Trustee and us to protect us, the Trustee or the Paying Agent appointed pursuant to the Indenture from any loss which any of them may suffer if a Definitive Registered Note is replaced. We may charge for our expenses in replacing a Definitive Registered Note.

In case any such mutilated, destroyed, lost or stolen Definitive Registered Note has become or is about to become due and payable, or is about to be redeemed or purchased by us pursuant to the provisions of the Indenture, we in our discretion may, instead of issuing a new Definitive Registered Note, pay, redeem or purchase such Definitive Registered Note, as the case may be.

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in a Global Note only in accordance with the Indenture and, if required, only after the transferor first delivers to the transfer agent a written certification (in the form provided in the Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such notes and we may require a holder to pay any taxes and fees required by law or permitted by the Indenture and the notes.

Information Concerning DTC, Euroclear and Clearstream

The following description of the operations and procedures of DTC, Euroclear and Clearstream are provided solely as a matter of convenience. These operations and procedures are solely within the

control of the relevant settlement systems and are subject to changes by them. We take no responsibility for these operations and procedures and investors should contact the systems or their participants directly to discuss these matters.

We understand as follows with respect to DTC, Euroclear and Clearstream:

DTC. 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 Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of transactions among its participants. It does this through electronic book-entry changes in the accounts of securities participants, eliminating the need for physical movement of securities certificates. DTC participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a direct participant also have access to the DTC system and are known as indirect participants.

Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate for that interest. To the extent that certain persons require delivery in definitive form, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the DTC system will receive distributions attributable to the Global Notes only through DTC participants.

Euroclear and Clearstream. Like DTC, Euroclear and Clearstream hold securities for participating organizations. They also facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Global Clearance and Settlement Under the Book-Entry System

The notes are expected to trade in DTC’s Same-Day Funds Settlement System, and any permitted secondary market trading activity in such notes will, therefore, be required by DTC to be settled in immediately available funds. We expect that secondary trading in any Definitive Registered Notes will also be settled in immediately available funds. Subject to compliance with the transfer restrictions applicable to the Global Notes, cross-market transfers of Book-Entry Interests in the notes between the participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be done through DTC in accordance with DTC’s rules on behalf of each of Euroclear or Clearstream by its common depositary; however, such cross-market transactions will require delivery of

instructions to Euroclear or Clearstream by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream will, if the transaction meets its settlement requirements, deliver instructions to the common depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the Global Notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear and Clearstream participants may not deliver instructions directly to the common depositary.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Global Note from a participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. Cash received in Euroclear and Clearstream as a result of a sale of an interest in a Global Note by or through a Euroclear or Clearstream participant to a participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as at the business day for Euroclear or Clearstream following DTC's settlement date.

Although DTC, Euroclear and Clearstream are expected to follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in DTC, Euroclear or Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of us, the Trustee, the Registrar, any transfer agent or any Paying Agent will have any responsibility for the performance by DTC, Euroclear or Clearstream, or their respective participants or indirect participants, of their respective obligations under the rules and procedures governing their operations.

Paying Agent and Registrar

Wells Fargo Bank, National Association will initially act as paying agent (the "Paying Agent") and registrar (the "Registrar") for the notes. We may change the Paying Agent or Registrar for the notes, and we may act as Registrar for the notes.

Notices

Notices regarding the notes will be (a) sent to a leading newspaper having general circulation in the City of New York (which is expected to be The Wall Street Journal), (b) sent to the Trustee and (c) in the event the notes are in the form of Definitive Registered Notes, sent, by first-class mail, with a copy to the Trustee, to each holder of the notes at such holder's address as it appears on the registration books of the Registrar. If and so long as such notes are listed on any other securities exchange, notices will also be given in accordance with any applicable requirements of such securities exchange. If and so long as any notes are represented by one or more Global Notes and ownership of Book-Entry Interests therein are shown on the records of DTC, notices will also be delivered to DTC for communication to the owners of such Book-Entry Interests. Notices given by publication will be deemed given on the first date on which any of the required publications is made and notices given by first-class mail, postage prepaid, will be deemed given five calendar days after mailing.

PLAN OF DISTRIBUTION

This exchange offer does not constitute an invitation to participate in the exchange offer in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this prospectus in certain jurisdictions may be restricted by law. Persons into whose possession this prospectus comes are required by us to inform themselves about, and to observe, any such restrictions.

Based on interpretations by the SEC staff set forth in no-action letters issued to third parties, including the Exxon Capital and Morgan Stanley no-action letters and similar no-action letters, we believe that you may transfer new notes issued in the exchange offer in exchange for the old notes if:

- you acquire the new notes in the ordinary course of business;
- you have no arrangement or understanding with any person to participate in a distribution of the old notes or the new notes;
- you are not an “affiliate” of us (as defined under the Securities Act) or if you are an affiliate of us, that you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;
- if you are located in a member state of the European Economic Area which has implemented the Prospectus Directive, from and including the date on which the Prospectus Directive is implemented in that relevant member state (the “Relevant Member State”), you have not made and will not make an offer of notes to the public in that Relevant Member State other than:
 - (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
 - (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of us for any such offer; or
 - (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of notes shall require us to publish a prospectus pursuant to Article 3 of the Prospectus Directive.
- you are not located or resident in the United Kingdom or, if you are located or resident in the United Kingdom, you are a person falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or within Article 43(2) of the Order, or to whom this prospectus may lawfully be communicated in accordance with the Order;
- you are not a broker-dealer, and you are not engaged in, and do not intend to engage in, the distribution of the new notes; and
- you are not acting on behalf of someone who cannot truthfully and completely make such representations.

If you are an affiliate of us or if you tender in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of the new notes, you may not rely on the position of the SEC staff enunciated in the Exxon Capital and Morgan Stanley letters and similar letters, but rather must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. In addition, any such resale transaction should be covered by an effective registration statement containing the selling security holder information required by Item 507 or 508, as applicable, of Regulation S-K under the Securities Act.

Each 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. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such old notes were acquired as a result of market-making activities or other trading activities. We have agreed that, starting on the expiration date and ending on the close of business one year after the expiration date, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale.

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 and/or the purchasers of any such new notes. Any broker-dealer that resells new notes that were received by it for its own account 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 of any such resale of new notes and any commissions 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 broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of one year after the expiration date, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the letter of transmittal. We have agreed to pay all expenses incident to the exchange offer (including the expenses of one counsel for the holder of the old notes) other than commissions or concessions of any brokers or dealers and will indemnify the holders of the old notes (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

VALIDITY OF THE NOTES

The validity of the new notes and the guarantees thereof will be passed upon on our behalf by Sullivan & Cromwell LLP, Palo Alto, California.

EXPERTS

The consolidated financial statements of CNH Capital LLC for the year ended December 31, 2010 included in this prospectus have been audited by Deloitte & Touche LLP, independent registered public accounting firm, as stated in their report appearing herein. Such consolidated financial statements are included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of CNH Capital LLC as of December 31, 2012 and 2011 and for the years ended December 31, 2012 and 2011 appearing in this prospectus have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

CHANGE IN AUDITORS

On March 29, 2011, the shareholders of CNH Global approved, upon the recommendation of the audit committee of CNH Global's board of directors, a change in the independent auditors of CNH Global and its subsidiaries. CNH Global dismissed Deloitte & Touche LLP as CNH Global's independent auditors on March 29, 2011 and engaged Ernst & Young LLP to serve as CNH Global's independent auditors effective March 29, 2011. Ernst & Young and its global affiliates continue to serve as the auditors for CNH Industrial after the merger described herein.

The report of Deloitte & Touche LLP on our consolidated financial statements for the fiscal year ended December 31, 2010 did not contain an adverse opinion or a disclaimer of opinion, and was not qualified or modified as to uncertainty, audit scope or accounting principles.

During our fiscal year ended December 31, 2010 and in the subsequent interim period prior to the dismissal of Deloitte & Touche LLP:

- (i) there was no disagreement between us and Deloitte & Touche LLP on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure that, if not resolved to the satisfaction of Deloitte & Touche LLP, would have caused it to make reference to the subject matter of such disagreement in connection with its report; and
- (ii) there was no "reportable event" (as defined in Item 304(a)(1)(v) of Regulation S-K under the Securities Act).

During our fiscal year ended December 31, 2010 and in the subsequent interim period prior to the engagement of Ernst & Young LLP, neither we nor anyone acting on our behalf consulted with Ernst & Young LLP concerning:

- (a) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on our financial statements; or
- (b) any matter that was either the subject of a disagreement or a "reportable event" (as defined in Item 304(a)(1)(v) of Regulation S-K under the Securities Act).

We provided Deloitte & Touche LLP with a copy of the foregoing disclosures and requested that Deloitte & Touche LLP furnish us with a letter addressed to the SEC, stating whether or not it agrees with the above statements made by us. We received the requested letter from Deloitte & Touche LLP, a copy of which has been filed as Exhibit 16.1 to the registration statement of which this prospectus is a part.

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CNH CAPITAL LLC AND SUBSIDIARIES

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Schedules Omitted

The following schedules are omitted because of the absence of conditions under which they are required or because the required information is included in the Notes to the Consolidated Financial Statements:

I, II, III, IV and V

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholder of CNH Capital LLC:

We have audited the accompanying consolidated balance sheets of CNH Capital LLC and subsidiaries (the “Company”) as of December 31, 2012 and 2011, and the related consolidated statements of income, comprehensive income, cash flows and changes in stockholder’s equity for the years then ended. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company’s internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of CNH Capital LLC and subsidiaries as of December 31, 2012 and 2011, and the results of their operations and their cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 2 to the consolidated financial statements, on January 1, 2010, the Company changed its method of accounting and reporting for transfers of financial assets and consolidation of variable interest entities and applied the reporting requirements on a prospective basis.

As discussed in Note 16 to the consolidated financial statements, in 2011 the Company began to follow U.S. generally accepted accounting principles applicable to public companies as defined by the applicable accounting standards and related Securities and Exchange Commission regulations. As a result, the Company retrospectively adjusted previous periods’ consolidated financial statements to account for income taxes on the separate return basis as if the Company had not been eligible to be included in a consolidated tax return with its parent.

/s/ ERNST & YOUNG LLP

Milwaukee, Wisconsin
March 4, 2013

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholder of CNH Capital LLC:

We have audited the accompanying consolidated statements of income, comprehensive income, cash flows, and changes in stockholder's equity of CNH Capital LLC and subsidiaries (the "Company") for the year ended December 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the results of operation of CNH Capital LLC and subsidiaries and their cash flows for the year ended December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the consolidated financial statements, on January 1, 2010, the Company changed its method of accounting and reporting for transfers of financial assets and consolidation of variable interest entities and applied the reporting requirements on a prospective basis.

As discussed in Notes 2 and 16 to the consolidated financial statements, the Company has changed its method of presenting comprehensive income in 2011 due to the adoption of Financial Accounting Standards Board Accounting Standards Update No. 2011-05, Presentation of Comprehensive Income. The change in presentation has been applied retrospectively to all periods presented.

As discussed in Note 16 to the consolidated financial statements, the Company has begun to follow accounting principles generally accepted in the United States of America applicable to public companies as defined by the applicable accounting standards and related Securities and Exchange Commission regulations. As a result, the accompanying 2010 consolidated financial statements have been retrospectively adjusted to account for income taxes on the separate return basis as if the Company had not been eligible to be included in a consolidated tax return with its parent, and to present condensed consolidating financial information.

/s/ DELOITTE & TOUCHE LLP

Milwaukee, Wisconsin

May 12, 2011 (March 29, 2012 as to the effects of the changes described in Note 16)

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(In thousands)

| | 2012 | 2011 | 2010 |
|---|------------------|------------------|------------------|
| REVENUES | | | |
| Interest income on retail and other notes and finance leases | \$240,657 | \$238,330 | \$267,551 |
| Interest and other income from affiliates | 392,463 | 382,006 | 376,383 |
| Gain on retail notes, wholesale receivables and commercial revolving accounts sold | — | — | 38 |
| Servicing fee income | 940 | 1,747 | 3,340 |
| Rental income on operating leases | 133,806 | 137,729 | 140,989 |
| Other income | 66,138 | 71,187 | 75,250 |
| Total revenues | 834,004 | 830,999 | 863,551 |
| EXPENSES | | | |
| Interest expense: | | | |
| Interest expense to third parties | 219,561 | 224,189 | 232,448 |
| Interest expense to affiliates | 34,512 | 44,645 | 80,584 |
| Total interest expense | 254,073 | 268,834 | 313,032 |
| Administrative and operating expenses: | | | |
| Fees charged by affiliates | 61,895 | 62,945 | 61,464 |
| Provision for credit losses | 44,578 | 32,853 | 76,394 |
| Other than temporary impairment of retained interests | — | 815 | 4,108 |
| Depreciation of equipment on operating leases | 107,836 | 110,314 | 117,848 |
| Other expenses | 35,929 | 35,651 | 43,158 |
| Total administrative and operating expenses | 250,238 | 242,578 | 302,972 |
| Total expenses | 504,311 | 511,412 | 616,004 |
| INCOME BEFORE TAXES | 329,693 | 319,587 | 247,547 |
| Income tax provision | 116,112 | 118,053 | 85,067 |
| NET INCOME | 213,581 | 201,534 | 162,480 |
| Net income attributed to noncontrolling interest | (1,645) | (1,488) | (1,861) |
| NET INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | \$211,936 | \$200,046 | \$160,619 |

The accompanying Notes to Consolidated Financial Statement are an integral part of these financial statements.

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(In thousands)

| | 2012 | 2011 | 2010 |
|---|-------------------------|-------------------------|-------------------------|
| NET INCOME | \$213,581 | \$201,534 | \$162,480 |
| Other comprehensive income (loss): | | | |
| Foreign currency translation adjustment | 15,084 | (12,012) | 20,260 |
| Defined benefit plans: | | | |
| Pension liability adjustment (net of tax benefit (expense) of \$19, \$178 and (\$301), respectively) | (154) | (388) | 486 |
| Unrealized gains (losses) on retained interests: | | | |
| Unrealized gains (losses) on retained interests (net of tax benefit (expense) of \$823, \$1,739 and (\$2,112), respectively) | (1,358) | (2,602) | 3,407 |
| Derivative financial instruments: | | | |
| Losses reclassified to earnings (net of tax expense of \$2,430, \$8,110 and \$13,805, respectively) | 4,545 | 9,326 | 20,711 |
| Losses deferred (net of tax benefit of \$92, \$8,535 and \$10,459, respectively) | (185) | (11,250) | (15,848) |
| Total other comprehensive income (loss) | 17,932 | (16,926) | 29,016 |
| COMPREHENSIVE INCOME | 231,513 | 184,608 | 191,496 |
| Less: comprehensive income attributable to noncontrolling interest | (1,645) | (1,488) | (1,861) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$229,868</u> | <u>\$183,120</u> | <u>\$189,635</u> |

The accompanying Notes to Consolidated Financial Statement are an integral part of these financial statements.

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2012 AND 2011
(In thousands)

| | 2012 | 2011 |
|---|---------------------|---------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 785,913 | \$ 594,093 |
| Restricted cash | 727,186 | 767,359 |
| Receivables, less allowance for credit losses of \$122,320 and \$106,673, respectively | 10,732,276 | 9,386,549 |
| Retained interests in securitized receivables | 9,271 | 17,289 |
| Affiliated accounts and notes receivable | 95,379 | 193,917 |
| Equipment on operating leases, net | 754,371 | 647,617 |
| Equipment held for sale | 46,650 | 32,131 |
| Goodwill | 117,696 | 116,830 |
| Other intangible assets, net | 4,529 | 3,259 |
| Other assets | 73,258 | 142,107 |
| TOTAL | \$13,346,529 | \$11,901,151 |
| LIABILITIES AND STOCKHOLDER'S EQUITY | | |
| Liabilities: | | |
| Short-term debt (including current maturities of long-term debt) | \$ 4,230,237 | \$ 4,796,035 |
| Accounts payable and other accrued liabilities | 447,298 | 450,828 |
| Affiliated debt | 864,032 | 819,270 |
| Long-term debt | 6,321,551 | 4,587,773 |
| Total liabilities | 11,863,118 | 10,653,906 |
| Commitments and contingent liabilities (Note 13) | | |
| Stockholder's equity: | | |
| Member's capital | — | — |
| Paid-in capital | 840,940 | 836,721 |
| Accumulated other comprehensive income | 46,648 | 28,716 |
| Retained earnings | 538,855 | 326,919 |
| Total CNH Capital LLC stockholder's equity | 1,426,443 | 1,192,356 |
| Noncontrolling interest | 56,968 | 54,889 |
| Total stockholder's equity | 1,483,411 | 1,247,245 |
| TOTAL | \$13,346,529 | \$11,901,151 |

The accompanying Notes to Consolidated Financial Statement are an integral part of these financial statements.

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2012 AND 2011
(In thousands)

The following table presents certain assets and liabilities of consolidated variable interest entities (“VIEs”), which are included in the consolidated balance sheets above. The assets in the table include only those assets that can be used to settle obligations of consolidated VIEs. The liabilities in the table include third-party liabilities of the consolidated VIEs, for which creditors do not have recourse to the general credit of CNH Capital LLC.

| | 2012 | 2011 |
|---|--------------------|--------------------|
| Restricted cash | \$ 727,086 | \$ 738,478 |
| Receivables, less allowance for credit losses of \$73,891 and \$39,309, respectively | 8,287,642 | 7,823,615 |
| Equipment on operating leases, net | 125,003 | 94,018 |
| TOTAL | \$9,139,731 | \$8,656,111 |
| Short-term debt (including current maturities of long-term debt) | \$4,081,062 | \$4,583,407 |
| Long-term debt | 4,729,901 | 3,634,629 |
| TOTAL | \$8,810,963 | \$8,218,036 |

The accompanying Notes to Consolidated Financial Statement are an integral part of these financial statements.

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(In thousands)

| | 2012 | 2011 | 2010 |
|--|--------------------|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income | \$ 213,581 | \$ 201,534 | \$ 162,480 |
| Adjustments to reconcile net income to net cash from operating activities: | | | |
| Depreciation on property and equipment and equipment on operating leases | 107,892 | 110,440 | 118,014 |
| Amortization on intangibles | 1,010 | 1,106 | 1,273 |
| Provision for credit losses | 44,578 | 32,853 | 76,394 |
| Other than temporary impairment of retained interests | — | 815 | 4,108 |
| Gain on retail notes, wholesale receivables and commercial revolving accounts sold | — | | (38) |
| Deferred income tax expense | 13,257 | 58,755 | 48,765 |
| Changes in components of working capital: | | | |
| Decrease in servicing fee receivables | — | — | 2,789 |
| Decrease (increase) in affiliated accounts and notes receivables | 99,423 | (63,326) | (39,603) |
| Decrease (increase) in other assets and equipment held for sale | 59,570 | (20,360) | 8,608 |
| (Decrease) increase in accounts payable and other accrued liabilities | (12,730) | 143,285 | (53,012) |
| Increase in other, net | — | — | 27,249 |
| Net cash from operating activities | <u>526,581</u> | <u>465,102</u> | <u>357,027</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Cost of receivables acquired | (19,639,227) | (18,036,908) | (15,733,642) |
| Proceeds from sales of receivables | — | — | 23,825 |
| Collections of receivables | 18,305,941 | 17,217,638 | 15,431,514 |
| Decrease (increase) in restricted cash | 43,589 | 1,986 | (146,348) |
| Purchase of equipment on operating leases | (459,477) | (386,361) | (356,902) |
| Proceeds from disposal of equipment on operating leases | 249,879 | 238,025 | 225,861 |
| Purchase of software | (2,277) | (993) | (1,199) |
| Additions of property and equipment | (37) | (33) | — |
| Proceeds from disposal of property and equipment | — | 93 | — |
| Net cash used in investing activities | <u>(1,501,609)</u> | <u>(966,553)</u> | <u>(556,891)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from issuance of affiliated debt | 1,807,984 | 533,346 | — |
| Payment of affiliated debt | (1,764,745) | (1,275,856) | (555,950) |
| Proceeds from issuance of long-term debt | 3,963,218 | 4,101,882 | 2,295,152 |
| Payment of long-term debt | (3,124,109) | (3,543,494) | (1,130,767) |
| Increase (decrease) in revolving credit facilities, net | 284,500 | 943,874 | (90,794) |
| Dividends paid to CNH America LLC | — | (85,000) | (295,000) |
| Net cash from financing activities | <u>1,166,848</u> | <u>674,752</u> | <u>222,641</u> |
| INCREASE IN CASH AND CASH EQUIVALENTS | | | |
| | 191,820 | 173,301 | 22,777 |
| CASH AND CASH EQUIVALENTS | | | |
| Beginning of year | 594,093 | 420,792 | 398,015 |
| End of year | <u>\$ 785,913</u> | <u>\$ 594,093</u> | <u>\$ 420,792</u> |
| CASH PAID DURING THE YEAR FOR INTEREST | | | |
| | <u>\$ 251,590</u> | <u>\$ 267,114</u> | <u>\$ 311,707</u> |
| CASH PAID DURING THE YEAR FOR TAXES | | | |
| | <u>\$ 85,684</u> | <u>\$ 27,193</u> | <u>\$ 92,492</u> |

The accompanying Notes to Consolidated Financial Statement are an integral part of these financial statements.

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2012, 2011 AND 2010
(In thousands)

| | Company Stockholder | | | | | |
|---|----------------------------|------------------------|--|--------------------------|---------------------------------|--------------------|
| | Member's Capital | Paid-in Capital | Accumulated Other Comprehensive Income (Loss) | Retained Earnings | Non-Controlling Interest | Total |
| BALANCE—January 1, 2010 | \$— | \$836,721 | \$ 49,616 | \$ 356,711 | \$51,540 | \$1,294,588 |
| Dividends paid to CNH America LLC | — | — | — | (295,000) | — | (295,000) |
| Net income | — | — | — | 160,619 | 1,861 | 162,480 |
| Foreign currency translation adjustment | — | — | 20,260 | — | — | 20,260 |
| Pension liability adjustment, net of tax | — | — | 486 | — | — | 486 |
| Unrealized gain on retained interests, net of tax | — | — | 3,407 | — | — | 3,407 |
| Derivative financial instruments: | | | | | | |
| Losses reclassified to earnings, net of tax | — | — | 20,711 | — | — | 20,711 |
| Losses deferred, net of tax | — | — | (15,848) | — | — | (15,848) |
| Cumulative effect from change in accounting for consolidation of certain variable interest entities | — | — | (32,990) | (10,457) | — | (43,447) |
| BALANCE—December 31, 2010 | \$— | \$836,721 | \$ 45,642 | \$ 211,873 | \$53,401 | \$1,147,637 |
| Dividends paid to CNH America LLC | — | — | — | (85,000) | — | (85,000) |
| Net income | — | — | — | 200,046 | 1,488 | 201,534 |
| Foreign currency translation adjustment | — | — | (12,012) | — | — | (12,012) |
| Pension liability adjustment, net of tax | — | — | (388) | — | — | (388) |
| Unrealized gain on retained interests, net of tax | — | — | (2,602) | — | — | (2,602) |
| Derivative financial instruments: | | | | | | |
| Losses reclassified to earnings, net of tax | — | — | 9,326 | — | — | 9,326 |
| Losses deferred, net of tax | — | — | (11,250) | — | — | (11,250) |
| BALANCE—December 31, 2011 | \$— | \$836,721 | \$ 28,716 | \$ 326,919 | \$54,889 | \$1,247,245 |
| Net income | — | — | — | 211,936 | 1,645 | 213,581 |
| Preferred stock issuance | — | — | — | — | 434 | 434 |
| Foreign currency translation adjustment | — | — | 15,084 | — | — | 15,084 |
| Stock compensation | — | 4,219 | — | — | — | 4,219 |
| Pension liability adjustment, net of tax | — | — | (154) | — | — | (154) |
| Unrealized gain on retained interests, net of tax | — | — | (1,358) | — | — | (1,358) |
| Derivative financial instruments: | | | | | | |
| Losses reclassified to earnings, net of tax | — | — | 4,545 | — | — | 4,545 |
| Losses deferred, net of tax | — | — | (185) | — | — | (185) |
| BALANCE—December 31, 2012 | \$— | <u>\$840,940</u> | <u>\$ 46,648</u> | <u>\$ 538,855</u> | <u>\$56,968</u> | <u>\$1,483,411</u> |

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The accompanying Notes to Consolidated Financial Statement are an integral part of these financial statements.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands)

NOTE 1: NATURE OF OPERATIONS

CNH Capital LLC and its wholly-owned operating subsidiaries, including New Holland Credit Company, LLC (“New Holland Credit”) and CNH Capital America LLC (“CNH Capital America”), and its majority-owned operating subsidiary CNH Capital Canada Ltd. (collectively, “CNH Capital” or the “Company”), are each a wholly-owned subsidiary of CNH America LLC (“CNH America”), which is an indirect wholly-owned subsidiary of CNH Global N.V. (“CNH Global” and together with its consolidated subsidiaries, “CNH”). CNH designs, manufactures, and sells agricultural and construction equipment. CNH Capital provides financial services for CNH America and CNH Canada Ltd. (collectively, “CNH North America”) customers primarily located in the United States and Canada.

As of December 31, 2012, Fiat Industrial S.p.A. (“Fiat Industrial,” and together with its subsidiaries, the “Fiat Industrial Group”) owned approximately 87% of CNH’s outstanding common shares through its wholly-owned subsidiary, Fiat Netherlands Holding B.V. (“Fiat Netherlands”).

On January 1, 2011, Fiat S.p.A. (“Fiat”) effected a “demerger” under Article 2506 of the Italian Civil Code. Pursuant to the demerger, Fiat transferred its ownership interest in Fiat Netherlands to a new holding company, Fiat Industrial, including Fiat’s indirect ownership of CNH Global, as well as Fiat’s truck and commercial vehicles business and its industrial and marine powertrain business. Consequently, as of January 1, 2011, CNH Global became a subsidiary of Fiat Industrial. In connection with the demerger transaction, shareholders of Fiat received shares of the capital stock of Fiat Industrial. Accordingly, as of January 1, 2011 Fiat Industrial owned approximately 89% of the outstanding common shares of CNH Global through Fiat Netherlands.

On November 25, 2012, Fiat Industrial and CNH Global announced that they entered into a definitive merger agreement to combine the businesses of Fiat Industrial and CNH Global. The terms of the definitive merger agreement provide that Fiat Industrial, which indirectly owns approximately 87% of the outstanding share capital of CNH Global, and CNH Global will each merge into a newly-formed company organized under the laws of the Netherlands (“NewCo”). The parties anticipate that the shares of NewCo will be listed on the New York Stock Exchange at the closing of the merger. NewCo will also use its reasonable best efforts to cause the NewCo shares to be admitted to listing on the *Mercato Telematico Azionario* managed by *Borsa Italiana* shortly following the closing of the merger. The merger is expected to close in the third quarter of 2013, subject to customary closing conditions including, among others, the approval of the merger by the shareholders of each of Fiat Industrial and CNH Global, customary regulatory approvals and a condition capping the exercise of withdrawal rights by Fiat Industrial shareholders and opposition rights by Fiat Industrial creditors at €325 million in the aggregate. Fiat Industrial has agreed to vote all of its CNH Global shares in favor of the merger at the applicable CNH Global shareholders’ meeting.

Effective July 1, 2012, CNH Capital LLC sold its equity interests in CNH Capital Insurance Agency, Inc. and CNH Capital Canada Insurance Agency Ltd. and entered into a five-year master services agreement allowing the buyer to use the “CNH Capital” name during that period. CNH Capital LLC received approximately \$35,000 in connection with the transaction, primarily representing a prepayment on the master services agreement.

To support CNH North America’s sales of agricultural and construction equipment products, the Company offers retail financing to end-use customers and wholesale financing to CNH North America equipment dealers, which are almost entirely independently owned. Wholesale financing consists primarily of dealer floorplan financing and allows dealers the ability to maintain a representative

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 1: NATURE OF OPERATIONS (Continued)

inventory of products. In addition, the Company provides financing to dealers for equipment used in dealer-owned rental yards, parts inventory, working capital, and other financing needs. The Company provides and administers retail financing, primarily retail installment sales contracts and finance leases, to end-use customers for the purchase or lease of new and used CNH North America equipment and other agricultural and construction equipment sold through CNH North America dealers and distributors. In addition, the Company purchases equipment from dealers that is leased to retail customers under operating lease agreements. Customers also use the Company's commercial revolving account products to purchase parts, service, rentals, implements, and attachments from CNH North America dealers. The Company also finances a variety of insurance and other products for end users and dealers in conjunction with the purchase of new and used equipment. As a captive finance company, the Company is reliant on the operations of CNH North America, its customers, and end-use customers.

The Company competes primarily with banks, finance companies, and other financial institutions. Typically, this competition is based upon financial products and services offered, customer service, financial terms and interest rates charged. The Company's long-term profitability is largely dependent on the cyclical nature of the agricultural and construction equipment industries, on prevailing interest rates and the continued support from CNH North America.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Basis of Presentation

The Company has prepared the accompanying consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The consolidated financial statements include the Company and its consolidated subsidiaries. The consolidated financial statements are expressed in U.S. dollars. The consolidated financial statements include the accounts of the Company's subsidiaries in which the Company has a controlling financial interest and reflect the noncontrolling interests of the minority owners of the subsidiaries that are not fully owned for the periods presented, as applicable. A controlling financial interest may exist based on ownership of a majority of the voting interest of a subsidiary, or based on the Company's determination that it is the primary beneficiary of a variable interest entity ("VIE"). The primary beneficiary of a VIE is the party that has the power to direct the activities that most significantly impact the economic performance of the entity and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the entity. The Company assesses whether it is the primary beneficiary on an ongoing basis, as prescribed by the accounting guidance on the consolidation of VIEs. The consolidated status of the VIEs with which the Company is involved may change as a result of such reassessments.

Use of Estimates in the Preparation of Financial Statements

The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities and reported amounts of revenues and expenses. Significant estimates in these consolidated financial statements include the residual values of

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

equipment on operating leases and allowance for credit losses. Actual results could differ from those estimates.

Revenue Recognition

Finance and interest income on retail and other notes receivables and finance leases is recorded using the effective yield method. Deferred costs on the origination of financing receivables are recognized as a reduction in finance revenue over the expected lives of the receivables using the effective yield method. Recognition of income on receivables is suspended when management determines that collection of future income is not probable or when an account becomes 120 days delinquent, whichever occurs earlier. Income accrual is resumed if the receivable becomes contractually current and collection doubts are removed. Previously suspended income is recognized at that time. The Company applies cash received on nonaccrual financing receivables to first reduce any unrecognized interest and then the recorded investment and any other fees. Receivables are considered past due if the required principal and interest payments have not been received as of the date such payments were due. Delinquency is reported on receivables greater than 30 days past due. Charge-offs of principal amounts of receivables outstanding are deducted from the allowance at the point when it is determined to be probable that all amounts due will not be collected.

A substantial portion of the Company's interest income arises from retail sales programs offered by CNH North America on which finance charges are waived or below-market rate financing programs are offered. When the Company acquires retail installment sales contracts and finance leases subject to below-market interest rates, including waived interest rate financing, the Company is compensated by CNH North America in an amount equal to the present value of the difference between the payments at the customer rate and the payments at the market rate. This amount is initially recognized as an unearned finance charge and is recognized as interest income over the term of the retail notes and finance leases, and is included in "Interest and other income from affiliates" in the accompanying consolidated statements of income.

For selected wholesale receivables, CNH North America compensates the Company for the difference between market interest rates and the amount paid by the dealer. These amounts are included in "Interest and other income from affiliates" in the accompanying consolidated statements of income.

The Company is also compensated for lending funds to CNH North America. The amounts earned are included in "Interest and other income from affiliates" in the accompanying consolidated statements of income.

Income from operating leases is recognized over the term of the lease on a straight-line basis. For selected operating leases, CNH North America compensates the Company for the difference between market rental rates and the amount paid by the customer. The amounts from CNH North America recognized as rental income on operating leases were included in "Interest and other income from affiliates."

Foreign Currency Translation

The Company's non-U.S. subsidiaries maintain their books and accounting records using local currency as the functional currency. Assets and liabilities of these non-U.S. subsidiaries are translated

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

into U.S. dollars at period-end exchange rates, and net exchange gains or losses resulting from such translation are included in “Accumulated other comprehensive income” in the accompanying consolidated balance sheets. Income and expense accounts of these non-U.S. subsidiaries are translated at the average exchange rates for the period, and gains and losses from foreign currency transactions are included in net income in the period that they arise.

Cash and Cash Equivalents

Cash equivalents are highly liquid investments with an original maturity of three months or less. The carrying value of cash equivalents approximates fair value because of the short maturity of these investments.

Restricted Cash

Restricted cash includes principal and interest payments from retail notes, wholesale receivables and commercial revolving accounts receivables owned by the consolidated VIEs that are payable to the VIEs’ investors, and cash pledged as a credit enhancement to the same investors. These amounts are held by depository banks in order to comply with contractual agreements.

Receivables

Receivables are recorded at amortized cost, net of allowances for credit losses and deferred fees and costs. Periodically, the Company sells or transfers retail notes, wholesale receivables and commercial revolving accounts receivables to funding facilities or in securitization transactions. In accordance with the accounting guidance regarding transfers of financial assets and the consolidation of VIEs, the majority of the retail notes, wholesale receivables and commercial revolving accounts receivables sold in securitizations do not qualify as sales and are recorded as secured borrowings with no gains or losses recognized at the time of securitization. Receivables associated with these securitization transactions and receivables that the Company has the ability and intent to hold for the foreseeable future are classified as held for investment. The substantial majority of the Company’s receivables, which include unrestricted receivables and restricted receivables for securitization investors, are classified as held for investment.

For those receivable securitizations that qualify as sales and are off-book, the Company retains interest-only strips, servicing rights and cash reserve accounts (collectively, “retained interests”), all of which are recorded at fair value. Changes in these fair values are recorded in other accumulated comprehensive income as an unrealized gain or loss on available-for-sale securities. With regards to other-than-temporary impairments (“OTTI”) of debt securities, any OTTI due to changes in the constant prepayment rate and the expected credit loss rate are included in net income. An OTTI due to a change in the discount rates would be included in “Accumulated other comprehensive income” in the accompanying consolidated balance sheets.

Allowance for Credit Losses

The allowance for credit losses is the Company’s estimate of probable losses on receivables owned by the Company and consists of two components, depending on whether the receivable has been individually identified as being impaired. The first component of the allowance for credit losses covers

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

the receivables specifically reviewed by management for which the Company has determined it is probable that it will not collect all of the contractual principal and interest. Receivables are individually reviewed for impairment based on, among other items, amounts outstanding, days past due and prior collection history. These receivables are subject to impairment measurement at the loan level based either on the present value of expected future cash flows discounted at the receivables' effective interest rate or the fair value of the collateral for collateral-dependent receivables.

The second component of the allowance for credit losses covers all receivables have not been individually reviewed for impairment. The allowance for these receivables is based on aggregated portfolio evaluations, generally by financial product. The allowance for retail credit losses is based on loss forecast models that consider a variety of factors that include, but are not limited to, historical loss experience, collateral value, portfolio balance and delinquency. The allowance for wholesale credit losses is based on loss forecast models that consider the same factors as the retail models plus dealer risk ratings. The loss forecast models are updated on a quarterly basis. In addition, qualitative factors that are not fully captured in the loss forecast models, including industry trends, and macroeconomic factors, are considered in the evaluation of the adequacy of the allowance for credit losses. These qualitative factors are subjective and require a degree of management judgment.

Charge-offs of principal amounts of receivables outstanding are deducted from the allowance at the point when it is determined to be probable that all amounts due will not be collected.

Equipment on Operating Leases

The Company purchases leases and equipment from CNH North America dealers and other independent third parties that have leased equipment to retail customers under operating leases. The Company's investment in operating leases is based on the purchase price paid for the equipment. Income from these operating leases is recognized over the term of the lease. The equipment is depreciated on a straight-line basis over the term of the lease to the estimated residual value at lease termination, which is estimated at the inception of the lease. Realization of the residual values is dependent on the Company's future ability to re-market the equipment under then prevailing market conditions. Model changes and updates, as well as market strength and product acceptance, are monitored and adjustments are made to residual values in accordance with the significance of any such changes. Management believes that the estimated residual values are realizable. Expenditures for maintenance and repairs are the responsibility of the lessee.

Equipment returned to the Company upon termination of leases and held for subsequent sale or lease is recorded at the lower of net book value or estimated fair value of the equipment, less cost to sell, and is not depreciated.

Goodwill and Intangible Assets

Goodwill represents the excess of the aggregate purchase price over the fair value of the net assets acquired. Goodwill is deemed to have an indefinite useful life and is reviewed for impairment at least annually. During 2012 and 2011, the Company performed its annual impairment review as of December 31, and concluded that there was no impairment in either year. Other intangible assets consist of software and are being amortized on a straight-line basis over five years.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The provision for income taxes is determined using the asset and liability method. The Company recognizes a current tax liability or asset for the estimated taxes payable or refundable on tax returns for the current year and tax contingencies estimated to be settled with taxing authorities within one year. A deferred tax liability or asset is recognized for the estimated future tax effects attributable to temporary differences and tax loss carryforwards. The measurement of current and deferred tax liabilities and assets is based on provisions of enacted tax law. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized based on available evidence.

Derivatives

The Company's policy is to enter into derivative transactions to manage exposures that arise in the normal course of business and not for trading or speculative purposes. The Company records derivative financial instruments in the consolidated balance sheets as either an asset or liability measured at fair value. The fair value of the Company's interest rate derivatives is based on discounting expected cash flows, using market interest rates, over the remaining term of the instrument. The fair value of the Company's foreign exchange derivatives is based on quoted market exchange rates, adjusted for the respective interest rate differentials (premiums or discounts). Changes in the fair value of derivative financial instruments are recognized in current income unless specific hedge accounting criteria are met. For derivative financial instruments designated to hedge exposure to changes in the fair value of a recognized asset or liability, the gain or loss is recognized in income in the period of change together with the offsetting loss or gain on the related hedged item. For derivative financial instruments designated to hedge exposure to variable cash flows of a forecasted transaction, the effective portion of the derivative financial instrument's gain or loss is initially reported in accumulated other comprehensive income (loss) and is subsequently reclassified into income when the forecasted transaction affects income. The ineffective portion of the gain or loss is reported in income immediately. For derivative financial instruments that are not designated as hedges but held as economic hedges, the gain or loss is recognized immediately into income.

For derivative financial instruments designated as hedges, the Company formally documents the hedging relationship to the hedged item and its risk management strategy for all derivatives designated as hedges. This includes linking all derivatives that are designated as fair value hedges to specific assets and liabilities contained in the consolidated balance sheets and linking cash flow hedges to specific forecasted transactions or variability of cash flow. The Company assesses the effectiveness of the hedging instrument both at inception and on an ongoing basis. If a derivative is determined not to be highly effective as a hedge, or the underlying hedged transaction is no longer probable of occurring, or the derivative is terminated, the hedge accounting described above is discontinued and the derivative is marked to fair value and recorded in income through the remainder of its term.

New Accounting Pronouncements Adopted in Prior Years

In June 2009, the Financial Accounting Standards Board ("FASB") issued new accounting guidance which changed the accounting for transfers of financial assets. The guidance eliminated the concept of a qualifying special purpose entity ("QSPE"), changed the requirements for derecognizing

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

financial assets, and required additional disclosures by providing greater transparency about transfers of financial assets, including securitization transactions, and an entity's continuing involvement in and exposure to the risks related to transferred financial assets.

In June 2009, the FASB also issued new accounting guidance which amended the accounting for VIEs. The guidance changed the criteria for determining whether the consolidation of a VIE is required from a quantitative risk and rewards model to a qualitative model, based on control and economics. The guidance also eliminated the scope exception for QSPEs, increased the frequency for reassessing consolidation of VIEs and created new disclosure requirements about an entity's involvement in a VIE.

The Company adopted the new guidance on January 1, 2010. As a significant portion of the Company's securitization trusts and facilities were no longer exempt from consolidation as QSPEs under the guidance, the Company reassessed these VIEs under the new qualitative model and determined it was the primary beneficiary, as the Company has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. The Company consolidated the receivables and related liabilities held by these VIEs based on their carrying amounts, with a decrease to equity as shown in the consolidated statements of changes in stockholder's equity.

In June 2011, the FASB issued new accounting guidance on the presentation of comprehensive income in financial statements. The new guidance removed current presentation options and required entities to report components of comprehensive income in either a continuous statement of comprehensive income or two separate but consecutive statements. The new reporting required by this accounting guidance has been included in these financial statements.

New Accounting Pronouncements Adopted in 2012

On January 1 2012, the Company adopted FASB Accounting Standards Update ("ASU") No. 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs, which amends Accounting Standards Codification ("ASC") 820, Fair Value Measurement. This ASU requires the categorization by level for items that are required to be disclosed at fair value and information about transfers between Level 1 and Level 2 and additional disclosure for Level 3 measurements. In addition, the ASU provides guidance on measuring the fair value of financial instruments managed within a portfolio and the application of premiums and discounts on fair value measurements. The adoption did not have a material effect on the Company's consolidated financial statements.

In September 2011, the FASB issued ASU No. 2011-08, Testing Goodwill for Impairment, which amends ASC 350, Intangibles—Goodwill and Other. This ASU gives an entity the option to first assess qualitative factors to determine if goodwill is impaired. The entity may first determine based on qualitative factors if it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. If that assessment indicates no impairment, the first and second steps of the quantitative goodwill impairment test are not required. Although the Company adopted this ASU and the adoption did not have a material effect on the Company's consolidated financial statements, the Company also performed an annual impairment review.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncements to be Adopted

In December 2011, the FASB issued ASU No. 2011-11, Disclosures about Offsetting Assets and Liabilities, which amends ASC 210, Balance Sheet. This ASU requires entities to disclose gross and net information about both instruments and transactions eligible for offset in the statement of financial position and those subject to an agreement similar to a master netting arrangement. This includes derivatives and other financial securities arrangements. The effective date is January 2013 and must be applied retrospectively. The adoption is not expected to have a material effect on the Company's consolidated financial statements.

In February 2013, the FASB issued ASU 2013-02, Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income. This ASU requires preparers to report information about reclassifications out of accumulated other comprehensive income. For significant items reclassified out of accumulated other comprehensive income to net income in their entirety in the same reporting period, reporting (either on the face of the statement where net income is presented or in the notes) is required about the effect of the reclassifications on the respective line items in the statement where net income is presented. For items that are not reclassified to net income in their entirety in the same reporting period, a cross reference to other disclosures currently required under US GAAP (e.g., pension amounts that are included in inventory) is required in the notes. The above information must be presented in one place (parenthetically on the face of the financial statements by income statement line item or in a note). Adoption of this standard is required in the Company's 2013 consolidated financial statements and footnote disclosures and will not have a material impact.

NOTE 3: RECEIVABLES

A summary of receivables included in the consolidated balance sheets as of December 31, 2012 and 2011 is as follows:

| | 2012 | 2011 |
|---|-------------------------|------------------------|
| Retail note receivables | \$ 903,644 | \$ 731,807 |
| Wholesale receivables | 88,763 | 87,600 |
| Finance lease receivables | 62,615 | 53,391 |
| Restricted receivables | 9,573,535 | 8,566,514 |
| Commercial revolving accounts receivables | 226,039 | 82,098 |
| Gross receivables | 10,854,596 | 9,521,410 |
| Less: | | |
| Unearned finance charges | — | (28,188) |
| Allowance for credit losses | (122,320) | (106,673) |
| Total receivables, net | <u>\$10,732,276</u> | <u>\$9,386,549</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

The Company provides and administers financing for retail purchases of new and used equipment sold through CNH North America's dealer network. The terms of retail and other notes and finance leases generally range from two to six years, and interest rates on retail and other notes and finance leases vary depending on prevailing market interest rates and certain incentive programs offered by CNH North America.

Wholesale receivables arise primarily from the financing of the sale of goods to dealers and distributors by CNH North America, and to a lesser extent, the financing of dealer operations. Under the standard terms of the wholesale receivable agreements, these receivables typically have interest-free periods of up to twelve months and stated original maturities of up to twenty-four months, with repayment accelerated upon the sale of the underlying equipment by the dealer. During the interest-free period, the Company is compensated by CNH North America for the difference between market interest rates and the amount paid by the dealer. After the expiration of any interest-free period, interest is charged to dealers on outstanding balances until the Company receives payment in full. The interest-free periods are determined based on the type of equipment sold and the time of year of the sale. Interest rates are set based on market factors and the prime rate or LIBOR. The Company evaluates and assesses dealers on an ongoing basis as to their creditworthiness. CNH North America may be obligated to repurchase the dealer's equipment upon cancellation or termination of the dealer's contract for such causes as change in ownership, closeout of the business, or default. There were no significant losses in 2012, 2011 and 2010 relating to the termination of dealer contracts.

Maturities of retail and other notes, finance leases, wholesale receivables and commercial revolving accounts receivables as of December 31, 2012, are as follows:

| | |
|--------------------------------|----------------------------|
| 2013 | \$ 5,651,523 |
| 2014 | 1,708,870 |
| 2015 | 1,452,937 |
| 2016 | 1,120,601 |
| 2017 and thereafter | <u>920,665</u> |
| Total receivables | <u>\$10,854,596</u> |

It has been the Company's experience that substantial portions of retail receivables are repaid or sold before their contractual maturity dates. As a result, the above table should not be regarded as a forecast of future cash collections. Retail, finance lease and wholesale receivables have significant concentrations of credit risk in the agricultural and construction business sectors. On a geographic basis, there is not a disproportionate concentration of credit risk in any area of the United States or Canada. The Company typically retains, as collateral, a security interest in the equipment associated with retail notes and wholesale receivables.

Restricted Receivables and Securitization

As part of its overall funding strategy, the Company periodically transfers certain financial receivables into VIEs that are special purpose entities ("SPEs") as part of its asset-backed securitization programs.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

SPEs utilized in the securitization programs differ from other entities included in the Company's consolidated financial statements because the assets they hold are legally isolated from the Company's assets. For bankruptcy analysis purposes, the Company has sold the receivables to the SPEs in a true sale and the SPEs are separate legal entities. Upon transfer of the receivables to the SPEs, the receivables and certain cash flows derived from them become restricted for use in meeting obligations to the SPEs' creditors. The SPEs have ownership of cash balances that also have restrictions for the benefit of SPEs' investors. The Company's interests in the SPEs' receivables are subordinate to the interests of third-party investors. None of the receivables that are directly or indirectly sold or transferred in any of these transactions are available to pay the Company's creditors until all obligations of the SPE have been fulfilled.

The secured borrowings related to the restricted receivables are obligations that are payable as the receivables are collected.

The following table summarizes the restricted and off-book receivables and the related retained interests as of December 31, 2012 and 2011:

| | Restricted Receivables | | Off-Book Receivables | | Retained Interests | |
|--|------------------------|--------------------|----------------------|------------------|--------------------|-----------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Retail note receivables | \$6,376,211 | \$5,454,279 | \$47,367 | \$108,476 | \$9,271 | \$17,289 |
| Wholesale receivables | 3,176,410 | 2,884,516 | — | — | — | — |
| Finance lease receivables | 20,914 | 47,000 | — | — | — | — |
| Commercial revolving account receivables | — | 180,719 | — | — | — | — |
| Total | <u>\$9,573,535</u> | <u>\$8,566,514</u> | <u>\$47,367</u> | <u>\$108,476</u> | <u>\$9,271</u> | <u>\$17,289</u> |

Retail Receivables Securitizations

Within the U.S. retail receivables securitization programs, qualifying retail receivables are sold to limited purpose, bankruptcy-remote SPEs. In turn, these SPEs establish separate trusts to which the receivables are transferred in exchange for proceeds from asset-backed securities issued by the trusts. In Canada, the receivables are transferred directly to the trusts. These trusts were determined to be VIEs and, consequently, the Company has consolidated these retail trusts. In its role as servicer, CNH Capital has the power to direct the trusts' activities. Through its retained interests, the Company has an obligation to absorb certain losses or the right to receive certain benefits that could potentially be significant to the trusts.

During the years ended December 31, 2012 and 2011, the Company executed \$3,848,008 and \$3,193,597, respectively, in retail asset-backed transactions in the U.S. and Canada. The securities in these transactions are backed by agricultural and construction equipment retail receivable contracts and finance leases originated through CNH North America's dealer network. At December 31, 2012, \$5,994,757 of asset-backed securities issued to investors were outstanding with a weighted average remaining maturity of 39 months. At December 31, 2011, \$5,116,695 of asset-backed securities issued to investors were outstanding with a weighted average remaining maturity of 37 months.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

The Company also may retain all or a portion of the subordinated interests in the SPEs. No recourse provisions exist that allow holders of the asset-backed securities issued by the trusts to put those securities back to the Company, although the Company provides customary representations and warranties that could give rise to an obligation to repurchase from the trusts any receivables for which there is a breach of the representations and warranties. Moreover, the Company does not guarantee any securities issued by the trusts. The trusts have a limited life and generally terminate upon final distribution of amounts owed to investors or upon exercise of a cleanup-call option by the Company, in its role as servicer.

The Company also has \$1,702,169 in committed asset-backed facilities through which it may sell on a monthly basis retail receivables generated in the United States and Canada. The Company has utilized these facilities in the past to fund the origination of receivables and has later repurchased and resold the receivables in the term ABS markets or found alternative financing for the receivables. The Company believes that it is probable that it will continue to regularly utilize term ABS markets. The U.S. and Canadian facilities had an original funding term of two years and are renewable in September 2014 and December 2014, respectively. To the extent these facilities are not renewed, they will be repaid according to the amortization of the underlying receivables.

Three private retail transactions totaling \$47,367 and \$108,476 as of December 31, 2012 and 2011, respectively, were not included in the Company's consolidated balance sheet.

Wholesale Receivables Securitizations

With regard to the wholesale receivable securitization programs, the Company sells eligible receivables on a revolving basis to structured master trust facilities which are limited-purpose, bankruptcy-remote SPEs. As of December 31, 2012, debt issued through the U.S. master trust facility consists of four facilities renewable at the discretion of the investors; \$200 million renewable March 2013, \$900 million renewable April 2013, \$250 million renewable July 2013, and \$200 million senior and related subordinate renewable November 2013.

Debt issued through the Canadian master trust facility consists of a C\$586 million (\$588 million) facility renewable December 2014 at the discretion of the investor.

These trusts were determined to be VIEs and consequently, CNH Capital has consolidated these wholesale trusts. The Company's involvement with the securitization trusts includes servicing the wholesale receivables, retaining an undivided interest ("seller's interest") in the receivables and holding cash reserve accounts. The seller's interest in the trusts represent the Company's undivided interest in the receivables transferred to the trust. CNH Capital maintains cash reserve accounts at predetermined amounts to provide security to investors in the event that cash collections from the receivables are not sufficient to make principal and interest payments on the securities. The investors and the securitization trusts have no recourse beyond CNH Capital's retained interests for failure of debtors to pay when due. CNH Capital's retained interests are subordinate to investors' interests.

Each of the facilities contains minimum payment rate thresholds which, if breached, could preclude the Company from selling additional receivables originated on a prospective basis and could force an early amortization of the debt.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

Commercial Revolving Account Securitizations

The Company, through a trust, securitized originated commercial revolving account receivables. The committed asset-backed facility had an original two-year term which expired October 15, 2012, at which point all debt was paid in full.

Allowance for Credit Losses

The allowance for credit losses is the Company's estimate of probable losses for receivables owned by the Company and consists of two components, depending on whether the receivable has been individually identified as being impaired. The first component of the allowance for credit losses covers the receivables specifically reviewed by management for which the Company has determined it is probable that it will not collect all of the contractual principal and interest. Receivables are individually reviewed for impairment based on, among other items, amounts outstanding, days past due and prior collection history. These receivables are subject to impairment measurement at the loan level based either on the present value of expected future cash flows discounted at the receivables' effective interest rate or the fair value of the collateral for collateral-dependent receivables.

The second component of the allowance for credit losses covers all receivables that have not been individually reviewed for impairment. The allowance for these receivables is based on aggregated portfolio evaluations, generally by financial product. The allowance for retail credit losses is based on loss forecast models that consider a variety of factors that include, but are not limited to, historical loss experience, collateral value, portfolio balance and delinquency. The allowance for wholesale credit losses is based on loss forecast models that consider the same factors as the retail models plus dealer risk ratings. The loss forecast models are updated on a quarterly basis. In addition, qualitative factors that are not fully captured in the loss forecast models, including industry trends, and macroeconomic factors are considered in the evaluation of the adequacy of the allowance for credit losses. These qualitative factors are subjective and require a degree of management judgment.

Charge-offs of principal amounts of receivables outstanding are deducted from the allowance at the point when it is determined to be probable that all amounts due will not be collected.

The Company's allowance for credit losses is segregated into three portfolio segments: retail, wholesale and other. A portfolio segment is the level at which the Company develops a systematic methodology for determining its allowance for credit losses. The retail segment includes retail notes and finance lease receivables. The wholesale segment includes wholesale financing to CNH North America dealers, and the other portfolio includes the Company's commercial revolving accounts.

Further, the Company evaluates its portfolio segments by class of receivable: United States and Canada. Typically, the Company's receivables within a geographic area have similar risk profiles and methods for assessing and monitoring risk. These classes align with management reporting.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

Allowance for credit losses activity for the year December 31, 2012 is as follows:

| | Retail | Wholesale | Other | Total |
|---|--------------------|--------------------|------------------|---------------------|
| Allowance for credit losses: | | | | |
| Beginning balance | \$ 83,233 | \$ 12,163 | \$ 11,277 | \$ 106,673 |
| Charge-offs | (28,238) | (1,857) | (7,906) | (38,001) |
| Recoveries | 5,206 | 312 | 3,276 | 8,794 |
| Provision | 42,135 | 1,245 | 1,198 | 44,578 |
| Foreign currency translation and other | 224 | 24 | 28 | 276 |
| Ending balance | <u>\$ 102,560</u> | <u>\$ 11,887</u> | <u>\$ 7,873</u> | <u>\$ 122,320</u> |
| Ending balance: individually evaluated for impairment | <u>\$ 28,266</u> | <u>\$ 9,512</u> | <u>\$ —</u> | <u>\$ 37,778</u> |
| Ending balance: collectively evaluated for impairment | <u>\$ 74,294</u> | <u>\$ 2,375</u> | <u>\$ 7,873</u> | <u>\$ 84,542</u> |
| Receivables: | | | | |
| Ending balance | <u>\$7,363,384</u> | <u>\$3,265,173</u> | <u>\$226,039</u> | <u>\$10,854,596</u> |
| Ending balance: individually evaluated for impairment | <u>\$ 48,195</u> | <u>\$ 61,752</u> | <u>\$ —</u> | <u>\$ 109,947</u> |
| Ending balance: collectively evaluated for impairment | <u>\$7,315,189</u> | <u>\$3,203,421</u> | <u>\$226,039</u> | <u>\$10,744,649</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

Allowance for credit losses activity for the year ended December 31, 2011 is as follows:

| | Retail | Wholesale | Other | Total |
|---|--------------------|--------------------|------------------|--------------------|
| Allowance for credit losses: | | | | |
| Beginning balance | \$ 73,123 | \$ 31,148 | \$ 14,459 | \$ 118,730 |
| Charge-offs | (27,770) | (12,613) | (12,770) | (53,153) |
| Recoveries | 5,850 | 447 | 3,431 | 9,728 |
| Provision | 33,353 | (6,801) | 6,301 | 32,853 |
| Foreign currency translation and other | (1,323) | (18) | (144) | (1,485) |
| Ending balance | <u>\$ 83,233</u> | <u>\$ 12,163</u> | <u>\$ 11,277</u> | <u>\$ 106,673</u> |
| Ending balance: individually evaluated for impairment | <u>\$ 42,879</u> | <u>\$ 10,101</u> | <u>\$ —</u> | <u>\$ 52,980</u> |
| Ending balance: collectively evaluated for impairment | <u>\$ 40,354</u> | <u>\$ 2,062</u> | <u>\$ 11,277</u> | <u>\$ 53,693</u> |
| Receivables: | | | | |
| Ending balance | <u>\$6,258,289</u> | <u>\$2,972,116</u> | <u>\$262,817</u> | <u>\$9,493,222</u> |
| Ending balance: individually evaluated for impairment | <u>\$ 73,920</u> | <u>\$ 56,444</u> | <u>\$ 265</u> | <u>\$ 130,629</u> |
| Ending balance: collectively evaluated for impairment | <u>\$6,184,369</u> | <u>\$2,915,672</u> | <u>\$262,552</u> | <u>\$9,362,593</u> |

A comparative analysis for allowance for credit losses activity for the years ended December 31, 2012, 2011 and 2010 is as follows:

| | 2012 | 2011 | 2010 |
|--|------------------|------------------|------------------|
| Allowance for credit losses: | | | |
| Beginning balance | \$106,673 | \$118,730 | \$ 73,181 |
| Cumulative effect from change in accounting for consolidation of certain VIE's | — | — | 59,090 |
| Adjusted beginning balance | 106,673 | 118,730 | 132,271 |
| Charge-offs | (38,001) | (53,153) | (94,201) |
| Recoveries | 8,794 | 9,728 | 8,066 |
| Provision | 44,578 | 32,853 | 76,394 |
| Foreign currency translation and other | 276 | (1,485) | (3,800) |
| Ending balance | <u>\$122,320</u> | <u>\$106,673</u> | <u>\$118,730</u> |

Utilizing an internal credit scoring model, which considers customers' attributes, prior credit history and each retail transaction's attributes, the Company assigns a credit quality rating to each retail customer, by specific transaction, as part of the retail underwriting process. This rating is used in

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

setting the interest rate on the transaction. The credit quality rating is not updated after the transaction is finalized. A description of the general characteristics of the customers' risk grades is as follows:

Titanium—Customers from whom the Company expects no collection or loss activity.

Platinum—Customers from whom the Company expects minimal, if any, collection or loss activity.

Gold, Silver, Bronze—Customers defined as those with the potential for collection or loss activity.

A breakdown of the retail portfolio by the customer's risk grade at the time of origination as of December 31, 2012 and 2011 is as follows:

| | 2012 | 2011 |
|------------------------|--------------------|--------------------|
| Titanium | \$4,038,596 | \$3,195,785 |
| Platinum | 1,994,248 | 1,837,604 |
| Gold | 1,124,612 | 999,950 |
| Silver | 185,712 | 197,108 |
| Bronze | 20,216 | 27,842 |
| Total | \$7,363,384 | \$6,258,289 |

As part of the ongoing monitoring of the credit quality of the wholesale portfolio, the Company utilizes an internal credit scoring model that assigns a risk grade for each dealer. The scoring model considers the strength of the dealer's financial statements, payment history and audit performance. The Company updates its dealers' ratings and considers the ratings in the quarterly credit allowance analysis. A description of the general characteristics of the dealer's risk grades is as follows:

Grades A and B—Includes receivables to dealers that have significant capital strength, moderate leverage, stable earnings and growth, and excellent payment performance.

Grade C—Includes receivables to dealers with moderate credit risk. Dealers of this grade are differentiated from higher grades on a basis of leverage or payment performance.

Grade D—Includes receivables to dealers with moderate credit risk. These dealers may require higher monitoring due to weaker financial strength or payment performance.

A breakdown of the wholesale portfolio by its credit quality indicators as of December 31, 2012 and 2011 is as follows:

| | 2012 | 2011 |
|------------------------|--------------------|--------------------|
| A | \$1,873,495 | \$1,662,920 |
| B | 967,849 | 897,914 |
| C | 245,652 | 287,793 |
| D | 178,177 | 123,489 |
| Total | \$3,265,173 | \$2,972,116 |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

The following tables present information at the level at which management assesses and monitors its credit risk. Receivables are considered past due if the required principal and interest payments have not been received as of the date such payments were due. Delinquency is reported on receivables greater than 30 days past due. The aging of receivables as of December 31, 2012 and 2011 is as follows:

| | 2012 | | | | | | Recorded Investment > 90 Days and Accruing |
|---------------------|--------------------------|--------------------------|----------------------------|-------------------|-------------|----------------------|--|
| | 30 - 59 Days Past Due | 60 - 89 Days Past Due | Greater Than 90 Days | Total Past Due | Current | Total Receivables | |
| Retail | | | | | | | |
| United States | \$18,676 | \$4,972 | \$21,736 | \$45,384 | \$6,047,807 | \$6,093,191 | \$2,994 |
| Canada | \$ 1,941 | \$ 326 | \$ 387 | \$ 2,654 | \$1,267,539 | \$1,270,193 | \$ 265 |
| Wholesale | | | | | | | |
| United States | \$ 514 | \$ 28 | \$ 580 | \$ 1,122 | \$2,512,270 | \$2,513,392 | \$ 130 |
| Canada | \$ 284 | \$ 11 | \$ 783 | \$ 1,078 | \$ 750,703 | \$ 751,781 | \$ 313 |
| Total | | | | | | | |
| Retail | \$20,617 | \$5,298 | \$22,123 | \$48,038 | \$7,315,346 | \$7,363,384 | \$3,259 |
| Wholesale | \$ 798 | \$ 39 | \$ 1,363 | \$ 2,200 | \$3,262,973 | \$3,265,173 | \$ 443 |
| | 2011 | | | | | | Recorded Investment > 90 Days and Accruing |
| | 30 - 59 Days Past Due | 60 - 89 Days Past Due | Greater Than 90 Days | Total Past Due | Current | Total Receivables | |
| Retail | | | | | | | |
| United States | \$21,547 | \$6,100 | \$30,720 | \$58,367 | \$5,162,963 | \$5,221,330 | \$3,257 |
| Canada | \$ 3,550 | \$ 975 | \$ 753 | \$ 5,278 | \$1,031,681 | \$1,036,959 | \$ 77 |
| Wholesale | | | | | | | |
| United States | \$ 1,232 | \$1,967 | \$ 818 | \$ 4,017 | \$2,266,517 | \$2,270,534 | \$ 362 |
| Canada | \$ 57 | \$ 14 | \$ 287 | \$ 358 | \$ 701,224 | \$ 701,582 | \$ 56 |
| Total | | | | | | | |
| Retail | \$25,097 | \$7,075 | \$31,473 | \$63,645 | \$6,194,644 | \$6,258,289 | \$3,334 |
| Wholesale | \$ 1,289 | \$1,981 | \$ 1,105 | \$ 4,375 | \$2,967,741 | \$2,972,116 | \$ 418 |

Impaired receivables are receivables for which the Company has determined it will not collect all the principal and interest payments as per the terms of the contract. As of December 31, 2012 and

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

2011, the Company's recorded investment in impaired receivables individually evaluated for impairment and the related unpaid principal balances and allowances are as follows:

| | 2012 | | | 2011 | | |
|---|---------------------|--------------------------|-------------------|---------------------|--------------------------|-------------------|
| | Recorded Investment | Unpaid Principal Balance | Related Allowance | Recorded Investment | Unpaid Principal Balance | Related Allowance |
| With no related allowance recorded | | | | | | |
| Retail | | | | | | |
| United States | \$ 5,614 | \$ 5,597 | \$ — | \$ 6,805 | \$ 6,791 | \$ — |
| Canada | \$ — | \$ — | \$ — | \$ 303 | \$ 303 | \$ — |
| Wholesale | | | | | | |
| United States | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Canada | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| With an allowance recorded | | | | | | |
| Retail | | | | | | |
| United States | \$42,581 | \$37,475 | \$28,266 | \$66,747 | \$61,300 | \$42,861 |
| Canada | \$ — | \$ — | \$ — | \$ 65 | \$ 65 | \$ 18 |
| Wholesale | | | | | | |
| United States | \$58,826 | \$58,329 | \$ 9,000 | \$55,167 | \$53,168 | \$ 9,690 |
| Canada | \$ 2,926 | \$ 2,846 | \$ 512 | \$ 1,277 | \$ 1,247 | \$ 411 |
| Total | | | | | | |
| Retail | \$48,195 | \$43,072 | \$28,266 | \$73,920 | \$68,459 | \$42,879 |
| Wholesale | \$61,752 | \$61,175 | \$ 9,512 | \$56,444 | \$54,415 | \$10,101 |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

For the years ended December 31, 2012 and 2011, the Company's average recorded investment in impaired receivables individually evaluated for impairment (based on a thirteen-month average) and the related interest income recognized are as follows:

| | 2012 | | 2011 | |
|---|-----------------------------|----------------------------|-----------------------------|----------------------------|
| | Average Recorded Investment | Interest Income Recognized | Average Recorded Investment | Interest Income Recognized |
| With no related allowance recorded | | | | |
| Retail | | | | |
| United States | \$ 4,671 | \$ 88 | \$ 2,741 | \$ 390 |
| Canada | \$ — | \$ — | \$ 355 | \$ 9 |
| Wholesale | | | | |
| United States | \$ — | \$ — | \$ — | \$ — |
| Canada | \$ — | \$ — | \$ — | \$ — |
| With an allowance recorded | | | | |
| Retail | | | | |
| United States | \$51,751 | \$2,765 | \$81,927 | \$4,261 |
| Canada | \$ — | \$ — | \$ 71 | \$ 9 |
| Wholesale | | | | |
| United States | \$66,418 | \$2,301 | \$64,061 | \$2,226 |
| Canada | \$ 5,810 | \$ 278 | \$ 4,173 | \$ 153 |
| Total | | | | |
| Retail | \$56,422 | \$2,853 | \$85,094 | \$4,669 |
| Wholesale | \$72,228 | \$2,579 | \$68,234 | \$2,379 |

Recognition of income is generally suspended when management determines that collection of future finance income is not probable or when an account becomes 120 days delinquent, whichever occurs first. Interest accrual is resumed if the receivable becomes contractually current and collection becomes probable. Previously suspended income is recognized at that time. The receivables on nonaccrual status as of December 31, 2012 and 2011 are as follows:

| | 2012 | | | 2011 | | |
|---------------------|----------|-----------|----------|----------|-----------|-----------|
| | Retail | Wholesale | Total | Retail | Wholesale | Total |
| United States | \$29,130 | \$58,329 | \$87,459 | \$54,798 | \$53,168 | \$107,966 |
| Canada | \$ 122 | \$ 2,846 | \$ 2,968 | \$ 676 | \$ 1,247 | \$ 1,923 |

Troubled Debt Restructurings

A restructuring of a receivable constitutes a troubled debt restructuring ("TDR") when the lender grants a concession it would not otherwise consider to a borrower experiencing financial difficulties. As a collateral-based lender, the Company typically will repossess collateral in lieu of restructuring receivables. As such, for retail receivables, concessions are typically provided based on bankruptcy court proceedings. For wholesale receivables, concessions granted may include extended contract maturities,

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

inclusion of interest-only periods, modification of a contractual interest rate to a below market interest rate, extended skip payment periods and waiving of interest and principal.

TDRs are reviewed along with other receivables as part of management's ongoing evaluation of the adequacy of the allowance for credit losses. The allowance for credit losses attributable to TDRs is based on the most probable source of repayment, which is normally the liquidation of collateral. In determining collateral value, the Company estimates the current fair market value of the equipment collateral and considers credit enhancements such as additional collateral and third-party guarantees.

Before removing a receivable from TDR classification, a review of the borrower is conducted. If concerns exist about the future ability of the borrower to meet its obligations under the loans based on a credit review, the TDR classification is not removed from the receivable.

As of December 31, 2012, the Company has approximately 1,100 retail and finance lease receivable contracts, of which the pre-modification value was \$40,364 and the post-modification value was \$37,850. A court has determined the concession in 609 of these cases. The pre-modification value of these contracts was \$11,276 and the post-modification value was \$9,521. As of December 31, 2011, the Company had approximately 2,500 retail and finance lease receivable contracts of which the pre-modification value was \$82,700 and the post-modification value was \$53,300. A court has yet to determine the concessions in some of the outstanding cases that will be granted, if any. As the outcome of the bankruptcy cases is determined by a court based on available assets, subsequent re-defaults are unusual and were not material for retail and finance lease receivable contracts that were modified in a TDR during the previous 12 months ended December 31, 2012 and 2011.

As of December 31, 2012, the Company has four wholesale agreements with a pre- and post-modification balance of approximately \$3,379 and \$1,529, respectively. As of December 31, 2011, the Company restructured five wholesale agreements with a pre- and post- balance of approximately \$15,000. The wholesale TDRs that subsequently re-defaulted were immaterial for the years ended December 31, 2012 and 2011.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 3: RECEIVABLES (Continued)

Managed Receivables

Historical loss and delinquency amounts for the Company's managed receivables for 2012 and 2011 are as follows:

| | Principal Amount of Receivables at December 31, | Principal More Than 30 Days Delinquent at December 31, | Net Credit Losses for the Year Ending December 31, |
|-------------------------------------|--|---|---|
| 2012 | | | |
| Type of receivable: | | | |
| Retail and other notes and finance | | | |
| leases | \$ 7,636,790 | \$53,245 | \$27,834 |
| Wholesale | <u>3,265,173</u> | <u>2,201</u> | <u>1,545</u> |
| Total managed receivables | <u><u>\$10,901,963</u></u> | <u><u>\$55,446</u></u> | <u><u>\$29,379</u></u> |
| Comprised of receivables: | | | |
| Held in portfolio | \$10,854,596 | | |
| Sold | <u>47,367</u> | | |
| Total managed receivables | <u><u>\$10,901,963</u></u> | | |
| 2011 | | | |
| Type of receivable: | | | |
| Retail and other notes and finance | | | |
| leases | \$ 6,629,582 | \$71,683 | \$31,993 |
| Wholesale | <u>2,972,116</u> | <u>4,375</u> | <u>12,166</u> |
| Total managed receivables | <u><u>\$ 9,601,698</u></u> | <u><u>\$76,058</u></u> | <u><u>\$44,159</u></u> |
| Comprised of receivables: | | | |
| Held in portfolio | \$ 9,493,222 | | |
| Sold | <u>108,476</u> | | |
| Total managed receivables | <u><u>\$ 9,601,698</u></u> | | |

NOTE 4: EQUIPMENT ON OPERATING LEASES

A summary of equipment on operating leases as of December 31, 2012 and 2011 is as follows:

| | 2012 | 2011 |
|--|--------------------------|--------------------------|
| Equipment on operating leases | \$ 931,536 | \$ 830,607 |
| Less: | | |
| Residual reserve | <u>—</u> | <u>(599)</u> |
| Accumulated depreciation | <u>(177,165)</u> | <u>(182,391)</u> |
| Equipment on operating leases, net | <u><u>\$ 754,371</u></u> | <u><u>\$ 647,617</u></u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 4: EQUIPMENT ON OPERATING LEASES (Continued)

Depreciation expense totaled \$107,836, \$110,314 and \$117,848 for the years ended December 31, 2012, 2011 and 2010, respectively.

Lease payments owed to the Company for equipment under non-cancelable operating leases as of December 31, 2012 are as follows:

| | |
|----------------------------|-------------------------|
| 2013 | \$ 97,177 |
| 2014 | 58,575 |
| 2015 | 23,712 |
| 2016 | 8,818 |
| 2017 and thereafter | <u>1,815</u> |
| Total lease payments | <u><u>\$190,097</u></u> |

NOTE 5: GOODWILL AND INTANGIBLE ASSETS

Changes in the carrying amount of goodwill for the years ended December 31, 2012 and 2011 are as follows:

| | 2012 | 2011 |
|---|-------------------------|-------------------------|
| Balance, beginning of year | \$116,830 | \$117,651 |
| Foreign currency translation adjustment | <u>866</u> | <u>(821)</u> |
| Balance, end of year | <u><u>\$117,696</u></u> | <u><u>\$116,830</u></u> |

Goodwill is tested for impairment at least annually. During 2012 and 2011, the Company performed its annual impairment review as of December 31 and concluded that there were no impairments in either year. The Company has no accumulated impairment losses at December 31, 2012.

As of December 31, 2012 and 2011, the Company's intangible asset and related accumulated amortization for its software is as follows:

| | 2012 | 2011 |
|--------------------------------|------------------------|------------------------|
| Software | \$ 26,375 | \$ 24,076 |
| Accumulated amortization | <u>(21,846)</u> | <u>(20,817)</u> |
| Software, net | <u><u>\$ 4,529</u></u> | <u><u>\$ 3,259</u></u> |

The Company recorded amortization expense of \$1,010, \$1,106 and \$1,273 during 2012, 2011 and 2010, respectively.

Based on the current amount of software subject to amortization, the estimated annual amortization expense for each of the succeeding five years is as follows: \$927 in 2013; \$602 in 2014; \$417 in 2015; \$268 in 2016; and \$107 in 2017.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 6: OTHER ASSETS

The components of other assets as of December 31, 2012 and 2011 are as follows:

| | 2012 | 2011 |
|------------------------------------|-----------------|------------------|
| Deferred debt issuance costs | \$39,539 | \$ 33,647 |
| Tax receivables | 6,301 | 71,217 |
| Prepaid assets | 5,743 | 7,440 |
| Derivative assets | 2,803 | 3,598 |
| Property and equipment, net | 150 | 167 |
| Other current assets | 18,722 | 26,038 |
| Total other assets | \$73,258 | \$142,107 |

NOTE 7: CREDIT FACILITIES AND DEBT

Lenders of committed credit facilities have the obligation to make advances up to the facility amount. These facilities generally provide for facility fees on the total commitment, whether used or unused.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 7: CREDIT FACILITIES AND DEBT (Continued)

The following table summarizes the Company's debt and credit facilities, borrowings thereunder and availability at December 31, 2012:

| | | 2012 | | | | |
|--|--------------------|----------------------------|-------------------------------|--|------------------------------|--------------------|
| | Maturity(1) | Total Facility/Debt | Short-Term Outstanding | Current Maturities of Long-Term Outstanding | Long-Term Outstanding | Available |
| Committed Asset-Backed Facilities | | | | | | |
| Retail—U.S. | Sep 2014 | \$ 1,200,000 | \$ — | \$ 91,598 | \$ 274,149 | \$ 834,253 |
| Retail—Canada | Dec 2014 | 502,169 | — | 65,642 | 257,658 | 178,869 |
| Wholesale VFN—U.S. . . | Various 2013 | 1,550,000 | 1,550,000 | — | — | — |
| Wholesale VFN—Canada . | Dec 2014 | 588,291 | 548,716 | — | — | 39,576 |
| Leases—U.S. | (2) | 100,000 | — | 14,913 | 83,286 | 1,800 |
| Subtotal | | 3,940,460 | 2,098,716 | 172,153 | 615,093 | 1,054,498 |
| Secured Debt | | | | | | |
| Amortizing retail term ABS—N.A. | Various | 5,924,946 | — | 1,810,103 | 4,114,843 | — |
| Other ABS financing—N.A. | Various | 340,880 | — | 149,265 | 191,615 | — |
| Subtotal | | 6,265,826 | — | 1,959,368 | 4,306,458 | — |
| Unsecured Facilities | | | | | | |
| Revolving credit facilities . | Various | 350,000 | — | — | — | 350,000 |
| Unsecured Debt | | | | | | |
| Notes | Various | 1,250,000 | — | — | 1,250,000 | — |
| Term loan | 2016 | 150,000 | — | — | 150,000 | — |
| Subtotal | | 1,400,000 | — | — | 1,400,000 | — |
| Total credit facilities and debt | | <u>\$11,956,286</u> | <u>\$2,098,716</u> | <u>\$2,131,521</u> | <u>\$6,321,551</u> | <u>\$1,404,498</u> |

(1) Maturity dates reflect maturities of the credit facility which may be different than the maturities of the advances under the facility.

(2) Advances under the credit facility end December 2013; however, the maturities of the debt are due as the underlying leases are collected, which extend beyond 2013.

A summary of the minimum annual repayments of long-term debt as of December 31, 2012, for 2014 and thereafter is as follows:

| | | |
|-------------------------------|-------|--------------------|
| 2014 | | \$2,224,556 |
| 2015 | | 2,225,929 |
| 2016 | | 1,608,138 |
| 2017 | | 222,368 |
| 2018 and thereafter | | 40,560 |
| Total | | <u>\$6,321,551</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 7: CREDIT FACILITIES AND DEBT (Continued)

The following table summarizes the Company's credit facilities, borrowings thereunder and availability at December 31, 2011:

| | | 2011 | | | | |
|--|------------------|----------------------------|-------------------------------|--|------------------------------|---------------------------|
| | Maturity* | Total Facility/Debt | Short-Term Outstanding | Current Maturities of Long-Term Outstanding | Long-Term Outstanding | Available |
| Committed Asset-Backed Facilities | | | | | | |
| Retail—U.S. | Sep 2013 | \$ 1,200,000 | \$ — | \$ 91,640 | \$ 277,760 | \$ 830,600 |
| Retail—Canada | Dec 2012 | 293,734 | — | 153,262 | — | 140,472 |
| Commercial revolving accounts | Oct 2012 | 200,000 | 166,800 | — | — | 33,200 |
| Wholesale VFN—U.S. | Various | 1,150,000 | 1,150,000 | — | — | — |
| Wholesale VFN—Canada | Dec 2012 | 573,516 | 488,010 | — | — | 85,506 |
| Subtotal | | <u>3,417,250</u> | <u>1,804,810</u> | <u>244,902</u> | <u>277,760</u> | <u>1,089,778</u> |
| Secured Debt | | | | | | |
| Wholesale term—U.S. | Various | 803,250 | — | 803,250 | — | — |
| Amortizing retail term ABS—N.A. | Various | 5,013,006 | — | 1,730,937 | 3,282,069 | — |
| Other ABS financing—N.A. | Various | 590,080 | — | 212,136 | 377,944 | — |
| Subtotal | | <u>6,406,336</u> | <u>—</u> | <u>2,746,323</u> | <u>3,660,013</u> | <u>—</u> |
| Unsecured Facility | | | | | | |
| Revolving credit facility | 2016 | 100,000 | — | — | — | 100,000 |
| Unsecured Debt | | | | | | |
| Notes | 2016 | 500,000 | — | — | 500,000 | — |
| Term loan | 2016 | 150,000 | — | — | 150,000 | — |
| Subtotal | | <u>650,000</u> | <u>—</u> | <u>—</u> | <u>650,000</u> | <u>—</u> |
| Total credit facilities and debt | | <u><u>\$10,573,586</u></u> | <u><u>\$1,804,810</u></u> | <u><u>\$2,991,225</u></u> | <u><u>\$4,587,773</u></u> | <u><u>\$1,189,778</u></u> |

* Maturity dates reflect maturities of the credit facility which may be different than the maturities of the advances under the facility.

Committed Asset-Backed Facilities

The Company has access to asset-backed facilities through which it may sell retail receivables. The Company utilizes these facilities to fund the origination of receivables and, per the terms of these facilities, have later repurchased the receivables and either resold the receivables in the term ABS markets or utilize alternative financing for the receivables. Under these facilities, the maximum amount of proceeds that can be accessed at one time is \$1,702,169. In addition, if the receivables sold are not repurchased by the Company, the related debt is paid only as the underlying receivables are collected. Such receivables have maturities not exceeding seven years. The Company believes that it is probable that a majority of these receivables will be repurchased and resold in the term ABS markets. Borrowings against these facilities accrue interest at prevailing money market rates plus program fees.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 7: CREDIT FACILITIES AND DEBT (Continued)

The Company finances its wholesale receivable portfolios with the issuance of Variable Funding Notes (“VFN”) which are privately subscribed by certain banks or conduits. These notes accrue interest at prevailing money market rates plus program fees.

The Company has access to an asset-backed facility to finance its operating leases. Borrowings against this facility accrue interest at prevailing money market rates plus a program fee.

Secured Debt

Borrowings under secured debt bear interest at either floating rates of LIBOR plus an applicable margin or fixed rates.

Unsecured Facilities and Debt

In July 2011, the Company closed a \$250,000, five-year, unsecured committed credit facility. The facility includes a \$150,000 term loan which thereafter was fully drawn with a five-year tenor, and a \$100,000 revolving credit facility that has remained fully available.

In November 2011, the Company issued \$500,000 of debt securities at an annual fixed rate of 6.25% due 2016. The notes, which are senior unsecured obligations of CNH Capital LLC, are guaranteed by CNH Capital America and New Holland Credit.

In April 2012, the Company entered into a \$250,000, three-year, unsecured revolving credit facility, which has remained undrawn.

In October 2012, the Company issued \$750,000 of debt securities at an annual fixed rate of 3.875% due 2015. The notes, which are senior unsecured obligations of CNH Capital LLC, are guaranteed by CNH Capital America and New Holland Credit.

Covenants

The credit agreements governing the Company's unsecured facilities and the indentures governing the Company's unsecured debt (as the case may be), among other things, limit the ability of the Company and certain of its subsidiaries to incur additional debt, make certain investments, enter into certain types of transactions with affiliates, use assets as security in other transactions, enter into certain sale and leaseback transactions and/or sell certain assets or merge with or into other companies. In addition, the Company is required to maintain certain coverage levels for leverage and EBITDA.

Interest Rates

The weighted-average interest rate on total short-term debt outstanding at December 31, 2012 and 2011 was 1.2% and 1.7%, respectively. The weighted-average interest rate on total long-term debt outstanding (including current maturities of long-term debt) at December 31, 2012 and 2011 was 1.9% and 2.2%, respectively. The average rate is calculated using the actual rates at December 31, 2012 and 2011, weighted by the amount of outstanding borrowings of each debt instrument.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 7: CREDIT FACILITIES AND DEBT (Continued)

Support Agreement

CNH Capital LLC and CNH Global entered into a support agreement, dated November 4, 2011, pursuant to which CNH Global has agreed to, among other things, (a) make cash capital contributions to CNH Capital LLC, to the extent that such payments are necessary to cause the ratio of (i) net earnings available for fixed charges to (ii) fixed charges of CNH Capital LLC and its subsidiaries to be not less than 1.05 for each fiscal quarter of CNH Capital LLC (with such ratio determined, on a consolidated basis and in accordance with U.S. GAAP, for such fiscal quarter and the immediately preceding three fiscal quarters taken as a whole), (b) generally maintain an ownership of at least fifty-one percent (51%) of the capital stock of CNH Capital LLC having voting power for the election of directors or managers and (c) cause CNH Capital LLC to have, as of the end of any fiscal quarter, a consolidated tangible net worth of at least \$50 million. CNH Global is required to cure, directly or indirectly, any deficiency in the ratio of net earnings available for fixed charges to fixed charges or in the consolidated tangible net worth not later than 90 days following the end of the fiscal quarter in which the deficiency occurred. This support agreement is not intended to be and is not a guarantee by CNH Global of any indebtedness or other obligation of CNH Capital LLC. The obligations of CNH Global to CNH Capital LLC pursuant to this support agreement are to CNH Capital LLC only and do not run to, and are not enforceable directly by, any creditor of CNH Capital LLC. No payment by CNH Global was required under this support agreement since its inception.

NOTE 8: INCOME TAXES

The income and expenses of the Company and certain of its domestic subsidiaries are included in the consolidated income tax return of Case New Holland Inc., a wholly owned subsidiary of CNH, and parent of CNH America. The Company's Canadian subsidiaries file separate income tax returns, as do certain domestic subsidiaries. The Company and certain of its domestic subsidiaries are LLCs and, as a result, incur no income tax liability on a stand-alone basis for tax purposes. However, for financial reporting, all tax accounts have been disclosed and the income tax expense is reflective for all of the companies included in the consolidated financial statements.

The sources of income before taxes for the years ended December 31, 2012, 2011, and 2010 are as follows, with foreign defined as any income earned outside the United States:

| | 2012 | 2011 | 2010 |
|-------------------------------|------------------|------------------|------------------|
| Domestic | \$248,461 | \$243,365 | \$171,164 |
| Foreign | 81,232 | 76,222 | 76,383 |
| Income before taxes | <u>\$329,693</u> | <u>\$319,587</u> | <u>\$247,547</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 8: INCOME TAXES (Continued)

The provision for income taxes for the years ended December 31, 2012, 2011 and 2010 is as follows:

| | 2012 | 2011 | 2010 |
|---|-------------------------|-------------------------|------------------------|
| Current income tax expense: | | | |
| Domestic | \$ 80,255 | \$ 40,866 | \$31,395 |
| Foreign | <u>22,600</u> | <u>18,432</u> | <u>4,907</u> |
| Total current income tax expense | <u>102,855</u> | <u>59,298</u> | <u>36,302</u> |
| Deferred income tax expense (benefit): | | | |
| Domestic | 15,848 | 55,790 | 39,490 |
| Foreign | <u>(2,591)</u> | <u>2,965</u> | <u>9,275</u> |
| Total deferred income tax expense | <u>13,257</u> | <u>58,755</u> | <u>48,765</u> |
| Total tax provision | <u><u>\$116,112</u></u> | <u><u>\$118,053</u></u> | <u><u>\$85,067</u></u> |

A reconciliation of CNH's statutory and effective income tax rate for the years ended December 31, 2012, 2011, and 2010 is as follows:

| | 2012 | 2011 | 2010 |
|--|---------------------|---------------------|---------------------|
| Tax provision at statutory rate | 35.0% | 35.0% | 35.0% |
| State and foreign taxes | 0.3 | 1.8 | 3.5 |
| Tax contingencies | (0.3) | 0.5 | (4.0) |
| Tax credits and incentives | (0.3) | (0.2) | (0.2) |
| Tax rate and legislative changes | 0.7 | — | (0.1) |
| Other | <u>(0.2)</u> | <u>(0.2)</u> | <u>0.2</u> |
| Total tax provision effective rate | <u><u>35.2%</u></u> | <u><u>36.9%</u></u> | <u><u>34.4%</u></u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 8: INCOME TAXES (Continued)

The components of net deferred tax assets as of December 31, 2012 and 2011 are as follows:

| | 2012 | 2011 |
|--|--------------------------|--------------------------|
| Deferred tax assets: | | |
| Pension, postretirement and post employment benefits | \$ 3,375 | \$ 4,066 |
| Marketing and sales incentive programs | 56,878 | 53,969 |
| Allowance for credit losses | 43,166 | 36,349 |
| Other accrued liabilities | 23,781 | 32,028 |
| Tax loss and tax credit carry forwards | <u>8,480</u> | <u>8,753</u> |
| Total deferred tax assets | <u>\$135,680</u> | <u>\$135,165</u> |
| Deferred tax liability: | | |
| Equipment on operating lease | <u>\$183,574</u> | <u>\$167,971</u> |
| Net deferred tax liability, net(1) | <u><u>\$(47,894)</u></u> | <u><u>\$(32,806)</u></u> |

(1) The net deferred tax liability in 2012 and 2011 is included in "Accounts payable and other accrued liabilities" in the accompanying consolidated balance sheets.

Deferred taxes are provided to reflect timing differences between the financial and tax basis of assets and liabilities and tax carryforwards using currently enacted tax rates and laws. Management believes it is more likely than not the benefit of the deferred tax assets will be realized.

A reconciliation of the gross amounts of tax contingencies at the beginning and end of the year is as follows:

| | 2012 | 2011 | 2010 |
|--|-----------------------|-----------------------|------------------------|
| Balance, beginning of year | \$6,907 | \$4,848 | \$15,385 |
| Additions based on tax positions related to the current year | — | 2,239 | — |
| Reductions for tax positions of prior years | (119) | (180) | (8,276) |
| Settlements | <u>(958)</u> | <u>—</u> | <u>(2,261)</u> |
| Balance, end of year | <u><u>\$5,830</u></u> | <u><u>\$6,907</u></u> | <u><u>\$ 4,848</u></u> |

The total amount of unrecognized tax benefits that, if recognized, would affect the annual effective income tax rate is \$1,200.

The Company recognizes interest and penalties accrued related to unrecognized tax benefits in income tax expense. During the years ended December 31, 2012, 2011, and 2010, the Company recognized approximately (\$527), \$352, and (\$17,580), respectively, in interest and penalties. The Company had approximately \$2,793, \$3,233, and \$3,271 for the expected future payment of interest and penalties accrued at December 31, 2012, 2011, and 2010, respectively.

The Company is currently under various income tax examinations by taxing authorities for years 2003 through 2006 that are anticipated to be completed by the end of 2013. As of December 31, 2012, certain taxing authorities have proposed adjustments to the Company's transfer pricing/management

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 8: INCOME TAXES (Continued)

service fee positions. The Company anticipates that it is reasonably possible to reach a settlement with the competent authority by the end of 2013 that may result in a tax deficiency assessment for which there should be correlative relief under the competent authority. The potential tax deficiency assessments could have an effect on the Company's 2013 annual cash flows in the range of \$3,000 to \$4,000. The Company has provided for the unrecognized tax benefits and related competent authority recovery according to current guidance.

The Company has not provided deferred taxes on \$320,000 of undistributed earnings of non-U.S. subsidiaries at December 31, 2012, as the Company's intention continues to be to indefinitely reinvest these earnings in the non-U.S. operations.

The President of the United States signed the American Taxpayer Relief Act of 2012 on January 2, 2013. As a result, the tax impact of this legislation is taken into account in the quarter in which the legislation is enacted by Congress and signed into law by the President. The Company will reflect the tax impact of this legislation in the first quarter of 2013 financial statements. Therefore, for 2012, the active financing income detriment of approximately \$2,671 was included in December 2012 amounts. In the first quarter of 2013, the reduction of the active financing income will be made for approximately \$2,671.

NOTE 9: FINANCIAL INSTRUMENTS

The Company may elect to measure many financial instruments and certain other items at fair value. This fair value option must be applied on an instrument-by-instrument basis with changes in fair value reported in earnings. The election can be made at the acquisition of an eligible financial asset, financial liability, or firm commitment or when certain specified reconsideration events occur. The fair value election may not be revoked once made. The Company did not elect the fair value measurement option for eligible items.

Fair-Value Hierarchy

U.S. GAAP specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's internally-developed market assumptions. These two types of inputs have created the following fair-value hierarchy:

Level 1—Quoted prices for identical instruments in active markets.

Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.

Level 3—Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

This hierarchy requires the use of observable market data when available.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 9: FINANCIAL INSTRUMENTS (Continued)

Determination of Fair Value

When available, the Company uses quoted market prices to determine fair value and classifies such items in Level 1. In some cases where a market price is not available, the Company will make use of observable market-based inputs to calculate fair value, in which case the items are classified in Level 2.

If quoted or observable market prices are not available, fair value is based upon internally developed valuation techniques that use, where possible, current market-based or independently sourced market parameters such as interest rates, currency rates, or yield curves. Items valued using such internally generated valuation techniques are classified according to the lowest level input or value driver that is significant to the valuation. Thus, an item may be classified in Level 3 even though there may be some significant inputs that are readily observable.

The following section describes the valuation methodologies used by the Company to measure various financial instruments at fair value, including an indication of the level in the fair value hierarchy in which each instrument is generally classified. Where appropriate, the description includes details of the valuation models and the key inputs to those models, as well as any significant assumptions.

Derivatives

The Company utilizes derivative instruments to mitigate its exposure to interest rate and foreign currency exposures. Derivatives used as hedges are effective at reducing the risk associated with the exposure being hedged and are designated as a hedge at the inception of the derivative contract. The Company does not hold or issue derivative or other financial instruments for speculative purposes. The credit risk for the interest rate hedges is reduced through diversification among counterparties, utilizing mandatory termination clauses and/or collateral support agreements. Derivative instruments are generally classified in Level 2 or 3 of the fair value hierarchy. The cash flows underlying all derivative contracts were recorded in operating activities in the consolidated statements of cash flows.

Interest Rate Derivatives

The Company has entered into interest rate derivatives in order to manage interest rate exposures arising in the normal course of business. Interest rate derivatives that have been designated in cash flow hedging relationships are being used by the Company to mitigate the risk of rising interest rates related to the current short-term debt and anticipated issuance of fixed-rate debt in future periods. Gains and losses on these instruments, to the extent that the hedge relationship has been effective, are deferred in accumulated other comprehensive income (loss) and recognized in interest expense over the period in which the Company recognizes interest expense on the related debt. Ineffectiveness recognized related to these hedging relationships was not significant for the years ended December 31, 2012, 2011 and 2010. These amounts are recorded in "Other expenses" in the consolidated statements of income. The maximum length of time over which the Company is hedging its interest rate exposure through the use of derivative instruments designated in cash flow hedge relationships is 52 months. The after-tax losses deferred in accumulated other comprehensive income that will be recognized in interest expense over the next 12 months are approximately \$3,786.

The Company also enters into offsetting interest rate derivatives with substantially similar economic terms that are not designated as hedging instruments to mitigate interest rate risk related to

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 9: FINANCIAL INSTRUMENTS (Continued)

the Company's committed asset-backed facilities. These facilities require the Company to enter into interest rate derivatives. To ensure that these transactions do not result in the Company being exposed to this risk, the Company enters into a compensating position. Unrealized and realized gains and losses resulting from fair value changes in these instruments are recognized directly in income and were insignificant for the years ended December 31, 2012, 2011 and 2010.

Most of the Company's interest rate derivatives are considered Level 2. The fair market value of these derivatives is calculated using market data input for forecasted benchmark interest rates and can be compared to actively traded derivatives. The future notional amount of some of the Company's interest rate derivatives is not known in advance. These derivatives are considered Level 3 derivatives. The fair market value of these derivatives is calculated using market data input and a forecasted future notional balance. The total notional amount of the Company's interest rate derivatives was approximately \$1,926,633 and \$1,602,710 at December 31, 2012 and 2011, respectively. The thirteen-month average notional amounts as of December 31, 2012 and 2011 were \$3,166,466 and \$3,901,033, respectively.

Foreign Exchange Contracts

The Company uses forwards to hedge certain assets and liabilities denominated in foreign currencies. Such derivatives are considered economic hedges and are not designated as hedging instruments. The changes in the fair value of these instruments are recognized directly as income in "Other expenses" and are expected to offset the foreign exchange gains or losses on the exposures being managed.

All of the Company's foreign exchange derivatives are considered Level 2 as the fair value is calculated using market data input and can be compared to actively traded derivatives.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 9: FINANCIAL INSTRUMENTS (Continued)

Financial Statement Impact of the Company's Derivatives

The fair values of the Company's derivatives as of December 31, 2012 and 2011 in the consolidated balance sheets are recorded as follows:

| | 2012 | 2011 |
|---|----------------|----------------|
| Derivatives Designated as Hedging Instruments: | | |
| Other assets: | | |
| Interest rate derivatives | \$ — | \$ 80 |
| Accounts payable and other accrued liabilities: | | |
| Interest rate derivatives | \$ — | \$ 19 |
| Derivatives Not Designated as Hedging Instruments: | | |
| Other assets: | | |
| Interest rate derivatives | \$2,788 | \$3,518 |
| Foreign exchange contracts | <u>15</u> | <u>—</u> |
| Total | <u>\$2,803</u> | <u>\$3,518</u> |
| Accounts payable and other accrued liabilities: | | |
| Interest rate derivatives | \$2,744 | \$3,585 |
| Foreign exchange contracts | <u>20</u> | <u>—</u> |
| Total | <u>\$2,764</u> | <u>\$3,585</u> |

The location on the consolidated statements of income and impact of the Company's derivatives for the year ended December 31, 2012, 2011 and 2010 are as follows:

| | 2012 | 2011 | 2010 |
|--|-------------|-------------|-------------|
| Fair Value Hedges | | | |
| Interest rate derivatives—Other expenses | \$ — | \$ — | \$ (3,499) |
| Cash Flow Hedges | | | |
| Recognized in accumulated other comprehensive income (effective portion) | | | |
| Interest rate derivatives | \$ (254) | \$(19,818) | \$(26,268) |
| Reclassified from accumulated other comprehensive income (effective portion) | | | |
| Interest rate derivatives—Interest expense to third parties | (6,971) | (17,191) | (33,925) |
| Recognized directly in income (ineffective portion) | | | |
| Interest rate derivatives—Other expenses | 20 | (278) | (552) |
| Not Designated as Hedges | | | |
| Interest rate derivatives—Other expenses | \$ (53) | \$ (751) | \$ — |
| Foreign exchange contracts—Other expenses | 5 | — | — |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 9: FINANCIAL INSTRUMENTS (Continued)

Retained Interests

For transactions that are considered sales and are off-book, the Company carries retained interests at estimated fair value, which is determined by discounting the projected cash flows over the expected life of the assets sold in connection with such transactions using prepayment, default, loss and interest rate assumptions. The Company recognizes declines in the value of its retained interests, and resulting charges to income or equity, when the fair value is less than the carrying value. The portion of the decline, from discount rates exceeding those in the initial transaction is charged to equity. All other credit-related declines are charged to income. Retained interests in securitized assets are classified in Level 3 of the fair value hierarchy. Assumptions used to determine fair values of retained interests are based on internal evaluations that include constant prepayment rates, annual credit loss rates and discount rates. Although the Company believes its methodology is reasonable, actual results could differ from its expectations. As of December 31, 2012 and 2011, retained interests in securitized assets are \$9,271 and \$17,289, respectively.

Items Measured at Fair Value on a Recurring Basis

The following tables present for each of the fair-value hierarchy levels the Company's assets and liabilities that are measured at fair value on a recurring basis at December 31, 2012 and 2011:

| | Level 2 | | Level 3 | | Total | |
|----------------------------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Assets | | | | | | |
| Interest rate derivatives | \$2,788 | \$3,438 | \$ — | \$ 160 | \$ 2,788 | \$ 3,598 |
| Foreign exchange contracts | 15 | — | — | — | 15 | — |
| Retained interests | — | — | 9,271 | 17,289 | 9,271 | 17,289 |
| Total assets | <u>\$2,803</u> | <u>\$3,438</u> | <u>\$9,271</u> | <u>\$17,449</u> | <u>\$12,074</u> | <u>\$20,887</u> |
| Liabilities | | | | | | |
| Interest rate derivatives | \$2,744 | \$3,459 | \$ — | \$ 145 | \$ 2,744 | \$ 3,604 |
| Foreign exchange contracts | 20 | — | — | — | 20 | — |
| Total liabilities | <u>\$2,764</u> | <u>\$3,459</u> | <u>\$ —</u> | <u>\$ 145</u> | <u>\$ 2,764</u> | <u>\$ 3,604</u> |

There were no transfers between Level 1, Level 2 and Level 3 hierarchy levels.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 9: FINANCIAL INSTRUMENTS (Continued)

The following table presents the changes in the Level 3 fair-value category for the years ended December 31, 2012, 2011 and 2010:

| | Retained Interests | Derivative Financial Instruments |
|--|-------------------------------|---|
| Balance at January 1, 2010 | \$ 968,371 | \$ (1,645) |
| Total gains or losses (realized/unrealized): | | |
| Impact from accounting change | (475,302) | (24,316) |
| Impact from accounting change—collateralized wholesale receivables | (394,037) | — |
| Included in earnings | 1,130 | 20,586 |
| Included in other comprehensive income (loss) | 5,706 | — |
| Settlements | <u>(67,954)</u> | <u>—</u> |
| Balance at January 1, 2011 | \$ 37,914 | \$ (5,375) |
| Total gains or losses (realized/unrealized): | | |
| Included in earnings | 299 | 5,390 |
| Included in other comprehensive income (loss) | 1,183 | — |
| Settlements | <u>(22,107)</u> | <u>—</u> |
| Balance at December 31, 2011 | \$ 17,289 | \$ 15 |
| Total gains or losses (realized/unrealized): | | |
| Included in earnings | 1,005 | 65 |
| Included in other comprehensive income (loss) | 1,635 | (80) |
| Settlements | <u>(10,658)</u> | <u>—</u> |
| Balance at December 31, 2012 | <u><u>\$ 9,271</u></u> | <u><u>\$ —</u></u> |

Fair Value of Other Financial Instruments

The carrying amount of cash and cash equivalents, restricted cash, floating-rate affiliated accounts and notes receivable, floating-rate short-term debt, interest payable, floating-rate affiliated debt and floating-rate long-term debt was assumed to approximate its fair value.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 9: FINANCIAL INSTRUMENTS (Continued)

Financial Instruments Not Carried at Fair Value

The carrying amount and estimated fair value of assets and liabilities considered financial instruments as of December 31, 2012 and 2011 are as follows:

| | 2012 | | 2011 | |
|---------------------------|--------------------|--------------------------|--------------------|--------------------------|
| | Carrying Amount | Estimated Fair Value* | Carrying Amount | Estimated Fair Value* |
| Receivables | \$10,732,276 | \$11,074,646 | \$9,386,549 | \$9,710,124 |
| Affiliated debt | \$ 864,032 | \$ 864,032 | \$ 819,270 | \$ 823,028 |
| Long-term debt | \$ 6,321,551 | \$ 6,451,544 | \$4,587,773 | \$4,648,139 |

* Under the fair value hierarchy, all measurements are Level 2.

Financial Assets

The fair value of receivables was generally determined by discounting the estimated future payments using a discount rate which includes an estimate for credit risk.

Financial Liabilities

The fair values of fixed-rate affiliated and fixed-rate long-term debt were based on current market quotes for identical or similar borrowings and credit risk.

NOTE 10: ACCUMULATED OTHER COMPREHENSIVE INCOME

Comprehensive income and its components are presented in the consolidated statements of comprehensive income. The components of accumulated other comprehensive income as of December 31, 2012 and 2011 are as follows:

| | 2012 | 2011 |
|--|-----------------|------------------|
| Cumulative foreign currency translation adjustment | \$58,920 | \$ 43,836 |
| Pension liability adjustment net of taxes of \$3,286 and \$3,267, respectively | (5,548) | (5,394) |
| Unrealized gains on retained interests net of taxes of \$1,136 and \$1,959, respectively | 1,876 | 3,234 |
| Unrealized loss on derivative financial instruments net of taxes of \$4,619 and \$6,957, respectively | (8,600) | (12,960) |
| Total | \$46,648 | \$ 28,716 |

NOTE 11: SEGMENT AND GEOGRAPHICAL INFORMATION

The Company's segment data is based on disclosure requirements of accounting guidance on segment reporting, which requires financial information be reported on the basis that is used internally for measuring segment performance. The Company's reportable segments are strategic business units

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 11: SEGMENT AND GEOGRAPHICAL INFORMATION (Continued)

that are organized around differences in geographic areas. Each segment is managed separately as they require different knowledge of regulatory environments and marketing strategies. The operating segments offer primarily the same services within each of the respective segments.

A summary of the Company's reportable segment information is as follows:

| | 2012 | 2011 | 2010 |
|---|-------------------------|-------------------------|-------------------------|
| Revenues | | | |
| United States | \$644,900 | \$641,252 | \$681,698 |
| Canada | 192,196 | 189,747 | 181,853 |
| Eliminations | <u>(3,092)</u> | <u>—</u> | <u>—</u> |
| Total | <u><u>\$834,004</u></u> | <u><u>\$830,999</u></u> | <u><u>\$863,551</u></u> |
| Interest expense | | | |
| United States | \$202,208 | \$207,657 | \$255,316 |
| Canada | 54,957 | 61,177 | 57,716 |
| Eliminations | <u>(3,092)</u> | <u>—</u> | <u>—</u> |
| Total | <u><u>\$254,073</u></u> | <u><u>\$268,834</u></u> | <u><u>\$313,032</u></u> |
| Segment net income | | | |
| United States | \$152,854 | \$146,709 | \$100,291 |
| Canada | 60,727 | 54,825 | 62,219 |
| Eliminations | <u>—</u> | <u>—</u> | <u>(30)</u> |
| Total | <u><u>\$213,581</u></u> | <u><u>\$201,534</u></u> | <u><u>\$162,480</u></u> |
| Depreciation and amortization | | | |
| United States | \$ 76,145 | \$ 78,568 | \$ 90,041 |
| Canada | <u>32,757</u> | <u>32,978</u> | <u>29,246</u> |
| Total | <u><u>\$108,902</u></u> | <u><u>\$111,546</u></u> | <u><u>\$119,287</u></u> |
| Expenditures for equipment on operating leases | | | |
| United States | \$355,076 | \$292,823 | \$268,593 |
| Canada | <u>104,401</u> | <u>93,538</u> | <u>88,309</u> |
| Total | <u><u>\$459,477</u></u> | <u><u>\$386,361</u></u> | <u><u>\$356,902</u></u> |
| Provision for credit losses | | | |
| United States | \$ 33,875 | \$ 28,974 | \$ 74,370 |
| Canada | <u>10,703</u> | <u>3,879</u> | <u>2,024</u> |
| Total | <u><u>\$ 44,578</u></u> | <u><u>\$ 32,853</u></u> | <u><u>\$ 76,394</u></u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 11: SEGMENT AND GEOGRAPHICAL INFORMATION (Continued)

| | 2012 | 2011 | 2010 |
|--------------------------|----------------------------|----------------------------|----------------------------|
| Segment assets | | | |
| United States | \$11,016,740 | \$ 9,654,594 | \$ 8,683,991 |
| Canada | 2,555,140 | 2,358,198 | 2,307,319 |
| Eliminations | (225,351) | (111,641) | (107,821) |
| Total | <u>\$13,346,529</u> | <u>\$11,901,151</u> | <u>\$10,883,489</u> |
| Managed portfolio | | | |
| United States | \$ 8,849,079 | \$ 7,827,253 | \$ 7,214,953 |
| Canada | 2,052,884 | 1,774,445 | 1,737,091 |
| Total | <u>\$10,901,963</u> | <u>\$ 9,601,698</u> | <u>\$ 8,952,044</u> |

NOTE 12: RELATED-PARTY TRANSACTIONS / AFFILIATED DEBT

The Company receives compensation from CNH North America for retail installment sales contracts and finance leases that were created under certain low-rate financing programs and interest waiver programs offered to customers by CNH North America. The amount recognized from CNH North America for below-market interest rate financing is included in “Interest and other income from affiliates” in the accompanying consolidated statements of income, and was \$209,952, \$216,544 and \$227,208 for the years ended December 31, 2012, 2011 and 2010, respectively.

For selected operating leases, CNH North America compensates the Company for the difference between the market rental rates and the amount paid by the customer and is included in “Interest and other income from affiliates” in the accompanying consolidated statements of income. For years ended December 31, 2012, 2011 and 2010, the amount recognized from CNH North America for these operating leases is \$30,376, \$26,518 and \$22,273, respectively.

Similarly, for selected wholesale receivables, CNH North America compensates the Company for the difference between market rates and the amount paid by the dealer and is included in “Interest and other income from affiliates.” For the years ended December 31, 2012, 2011 and 2010, the amount recognized by CNH North America for these wholesale receivables is \$148,997, \$135,294 and \$115,353, respectively.

The Company is also compensated for lending funds to CNH North America and other affiliates for various purposes.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 12: RELATED-PARTY TRANSACTIONS / AFFILIATED DEBT (Continued)

The summary of the sources included in "Interest and other income from affiliates" in the accompanying consolidated statements of income at December 31, 2012, 2011, and 2010 is as follows:

| | 2012 | 2011 | 2010 |
|---|------------------|------------------|------------------|
| Wholesale subsidy: | | | |
| CNH North America | \$148,997 | \$135,294 | \$115,353 |
| Other affiliates | 2,784 | 1,928 | — |
| Retail subsidy with CNH North America | 209,952 | 216,544 | 227,208 |
| Operating lease subsidy with CNH North America | 30,376 | 26,518 | 22,273 |
| Lending funds: | | | |
| CNH North America | 352 | 1,700 | 10,329 |
| Other affiliates | 2 | 22 | 1,220 |
| Total interest and other income from affiliates | <u>\$392,463</u> | <u>\$382,006</u> | <u>\$376,383</u> |

Miscellaneous operating expenses charged by CNH America represent all personnel and administrative tasks CNH America performs on behalf of the Company.

As of December 31, 2012 and 2011, the Company has various accounts and notes receivable and debt with the following affiliates:

| | 2012 | | | 2011 | | |
|--|---------------|-----------------|------------------|---------------|-----------------|------------------|
| | Rate | Maturity | Amount | Rate | Maturity | Amount |
| Affiliated receivables from: | | | | | | |
| CNH America | 0% | — | \$ 64,708 | 2.50% | — | \$ 65,335 |
| CNH Canada Ltd. | 0% | — | 17,797 | 1.33% | — | 115,816 |
| Other affiliates | 0% | — | <u>12,874</u> | 2.50% | — | <u>12,766</u> |
| Total affiliated receivables | | | <u>\$ 95,379</u> | | | <u>\$193,917</u> |
| Affiliated debt owed to: | | | | | | |
| CNH America | 3.21% | 2013 | \$788,381 | 2.50% - 3.18% | Various | \$525,927 |
| CNH Canada Ltd. | 4.05% | 2013 | 60,651 | — | — | — |
| Fiat | 5.78% - 5.83% | 2013 | <u>15,000</u> | 3.38% - 7.00% | Various | <u>293,343</u> |
| Total affiliated debt | | | <u>\$864,032</u> | | | <u>\$819,270</u> |

Accounts payable and other accrued liabilities of \$15,418 and \$24,221, respectively, as of December 31, 2012 and 2011, were payable to related parties. Interest expense to related affiliates was \$34,512, \$44,645 and \$80,584, respectively, for the years ended December 31, 2012, 2011 and 2010.

CNH Canada Ltd., an affiliated entity, owns 76,618,488 shares of preferred stock in CNH Capital Canada Ltd, one of the Company's subsidiaries. This is recorded in "Noncontrolling interest" in the stockholder's equity in the accompanying consolidated balance sheets. These shares earn dividends of LIBOR plus 1.2% per annum. The dividends are accrued annually and are recorded in "Net income attributed to the noncontrolling interest" in the consolidated statements of income. The accrued, but not declared, dividends are included in "Noncontrolling interest" in the stockholder's equity in the accompanying consolidated balance sheets.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 13: COMMITMENTS AND CONTINGENCIES

Legal Matters

The Company is party to various litigation matters and claims arising from its operations. Management believes that the outcome of these proceedings, individually and in the aggregate, will not have a material adverse effect on the Company's financial position or results of operations.

Guarantees

The Company provides payment guarantees on the financial debt of various CNH European affiliates for approximately \$266,805. The guarantees are in effect for the term of the underlying funding facilities, which have various maturities through 2015.

Commitments

As of December 31, 2012, the Company has various agreements to extend credit for the following managed portfolios:

| | Total Credit Limit | Utilized | Not Utilized |
|--------------------------------------|-------------------------------|-----------------|---------------------|
| Commercial revolving accounts | \$3,946,496 | \$ 221,274 | \$3,725,222 |
| Wholesale and dealer financing | \$5,570,870 | \$3,135,945 | \$2,434,925 |

The commercial revolving accounts are issued by the Company to retail customers for purchases of parts and services at CNH North America equipment dealers.

NOTE 14: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION

CNH Capital America and New Holland Credit, which are 100%-owned subsidiaries of CNH Capital LLC (the "Guarantor Entities"), guarantee certain indebtedness of CNH Capital LLC. As the guarantees are full, unconditional, and joint and several and as the Guarantor Entities are 100%-owned by CNH Capital LLC, the Company has included the following condensed consolidating financial information as of December 31, 2012 and 2011 and for the three years ended December 31, 2012. The

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

**NOTE 14: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

condensed consolidating financial information reflects investments in consolidated subsidiaries under the equity method of accounting.

| Condensed Statements of Comprehensive Income for the Year Ended December 31, 2012 | | | | | |
|---|-----------------------------|--------------------------------|------------------------------------|---------------------------|-------------------------|
| | CNH Capital LLC | Guarantor Entities | All Other Subsidiaries | Eliminations | Consolidated |
| REVENUES | | | | | |
| Interest income on retail and other notes and finance leases | \$ — | \$ 10,658 | \$ 229,999 | \$ — | \$ 240,657 |
| Interest and other income from affiliates | 7,437 | 178,848 | 354,010 | (147,832) | 392,463 |
| Servicing fee income | — | 82,253 | 137 | (81,450) | 940 |
| Rental income on operating leases | — | 82,280 | 51,526 | — | 133,806 |
| Other income | — | 31,495 | 34,643 | — | 66,138 |
| Total revenues | <u>7,437</u> | <u>385,534</u> | <u>670,315</u> | <u>(229,282)</u> | <u>834,004</u> |
| EXPENSES | | | | | |
| Interest expense: | | | | | |
| Interest expense to third parties | 48,848 | 6,838 | 163,875 | — | 219,561 |
| Interest expense to affiliates | 255 | 146,665 | 35,424 | (147,832) | 34,512 |
| Total interest expense | <u>49,103</u> | <u>153,503</u> | <u>199,299</u> | <u>(147,832)</u> | <u>254,073</u> |
| Administrative and operating expenses: | | | | | |
| Fees charged by affiliates | — | 50,591 | 92,754 | (81,450) | 61,895 |
| (Benefit) provision for credit losses | — | (563) | 45,141 | — | 44,578 |
| Depreciation of equipment on operating leases | — | 65,107 | 42,729 | — | 107,836 |
| Other expenses | 1 | 32,999 | 2,929 | — | 35,929 |
| Total administrative and operating expenses | <u>1</u> | <u>148,134</u> | <u>183,553</u> | <u>(81,450)</u> | <u>250,238</u> |
| Total expenses | <u>49,104</u> | <u>301,637</u> | <u>382,852</u> | <u>(229,282)</u> | <u>504,311</u> |
| (Loss) income before income taxes and equity in income of consolidated subsidiaries accounted for under the equity method | (41,667) | 83,897 | 287,463 | — | 329,693 |
| Income tax (benefit) provision | (16,327) | 33,663 | 98,776 | — | 116,112 |
| Equity in income of consolidated subsidiaries accounted for under the equity method | <u>237,276</u> | <u>187,042</u> | <u>—</u> | <u>(424,318)</u> | <u>—</u> |
| NET INCOME | <u>211,936</u> | <u>237,276</u> | <u>188,687</u> | <u>(424,318)</u> | <u>213,581</u> |
| Net income attributed to noncontrolling interest | — | — | (1,645) | — | (1,645) |
| NET INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u><u>\$211,936</u></u> | <u><u>\$237,276</u></u> | <u><u>\$187,042</u></u> | <u><u>(\$424,318)</u></u> | <u><u>\$211,936</u></u> |
| COMPREHENSIVE INCOME | <u><u>\$229,868</u></u> | <u><u>\$255,208</u></u> | <u><u>\$204,003</u></u> | <u><u>(\$457,566)</u></u> | <u><u>\$231,513</u></u> |
| Comprehensive income attributed to noncontrolling interest | — | — | (1,645) | — | (1,645) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u><u>\$229,868</u></u> | <u><u>\$255,208</u></u> | <u><u>\$202,358</u></u> | <u><u>(\$457,566)</u></u> | <u><u>\$229,868</u></u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

**NOTE 14: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Balance Sheets as of December 31, 2012 | | | | | |
|--|--------------------|-----------------------|---------------------------|----------------------|---------------------|
| | CNH Capital LLC | Guarantor Entities | All Other Subsidiaries | Eliminations | Consolidated |
| ASSETS | | | | | |
| Cash and cash equivalents | \$ — | \$ 257,001 | \$ 528,912 | \$ — | \$ 785,913 |
| Restricted cash | — | 100 | 727,086 | — | 727,186 |
| Receivables, less allowance for credit losses | — | 1,136,838 | 9,595,438 | — | 10,732,276 |
| Retained interests in securitized receivables | — | 5,368 | 8,248 | (4,345) | 9,271 |
| Affiliated accounts and notes receivable | 1,357,013 | 1,970,680 | 1,380,472 | (4,612,786) | 95,379 |
| Equipment on operating leases, net | — | 430,599 | 323,772 | — | 754,371 |
| Equipment held for sale | — | 39,455 | 7,195 | — | 46,650 |
| Investments in consolidated subsidiaries accounted for under the equity method | 1,462,859 | 1,740,138 | — | (3,202,997) | — |
| Goodwill and intangible assets | — | 86,095 | 36,130 | — | 122,225 |
| Other assets | 21,765 | (14,998) | 66,491 | — | 73,258 |
| TOTAL | \$2,841,637 | \$5,651,276 | \$12,673,744 | \$(7,820,128) | \$13,346,529 |
| LIABILITIES AND STOCKHOLDER'S EQUITY | | | | | |
| Liabilities: | | | | | |
| Short-term debt, including current maturities of long-term debt | \$ — | \$ 110,557 | \$ 4,119,680 | \$ — | \$ 4,230,237 |
| Accounts payable and other accrued liabilities | 15,194 | 1,791,778 | 1,112,745 | (2,472,419) | 447,298 |
| Affiliated debt | — | 2,146,670 | 862,074 | (2,144,712) | 864,032 |
| Long-term debt | 1,400,000 | 139,412 | 4,782,139 | — | 6,321,551 |
| Total liabilities | 1,415,194 | 4,188,417 | 10,876,638 | (4,617,131) | 11,863,118 |
| Stockholder's equity | 1,426,443 | 1,462,859 | 1,797,106 | (3,202,997) | 1,483,411 |
| TOTAL | \$2,841,637 | \$5,651,276 | \$12,673,744 | \$(7,820,128) | \$13,346,529 |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

**NOTE 14: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Statements of Cash Flows for the Year Ended December 31, 2012 | | | | | |
|---|--------------------|-----------------------|---------------------------|--------------|-------------------|
| | CNH Capital LLC | Guarantor Entities | All Other Subsidiaries | Eliminations | Consolidated |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Net cash (used in) from operating activities | | | | | |
| | \$(740,547) | \$ (1,069,674) | \$ 915,730 | \$ 1,421,072 | \$ 526,581 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Cost of receivables acquired | | | | | |
| | — | (15,802,666) | (17,733,851) | 13,897,290 | (19,639,227) |
| Collections of receivables | | | | | |
| | — | 15,499,698 | 16,703,466 | (13,897,223) | 18,305,941 |
| Decrease in restricted cash | | | | | |
| | — | — | 43,589 | — | 43,589 |
| Purchase of equipment on operating leases, net | | | | | |
| | — | (118,412) | (91,186) | — | (209,598) |
| Other investing activities | | | | | |
| | — | (2,300) | (14) | — | (2,314) |
| Net cash from (used in) investing activities | | | | | |
| | — | (423,680) | (1,077,996) | 67 | (1,501,609) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | | |
| Intercompany activity | | | | | |
| | (9,453) | 1,543,710 | (69,879) | (1,421,139) | 43,239 |
| Net increase (decrease) in indebtedness | | | | | |
| | 750,000 | (99,563) | 473,172 | — | 1,123,609 |
| Net cash from financing activities | | | | | |
| | 740,547 | 1,444,147 | 403,293 | (1,421,139) | 1,166,848 |
| (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | | | | | |
| | — | (49,207) | 241,027 | — | 191,820 |
| CASH AND CASH EQUIVALENTS: | | | | | |
| Beginning of period | | | | | |
| | — | 306,208 | 287,885 | — | 594,093 |
| End of period | | | | | |
| | <u>\$ —</u> | <u>\$ 257,001</u> | <u>\$ 528,912</u> | <u>\$ —</u> | <u>\$ 785,913</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

**NOTE 14: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Statements of Comprehensive Income for the Year Ended December 31, 2011 | | | | | |
|---|-----------------------------|--------------------------------|------------------------------------|---------------------|---------------------|
| | CNH Capital LLC | Guarantor Entities | All Other Subsidiaries | Eliminations | Consolidated |
| REVENUES | | | | | |
| Interest income on retail and other notes and finance leases | \$ — | \$ 17,089 | \$ 221,241 | \$ — | \$ 238,330 |
| Interest and other income from affiliates | — | 153,927 | 346,146 | (118,067) | 382,006 |
| Servicing fee income | — | 72,087 | 514 | (70,854) | 1,747 |
| Rental income on operating leases | — | 85,346 | 52,383 | — | 137,729 |
| Other income | — | 29,237 | 41,950 | — | 71,187 |
| Total revenues | <u>—</u> | <u>357,686</u> | <u>662,234</u> | <u>(188,921)</u> | <u>830,999</u> |
| EXPENSES | | | | | |
| Interest expense: | | | | | |
| Interest expense to third parties | 8,184 | (755) | 216,760 | — | 224,189 |
| Interest expense to affiliates | 190 | 131,869 | 30,653 | (118,067) | 44,645 |
| Total interest expense | <u>8,374</u> | <u>131,114</u> | <u>247,413</u> | <u>(118,067)</u> | <u>268,834</u> |
| Administrative and operating expenses: | | | | | |
| Fees charged by affiliates | — | 50,055 | 83,744 | (70,854) | 62,945 |
| Provision for credit losses | — | 31,463 | 1,390 | — | 32,853 |
| Other than temporary impairment | — | 30 | 785 | — | 815 |
| Depreciation of equipment on operating leases | — | 66,279 | 44,035 | — | 110,314 |
| Other expenses | 1 | 29,213 | 6,437 | — | 35,651 |
| Total administrative and operating expenses | <u>1</u> | <u>177,040</u> | <u>136,391</u> | <u>(70,854)</u> | <u>242,578</u> |
| Total expenses | <u>8,375</u> | <u>308,154</u> | <u>383,804</u> | <u>(188,921)</u> | <u>511,412</u> |
| (Loss) income before income taxes and equity in income of consolidated subsidiaries accounted for under the equity method | (8,375) | 49,532 | 278,430 | — | 319,587 |
| Income tax (benefit) provision | (3,282) | 18,830 | 102,505 | — | 118,053 |
| Equity in income of consolidated subsidiaries accounted for under the equity method | 205,139 | 174,437 | — | (379,576) | — |
| NET INCOME | 200,046 | 205,139 | 175,925 | (379,576) | 201,534 |
| Net income attributed to noncontrolling interest | — | — | (1,488) | — | (1,488) |
| NET INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | \$200,046 | \$205,139 | \$174,437 | (\$379,576) | \$200,046 |
| COMPREHENSIVE INCOME | \$183,120 | \$188,213 | \$160,064 | (\$346,789) | \$184,608 |
| Comprehensive income attributed to noncontrolling interest | — | — | (1,488) | — | (1,488) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | \$183,120 | \$188,213 | \$158,576 | (\$346,789) | \$183,120 |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

**NOTE 14: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| | Condensed Balance Sheets as of December 31, 2011 | | | | |
|--|--|---------------------------|----------------------------|-----------------------------|----------------------------|
| | CNH Capital LLC | Guarantor Entities | All Other Subsidiaries | Eliminations | Consolidated |
| ASSETS | | | | | |
| Cash and cash equivalents | \$ — | \$ 306,208 | \$ 287,885 | \$ — | \$ 594,093 |
| Restricted cash | — | 100 | 767,259 | — | 767,359 |
| Receivables, less allowance for credit losses | — | 834,392 | 8,552,157 | — | 9,386,549 |
| Retained interests in securitized receivables | — | 6,464 | 15,103 | (4,278) | 17,289 |
| Affiliated accounts and notes receivable | 641,566 | 1,184,507 | 1,436,347 | (3,068,503) | 193,917 |
| Equipment on operating leases, net | — | 377,294 | 270,323 | — | 647,617 |
| Equipment held for sale | — | 27,106 | 5,025 | — | 32,131 |
| Investments in consolidated subsidiaries accounted for under the equity method | 1,203,432 | 1,567,061 | — | (2,770,493) | — |
| Goodwill and intangible assets | — | 84,720 | 35,369 | — | 120,089 |
| Other assets | 13,588 | 33,283 | 95,236 | — | 142,107 |
| TOTAL | <u>\$1,858,586</u> | <u>\$4,421,135</u> | <u>\$11,464,704</u> | <u>\$(5,843,274)</u> | <u>\$11,901,151</u> |
| LIABILITIES AND STOCKHOLDER'S EQUITY | | | | | |
| Liabilities: | | | | | |
| Short-term debt, including current maturities of long-term debt | \$ — | \$ 160,200 | \$ 4,635,835 | \$ — | \$ 4,796,035 |
| Accounts payable and other accrued liabilities | 6,777 | 2,265,212 | 528,047 | (2,349,208) | 450,828 |
| Affiliated debt | 9,453 | 602,960 | 930,430 | (723,573) | 819,270 |
| Long-term debt | <u>650,000</u> | <u>189,331</u> | <u>3,748,442</u> | <u>—</u> | <u>4,587,773</u> |
| Total liabilities | 666,230 | 3,217,703 | 9,842,754 | (3,072,781) | 10,653,906 |
| Stockholder's equity | <u>1,192,356</u> | <u>1,203,432</u> | <u>1,621,950</u> | <u>(2,770,493)</u> | <u>1,247,245</u> |
| TOTAL | <u>\$1,858,586</u> | <u>\$4,421,135</u> | <u>\$11,464,704</u> | <u>\$(5,843,274)</u> | <u>\$11,901,151</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

**NOTE 14: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Statements of Cash Flows for the Year Ended December 31, 2011 | | | | | |
|--|----------------------------|-------------------------------|-----------------------------------|---------------------|---------------------|
| | CNH Capital LLC | Guarantor Entities | All Other Subsidiaries | Eliminations | Consolidated |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Net cash (used in) from operating activities | \$(653,183) | \$ 859,941 | \$ 235,827 | \$ 22,517 | \$ 465,102 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Cost of receivables acquired | — | (14,454,152) | (15,762,983) | 12,180,227 | (18,036,908) |
| Proceeds from sales and collections of receivables . | — | 14,525,124 | 14,871,686 | (12,179,172) | 17,217,638 |
| Purchase of equipment on operating leases, net | — | (84,523) | (63,813) | — | (148,336) |
| Other investing activities . . . | — | (933) | 1,986 | — | 1,053 |
| Net cash (used in) from investing activities | — | (14,484) | (953,124) | 1,055 | (966,553) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | | |
| Intercompany activity | 3,183 | (683,368) | (38,753) | (23,572) | (742,510) |
| Net increase in indebtedness | 650,000 | 28,832 | 823,430 | — | 1,502,262 |
| Dividends to CNH America LLC | — | (85,000) | — | — | (85,000) |
| Net cash from (used in) financing activities | 653,183 | (739,536) | 784,677 | (23,572) | 674,752 |
| INCREASE IN CASH AND CASH EQUIVALENTS | — | 105,921 | 67,380 | — | 173,301 |
| CASH AND CASH EQUIVALENTS: | | | | | |
| Beginning of period | — | 200,287 | 220,505 | — | 420,792 |
| End of period | \$ — | \$ 306,208 | \$ 287,885 | \$ — | \$ 594,093 |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

**NOTE 14: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Statements of Comprehensive Income for the Year Ended December 31, 2010 | | | | | |
|---|-----------------------------|--------------------------------|------------------------------------|---------------------|---------------------|
| | <u>CNH Capital LLC</u> | <u>Guarantor Entities</u> | <u>All Other Subsidiaries</u> | <u>Eliminations</u> | <u>Consolidated</u> |
| REVENUES | | | | | |
| Interest income on retail and other notes and finance leases | \$ — | \$ 22,272 | \$ 245,279 | \$ — | \$ 267,551 |
| Interest and other income from affiliates | — | 153,814 | 306,906 | (84,337) | 376,383 |
| Gain on retail notes, wholesale receivables and commercial revolving accounts sold | — | 38 | — | — | 38 |
| Servicing fee income | — | 68,145 | 1,419 | (66,224) | 3,340 |
| Rental income on operating leases | — | 105,844 | 35,145 | — | 140,989 |
| Other income | — | 30,695 | 44,555 | — | 75,250 |
| Total revenues | <u>—</u> | <u>380,808</u> | <u>633,304</u> | <u>(150,561)</u> | <u>863,551</u> |
| EXPENSES | | | | | |
| Interest expense: | | | | | |
| Interest expense to third parties | — | 20,296 | 212,152 | — | 232,448 |
| Interest expense to affiliates | 155 | 121,999 | 42,767 | (84,337) | 80,584 |
| Total interest expense | <u>155</u> | <u>142,295</u> | <u>254,919</u> | <u>(84,337)</u> | <u>313,032</u> |
| Administrative and operating expenses: | | | | | |
| Fees charged by affiliates | — | 50,613 | 77,075 | (66,224) | 61,464 |
| Provision for credit losses | — | 70,981 | 5,413 | — | 76,394 |
| Other than temporary impairment of retained interests | — | — | 4,108 | — | 4,108 |
| Depreciation of equipment on operating leases | — | 87,838 | 30,010 | — | 117,848 |
| Other expenses | 1 | 27,208 | 15,949 | — | 43,158 |
| Total administrative and operating expenses | <u>1</u> | <u>236,640</u> | <u>132,555</u> | <u>(66,224)</u> | <u>302,972</u> |
| Total expenses | <u>156</u> | <u>378,935</u> | <u>387,474</u> | <u>(150,561)</u> | <u>616,004</u> |
| (Loss) income before income taxes and equity in income of consolidated subsidiaries accounted for under the equity method | (156) | 1,873 | 245,830 | — | 247,547 |
| Income tax (benefit) provision | (62) | 1,303 | 83,826 | — | 85,067 |
| Equity in income of consolidated subsidiaries accounted for under the equity method | 160,713 | 160,143 | — | (320,856) | — |
| NET INCOME | <u>160,619</u> | <u>160,713</u> | <u>162,004</u> | <u>(320,856)</u> | <u>162,480</u> |
| Net income attributed to noncontrolling interest | — | — | (1,861) | — | (1,861) |
| NET INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$160,619</u> | <u>\$160,713</u> | <u>\$160,143</u> | <u>\$(320,856)</u> | <u>\$160,619</u> |
| COMPREHENSIVE INCOME | <u>\$189,635</u> | <u>\$189,729</u> | <u>\$188,666</u> | <u>\$(376,534)</u> | <u>\$191,496</u> |
| Comprehensive income attributed to noncontrolling interest | — | — | (1,861) | — | (1,861) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$189,635</u> | <u>\$189,729</u> | <u>\$186,805</u> | <u>\$(376,534)</u> | <u>\$189,635</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

**NOTE 14: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Statements of Cash Flows for the Year Ended December 31, 2010 | | | | | |
|--|----------------------------|-------------------------------|-----------------------------------|---------------------|---------------------|
| | CNH Capital LLC | Guarantor Entities | All Other Subsidiaries | Eliminations | Consolidated |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Net cash (used in) from operating activities | \$(155) | \$ 692,810 | \$ (275,287) | \$ (60,341) | \$ 357,027 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Cost of receivables acquired | — | (12,375,373) | (13,766,266) | 10,407,997 | (15,733,642) |
| Proceeds from sales and collections of receivables . | — | 12,318,165 | 13,545,171 | (10,407,997) | 15,455,339 |
| Decrease (increase) in restricted cash | — | 1,992 | (148,340) | — | (146,348) |
| Purchase (disposal)of equipment on operating leases, net | — | 14,365 | (145,406) | — | (131,041) |
| Other investing activities . . | — | (1,199) | — | — | (1,199) |
| Net cash from (used in) investing activities | — | (42,050) | (514,841) | — | (556,891) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | | |
| Intercompany activity | 155 | (314,591) | (220,583) | (20,931) | (555,950) |
| Net increase in indebtedness | — | 4,870 | 1,068,721 | — | 1,073,591 |
| Issuance of common stock . . | — | — | 1 | (1) | — |
| Redemption of paid in capital | — | — | (81,273) | 81,273 | — |
| Dividends to CNH America LLC | — | (295,000) | — | — | (295,000) |
| Net cash from (used in) financing activities | 155 | (604,721) | 766,866 | 60,341 | 222,641 |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | | | | |
| | — | 46,039 | (23,262) | — | 22,777 |
| CASH AND CASH EQUIVALENTS: | | | | | |
| Beginning of period | — | 154,248 | 243,767 | — | 398,015 |
| End of period | <u>\$ —</u> | <u>\$ 200,287</u> | <u>\$ 220,505</u> | <u>\$ —</u> | <u>\$ 420,792</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 15: SUPPLEMENTAL QUARTERLY INFORMATION (UNAUDITED)

| | For the Year Ended December 31, 2012 | | | | |
|--|--------------------------------------|------------------|------------------|------------------|------------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Fiscal Year |
| Revenues | \$203,263 | \$206,565 | \$211,059 | \$213,117 | \$834,004 |
| Interest expense | 65,316 | 63,574 | 61,514 | 63,669 | 254,073 |
| Administrative and operating expenses | 49,507 | 57,935 | 62,171 | 80,625 | 250,238 |
| Income tax provision | 30,877 | 30,484 | 30,423 | 24,328 | 116,112 |
| Net income attributable to noncontrolling interest | (364) | (388) | (474) | (419) | (1,645) |
| Net income attributable to CNH Capital LLC | <u>\$ 57,199</u> | <u>\$ 54,184</u> | <u>\$ 56,477</u> | <u>\$ 44,076</u> | <u>\$211,936</u> |
| | For the Year Ended December 31, 2011 | | | | |
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Fiscal Year |
| Revenues | \$205,822 | \$207,683 | \$207,299 | \$210,195 | \$830,999 |
| Interest expense | 69,990 | 69,316 | 63,808 | 65,720 | 268,834 |
| Administrative and operating expenses | 51,347 | 59,468 | 60,375 | 71,388 | 242,578 |
| Income tax provision | 31,252 | 28,252 | 30,259 | 28,290 | 118,053 |
| Net income attributable to noncontrolling interest | 411 | 394 | 295 | 388 | 1,488 |
| Net income attributable to CNH Capital LLC | <u>\$ 52,822</u> | <u>\$ 50,253</u> | <u>\$ 52,562</u> | <u>\$ 44,409</u> | <u>\$200,046</u> |

NOTE 16: RETROSPECTIVE ADOPTION OF ACCOUNTING STANDARDS

Under a registration rights agreement executed in connection with the November 2011 private offering of \$500,000 in aggregate principal amount of its 6.250% notes described in Note 7, the Company was required to file a registration statement with the Securities and Exchange Commission with respect to an offer to exchange such notes for publicly registered notes. Therefore, the Company began to follow U.S. GAAP applicable to public companies as defined by the applicable accounting standards and related Securities and Exchange Commission regulations. As a result, the Company retrospectively adopted the following accounting policies in these consolidated financial statements.

Condensed Consolidating Financial Information

The disclosure requirements related to financial statements of guarantors and issuers of guaranteed securities registered or being registered was applied to all periods presented (see Note 14).

Income Tax Accounting

The Company adopted the accounting standards that require the entity to calculate its tax provision on the separate return basis as if the entity had not been eligible to be included in a consolidated tax return with its parent. Previously, the Company's subsidiaries that were structured as

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)

NOTE 16: RETROSPECTIVE ADOPTION OF ACCOUNTING STANDARDS (Continued)

limited liability companies did not record an income tax provision. This accounting methodology has been applied to the consolidated financial statements and related disclosures for all periods presented.

Comprehensive Income

As indicated in “Note 2: Summary of Significant Accounting Policies”, the Company has adopted new accounting guidance in 2011 on the presentation of comprehensive income. This has resulted in the Company presenting a separate statement of comprehensive income for all periods presented.

NOTE 17: SUBSEQUENT EVENT

On February 21, 2013, the Company, through a bankruptcy-remote trust, issued \$1,252,282 of amortizing asset-backed notes secured by U.S. retail loan contracts.

INDEX TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
CNH CAPITAL LLC AND SUBSIDIARIES

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| Consolidated balance sheets as of September 30, 2013 and December 31, 2012 (Unaudited) | F-62 |
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CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012
(In thousands)
(Unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|------------------|------------------------------------|------------------|
| | 2013 | 2012 | 2013 | 2012 |
| REVENUES | | | | |
| Interest income on retail and other notes and finance leases | \$ 65,494 | \$ 61,716 | \$189,281 | \$178,572 |
| Interest and other income from affiliates | 102,153 | 97,921 | 300,386 | 290,971 |
| Rental income on operating leases | 34,843 | 33,674 | 102,015 | 99,666 |
| Servicing fee income | 141 | 207 | 413 | 801 |
| Other income | 15,556 | 17,541 | 44,089 | 50,877 |
| Total revenues | <u>218,187</u> | <u>211,059</u> | <u>636,184</u> | <u>620,887</u> |
| EXPENSES | | | | |
| Interest expense: | | | | |
| Interest expense to third parties | 58,525 | 52,102 | 170,543 | 163,293 |
| Interest expense to affiliates | 6,472 | 9,412 | 16,861 | 27,111 |
| Total interest expense | <u>64,997</u> | <u>61,514</u> | <u>187,404</u> | <u>190,404</u> |
| Administrative and operating expenses: | | | | |
| Fees charged by affiliates | 14,082 | 14,912 | 44,490 | 47,195 |
| Provision (benefit) for credit losses, net | 1,891 | 12,080 | (5,469) | 15,818 |
| Depreciation of equipment on operating leases | 28,553 | 27,021 | 83,930 | 80,415 |
| Other expenses | 7,809 | 8,158 | 24,884 | 26,185 |
| Total administrative and operating expenses | <u>52,335</u> | <u>62,171</u> | <u>147,835</u> | <u>169,613</u> |
| Total expenses | <u>117,332</u> | <u>123,685</u> | <u>335,239</u> | <u>360,017</u> |
| INCOME BEFORE TAXES | | | | |
| Income tax provision | <u>35,527</u> | <u>30,423</u> | <u>102,745</u> | <u>91,784</u> |
| NET INCOME | 65,328 | 56,951 | 198,200 | 169,086 |
| Net income attributed to noncontrolling interest | (373) | (474) | (1,148) | (1,226) |
| NET INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | \$ 64,955 | \$ 56,477 | \$197,052 | \$167,860 |

See the accompanying Condensed Notes to Consolidated Financial Statements (Unaudited).

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012
(In thousands)
(Unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|------------------------|------------------------------------|-------------------------|
| | 2013 | 2012 | 2013 | 2012 |
| NET INCOME | \$65,328 | \$56,951 | \$198,200 | \$169,086 |
| Other comprehensive income (loss): | | | | |
| Foreign currency translation adjustment | 11,959 | 25,696 | (22,155) | 24,692 |
| Pension liability adjustment | 101 | 93 | 329 | 283 |
| Change in unrealized gains on retained interests | (276) | (381) | (1,566) | (1,338) |
| Change in derivative financial instruments | 535 | 1,140 | 3,074 | 3,272 |
| Other comprehensive income (loss) | 12,319 | 26,548 | (20,318) | 26,909 |
| COMPREHENSIVE INCOME | 77,647 | 83,499 | 177,882 | 195,995 |
| Less: comprehensive income attributable to | | | | |
| noncontrolling interest | (373) | (474) | (1,148) | (1,226) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$77,274</u> | <u>\$83,025</u> | <u>\$176,734</u> | <u>\$194,769</u> |

See the accompanying Condensed Notes to Consolidated Financial Statements (Unaudited).

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2013 AND DECEMBER 31, 2012
(In thousands)
(Unaudited)

| | September 30, 2013 | December 31, 2012 |
|---|-------------------------------|------------------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 231,367 | \$ 785,913 |
| Restricted cash | 599,854 | 727,186 |
| Receivables, less allowance for credit losses of \$109,252 and \$122,320, respectively | 12,654,129 | 10,732,276 |
| Retained interests in securitized receivables | 2,769 | 9,271 |
| Affiliated accounts and notes receivable | 13,971 | 95,379 |
| Equipment on operating leases, net | 885,538 | 754,371 |
| Equipment held for sale | 28,893 | 46,650 |
| Goodwill | 116,542 | 117,696 |
| Other intangible assets, net | 4,060 | 4,529 |
| Other assets | 67,301 | 73,258 |
| TOTAL | \$14,604,424 | \$13,346,529 |
| LIABILITIES AND STOCKHOLDER'S EQUITY | | |
| Liabilities: | | |
| Short-term debt (including current maturities of long-term debt) | \$ 4,173,609 | \$ 4,230,237 |
| Accounts payable and other accrued liabilities | 501,575 | 447,298 |
| Affiliated debt | 772,689 | 864,032 |
| Long-term debt | 7,694,301 | 6,321,551 |
| Total liabilities | 13,142,174 | 11,863,118 |
| Commitments and contingent liabilities (Note 10) | | |
| Stockholder's equity: | | |
| Member's capital | — | — |
| Paid-in capital | 841,897 | 840,940 |
| Accumulated other comprehensive income | 26,330 | 46,648 |
| Retained earnings | 535,907 | 538,855 |
| Total CNH Capital LLC stockholder's equity | 1,404,134 | 1,426,443 |
| Noncontrolling interest | 58,116 | 56,968 |
| Total stockholder's equity | 1,462,250 | 1,483,411 |
| TOTAL | \$14,604,424 | \$13,346,529 |

See the accompanying Condensed Notes to Consolidated Financial Statements (Unaudited).

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2013 AND DECEMBER 31, 2012
(In thousands)
(Unaudited)

The following table presents certain assets and liabilities of consolidated variable interest entities (“VIEs”), which are included in the consolidated balance sheets above. The assets in the table include only those assets that can be used to settle obligations of consolidated VIEs. The liabilities in the table include third-party liabilities of the consolidated VIEs, for which creditors do not have recourse to the general credit of CNH Capital LLC.

| | September 30, 2013 | December 31, 2012 |
|---|-------------------------------|------------------------------|
| Restricted cash | \$ 599,754 | \$ 727,086 |
| Receivables, less allowance for credit losses of \$73,867 and \$73,891, respectively | 9,401,559 | 8,287,642 |
| Equipment on operating leases, net | 123,360 | 125,003 |
| TOTAL | \$10,124,673 | \$9,139,731 |
| Short-term debt (including current maturities of long-term debt) | \$ 4,080,750 | \$4,081,062 |
| Long-term debt | 5,599,819 | 4,729,901 |
| TOTAL | \$ 9,680,569 | \$8,810,963 |

See the accompanying Condensed Notes to Consolidated Financial Statements (Unaudited).

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012
(In thousands)
(Unaudited)

| | 2013 | 2012 |
|--|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income | \$ 198,200 | \$ 169,086 |
| Adjustments to reconcile net income to net cash from operating activities: | | |
| Depreciation on property and equipment and equipment on operating leases | 83,955 | 80,462 |
| Amortization of intangibles | 717 | 763 |
| (Benefit) provision for credit losses, net | (5,469) | 15,818 |
| Deferred income tax expense | 2,415 | 21,729 |
| Stock compensation expense | 957 | — |
| Changes in components of working capital: | | |
| Decrease in affiliated accounts and notes receivables | 81,398 | 178,433 |
| Decrease in other assets and equipment held for sale | 25,603 | 92,094 |
| Increase (decrease) in accounts payable and other accrued liabilities | 55,683 | (47,859) |
| Net cash from operating activities | <u>443,459</u> | <u>510,526</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Cost of receivables acquired | (14,698,562) | (13,864,075) |
| Collections of receivables | 12,708,024 | 12,237,921 |
| Decrease in restricted cash | 122,905 | 97,290 |
| Purchase of equipment on operating leases | (390,759) | (308,195) |
| Proceeds from disposal of equipment on operating leases | 168,359 | 144,988 |
| Capital expenditures for property and equipment and software | (277) | (151) |
| Net cash used in investing activities | <u>(2,090,310)</u> | <u>(1,692,222)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issuance of affiliated debt | 1,273,602 | 1,527,174 |
| Payment of affiliated debt | (1,361,763) | (1,202,403) |
| Proceeds from issuance of long-term debt | 4,107,526 | 3,286,301 |
| Payment of long-term debt | (2,616,635) | (3,215,636) |
| (Decrease) increase in revolving credit facilities, net | (110,425) | 485,089 |
| Dividends paid to CNH America LLC | (200,000) | — |
| Net cash from financing activities | <u>1,092,305</u> | <u>880,525</u> |
| DECREASE IN CASH AND CASH EQUIVALENTS | | |
| | <u>(554,546)</u> | <u>(301,171)</u> |
| CASH AND CASH EQUIVALENTS: | | |
| Beginning of period | 785,913 | 594,093 |
| End of period | <u>\$ 231,367</u> | <u>\$ 292,922</u> |
| CASH PAID DURING THE PERIOD FOR INTEREST | | |
| | <u>\$ 163,048</u> | <u>\$ 186,086</u> |
| CASH PAID DURING THE PERIOD FOR TAXES | | |
| | <u>\$ 98,015</u> | <u>\$ 74,861</u> |

See the accompanying Condensed Notes to Consolidated Financial Statements (Unaudited).

CNH CAPITAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012

(In thousands)

(Unaudited)

| | Company Stockholder | | | | | |
|---|---------------------|------------------|---|-------------------|--------------------------|--------------------|
| | Member's Capital | Paid-in Capital | Accumulated Other Comprehensive Income (Loss) | Retained Earnings | Non-Controlling Interest | Total |
| BALANCE—January 1, 2012 | \$— | \$836,721 | \$ 28,716 | \$ 326,919 | \$54,889 | \$1,247,245 |
| Net income | — | — | — | 167,860 | 1,226 | 169,086 |
| Preferred stock issuance | — | — | — | — | 434 | 434 |
| Foreign currency translation adjustment | — | — | 24,692 | — | — | 24,692 |
| Stock compensation | — | 3,033 | — | — | — | 3,033 |
| Pension liability adjustment, net of tax | — | — | 283 | — | — | 283 |
| Change in unrealized gain on retained interests, net of tax | — | — | (1,338) | — | — | (1,338) |
| Change in derivative financial instruments, net of tax | — | — | 3,272 | — | — | 3,272 |
| BALANCE—September 30, 2012 | <u>\$—</u> | <u>\$839,754</u> | <u>\$ 55,625</u> | <u>\$ 494,779</u> | <u>\$56,549</u> | <u>\$1,446,707</u> |
| BALANCE—January 1, 2013 | <u>\$—</u> | <u>\$840,940</u> | <u>\$ 46,648</u> | <u>\$ 538,855</u> | <u>\$56,968</u> | <u>\$1,483,411</u> |
| Net income | — | — | — | 197,052 | 1,148 | 198,200 |
| Dividend paid to CNH America LLC | — | — | — | (200,000) | — | (200,000) |
| Foreign currency translation adjustment | — | — | (22,155) | — | — | (22,155) |
| Stock compensation | — | 957 | — | — | — | 957 |
| Pension liability adjustment, net of tax | — | — | 329 | — | — | 329 |
| Change in unrealized gain on retained interests, net of tax | — | — | (1,566) | — | — | (1,566) |
| Change in derivative financial instruments, net of tax | — | — | 3,074 | — | — | 3,074 |
| BALANCE—September 30, 2013 | <u>\$—</u> | <u>\$841,897</u> | <u>\$ 26,330</u> | <u>\$ 535,907</u> | <u>\$58,116</u> | <u>\$1,462,250</u> |

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See the accompanying Condensed Notes to Consolidated Financial Statements (Unaudited).

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands)
(Unaudited)

NOTE 1: BASIS OF PRESENTATION

CNH Capital LLC and its wholly-owned operating subsidiaries, including New Holland Credit Company, LLC (“New Holland Credit”) and CNH Capital America LLC (“CNH Capital America”), and its majority-owned operating subsidiary CNH Capital Canada Ltd. (“CNH Capital Canada” and, CNH Capital LLC and its subsidiaries collectively, “CNH Capital” or the “Company”), are each a wholly-owned subsidiary of CNH America LLC (“CNH America”), which is an indirect wholly-owned subsidiary of CNH Industrial N.V. (“CNHI” and, together with its consolidated subsidiaries, “CNH Industrial”). CNH America and CNH Canada Ltd. (collectively, “CNH North America”) design, manufacture, and sell agricultural and construction equipment. CNH Capital provides financial services for CNH North America customers primarily located in the United States and Canada.

On September 29, 2013, Fiat Industrial S.p.A. and CNH Global N.V., the former indirect parents of CNH Capital, completed a merger to combine their businesses, with CNHI as the surviving entity. As a result of the merger, CNH Capital LLC and its primary operating subsidiaries, including CNH Capital America, New Holland Credit and CNH Capital Canada, have become indirect wholly-owned subsidiaries of CNHI (with all of the equity interests in CNH Capital LLC owned by CNHI through intermediate companies, through which CNHI exercises indirect control over CNH Capital LLC). CNHI is incorporated in and under the laws of The Netherlands. The common shares of CNHI are listed on the New York Stock Exchange under the symbol “CNHI,” as well as on the Mercato Telematico Azionario managed by Borsa Italiana S.p.A.

The Company has prepared the accompanying consolidated financial statements in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information, which should be read in conjunction with the audited financial statements in its Annual Report on Form 10-K for the year ended December 31, 2012. Certain financial information that is normally included in annual financial statements prepared in conformity with U.S. GAAP, but is not required for interim reporting purposes, has been condensed or omitted. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the Company’s interim unaudited financial statements have been reflected.

The consolidated financial statements include the Company and its consolidated subsidiaries. The consolidated financial statements are expressed in U.S. dollars. The consolidated financial statements include the accounts of the Company’s subsidiaries in which the Company has a controlling financial interest and reflect the noncontrolling interests of the minority owners of the subsidiaries that are not fully owned for the periods presented, as applicable. A controlling financial interest may exist based on ownership of a majority of the voting interest of a subsidiary, or based on the Company’s determination that it is the primary beneficiary of a VIE. The primary beneficiary of a VIE is the party that has the power to direct the activities that most significantly impact the economic performance of the entity and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the entity. The Company assesses whether it is the primary beneficiary on an ongoing basis, as prescribed by the accounting guidance on the consolidation of VIEs. The consolidated status of the VIEs with which the Company is involved may change as a result of such reassessments.

The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 1: BASIS OF PRESENTATION (Continued)

liabilities and disclosure of contingent assets and liabilities and reported amounts of revenues and expenses. Significant estimates in these consolidated financial statements include the residual values of equipment on operating leases and allowance for credit losses. Actual results could differ from those estimates.

NOTE 2: NEW ACCOUNTING PRONOUNCEMENTS

In February 2013, the Financial Accounting Standards Board issued Accounting Standards Update No. 2013-02 (“ASU 2013-02”), Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income (“AOCI”). Some of the key amendments require the Company to present, either on the face of the statement of operations or in the notes, the effects on the line items of net income of significant amounts reclassified out of accumulated other comprehensive income, but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For amounts that are not required to be reclassified in their entirety to net income, the Company is required to cross-reference to other disclosures that provide additional detail about those amounts. ASU 2013-02 became effective for the Company’s annual and interim periods beginning January 1, 2013. See Note 3 for additional information.

NOTE 3: ACCUMULATED OTHER COMPREHENSIVE INCOME

AOCI is comprised of net income and other adjustments, including foreign currency translation adjustments, pension plan adjustments, changes in fair value of the retained interests in the off-book retail transactions and changes in the fair value of certain derivative financial instruments qualifying as cash flow hedges. The Company does not provide income taxes on currency translation adjustments (“CTA”), as the historical earnings from the Company’s foreign subsidiaries are considered to be permanently reinvested. If current year earnings are repatriated, the amount to be repatriated is determined in U.S. dollars and converted to the equivalent amount of foreign currency at the time of repatriation; therefore, the repatriation of current year earnings will not have an impact on the CTA component of the Company’s AOCI balance.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 3: ACCUMULATED OTHER COMPREHENSIVE INCOME (Continued)

The following table summarizes the change in the components of the Company's AOCI balance and related tax effects for the three months ended September 30, 2013:

| | <u>Currency Translation Adjustment</u> | <u>Pension Liability</u> | <u>Unrealized Gains on Retained Interests</u> | <u>Unrealized Losses on Derivatives</u> | <u>Total</u> |
|---|--|------------------------------|---|---|------------------------|
| Beginning balance, gross | \$24,806 | \$(8,475) | \$ 941 | \$(9,373) | \$ 7,899 |
| Tax asset (liability) | — | 3,155 | (355) | 3,312 | 6,112 |
| Beginning balance, net of tax | 24,806 | (5,320) | 586 | (6,061) | 14,011 |
| Other comprehensive income before reclassifications | 11,959 | — | 28 | (597) | 11,390 |
| Amounts reclassified from accumulated other comprehensive income | — | 162 | (471) | 1,514 | 1,205 |
| Tax effects | — | (61) | 167 | (382) | (276) |
| Net current-period other comprehensive income . | <u>11,959</u> | <u>101</u> | <u>(276)</u> | <u>535</u> | <u>12,319</u> |
| BALANCE—September 30, 2013 | <u>\$36,765</u> | <u>\$(5,219)</u> | <u>\$ 310</u> | <u>\$(5,526)</u> | <u>\$26,330</u> |

The following table summarizes the change in the components of the Company's AOCI balance and related tax effects for the nine months ended September 30, 2013:

| | <u>Currency Translation Adjustment</u> | <u>Pension Liability</u> | <u>Unrealized Gains on Retained Interests</u> | <u>Unrealized Losses on Derivatives</u> | <u>Total</u> |
|---|--|------------------------------|---|---|-------------------------|
| Beginning balance, gross | \$ 58,920 | \$(8,834) | \$ 3,012 | \$(13,219) | \$ 39,879 |
| Tax asset (liability) | — | 3,286 | (1,136) | 4,619 | 6,769 |
| Beginning balance, net of tax | 58,920 | (5,548) | 1,876 | (8,600) | 46,648 |
| Other comprehensive income before reclassifications | (22,155) | — | (368) | (31) | (22,554) |
| Amounts reclassified from accumulated other comprehensive income | — | 521 | (2,146) | 4,793 | 3,168 |
| Tax effects | — | (192) | 948 | (1,688) | (932) |
| Net current-period other comprehensive income | <u>(22,155)</u> | <u>329</u> | <u>(1,566)</u> | <u>3,074</u> | <u>(20,318)</u> |
| BALANCE—September 30, 2013 | <u>\$ 36,765</u> | <u>\$(5,219)</u> | <u>\$ 310</u> | <u>\$(5,526)</u> | <u>\$ 26,330</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uaudited)

NOTE 3: ACCUMULATED OTHER COMPREHENSIVE INCOME (Continued)

The reclassifications out of AOCI and the location on the consolidated statements of income for the three and nine months ended September 30, 2013 are as follows:

| Details about AOCI Components | Amounts Reclassified from AOCI | | Affected Line Item |
|---|--|---|-----------------------------------|
| | Three Months Ended September 30, 2013 | Nine Months Ended September 30, 2013 | |
| Amortization of defined benefit pension items: | | | |
| Insignificant items | \$ (162) | \$ (521) | |
| | (162) | (521) | Income before taxes |
| | 61 | 192 | Income tax benefit |
| | <u>\$ (101)</u> | <u>\$ (329)</u> | Net of tax |
| Unrealized gains on retained interests: | | | |
| | \$ 471 | \$ 2,146 | Other income |
| | 471 | 2,146 | Income before taxes |
| | (177) | (809) | Income tax provision |
| | <u>\$ 294</u> | <u>\$ 1,337</u> | Net of tax |
| Unrealized losses on derivatives: | | | |
| | \$(1,514) | \$(4,793) | Interest expense to third parties |
| | (1,514) | (4,793) | Income before taxes |
| | 538 | 1,696 | Income tax benefit |
| | <u>\$ (976)</u> | <u>\$(3,097)</u> | Net of tax |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uaudited)

NOTE 4: RECEIVABLES

A summary of receivables included in the consolidated balance sheets as of September 30, 2013 and December 31, 2012 is as follows:

| | September 30, 2013 | December 31, 2012 |
|---|-----------------------|----------------------|
| Retail note receivables | \$ 829,816 | \$ 903,644 |
| Wholesale receivables | 511,233 | 88,763 |
| Finance lease receivables | 57,524 | 62,615 |
| Restricted receivables | 11,077,753 | 9,573,535 |
| Commercial revolving accounts receivables | 287,055 | 226,039 |
| Gross receivables | 12,763,381 | 10,854,596 |
| Less: allowance for credit losses | (109,252) | (122,320) |
| Total receivables, net | <u>\$12,654,129</u> | <u>\$10,732,276</u> |

Restricted Receivables and Securitization

As part of its overall funding strategy, the Company periodically transfers certain financial receivables into VIEs that are special purpose entities (“SPEs”) as part of its asset-backed securitization programs.

SPEs utilized in the securitization programs differ from other entities included in the Company’s consolidated financial statements because the assets they hold are legally isolated from the Company’s assets. For bankruptcy analysis purposes, the Company has sold the receivables to the SPEs in a true sale and the SPEs are separate legal entities. Upon transfer of the receivables to the SPEs, the receivables and certain cash flows derived from them become restricted for use in meeting obligations to the SPEs’ creditors. The SPEs have ownership of cash balances that also have restrictions for the benefit of the SPEs’ investors. The Company’s interests in the SPEs’ receivables are subordinate to the interests of third-party investors. None of the receivables that are directly or indirectly sold or transferred in any of these transactions are available to pay the Company’s creditors until all obligations of the SPE have been fulfilled or the receivables are removed from the SPE.

The secured borrowings related to the restricted receivables are obligations that are payable as the receivables are collected.

The following table summarizes the restricted and off-book receivables and the related retained interests as of September 30, 2013 and December 31, 2012:

| | Restricted Receivables | | Off-Book Receivables | | Retained Interests | |
|-------------------------------------|------------------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|
| | September 30, 2013 | December 31, 2012 | September 30, 2013 | December 31, 2012 | September 30, 2013 | December 31, 2012 |
| Retail note receivables | \$ 7,259,999 | \$6,376,211 | \$18,474 | \$47,367 | \$2,769 | \$9,271 |
| Wholesale receivables | 3,807,735 | 3,176,410 | — | — | — | — |
| Finance lease receivables | 10,019 | 20,914 | — | — | — | — |
| Total | <u>\$11,077,753</u> | <u>\$9,573,535</u> | <u>\$18,474</u> | <u>\$47,367</u> | <u>\$2,769</u> | <u>\$9,271</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 4: RECEIVABLES (Continued)

Within the U.S. retail receivables securitization programs, qualifying retail receivables are sold to limited purpose, bankruptcy-remote SPEs. In turn, these SPEs establish separate trusts to which the receivables are transferred in exchange for proceeds from asset-backed securities issued by the trusts. In Canada, the receivables are transferred directly to the trusts. These trusts were determined to be VIEs. In its role as servicer, CNH Capital has the power to direct the trusts' activities. Through its retained interests, the Company has an obligation to absorb certain losses, or the right to receive certain benefits, that could potentially be significant to the trusts. Consequently, the Company has consolidated these retail trusts.

The receivables related to three private retail transactions totaling \$18,474 and \$47,367 were not included in the Company's consolidated balance sheets as of September 30, 2013 and December 31, 2012, respectively.

With regard to the wholesale receivable securitization programs, the Company sells certain eligible receivables on a revolving basis to structured master trust facilities which are limited-purpose, bankruptcy-remote SPEs. These trusts were determined to be VIEs. In its role as servicer, CNH Capital has the power to direct the trusts' activities. Through its retained interests, the Company provides security to investors in the event that cash collections from the receivables are not sufficient to make principal and interest payments on the securities. Consequently, CNH Capital has consolidated these wholesale trusts.

Allowance for Credit Losses

The allowance for credit losses is the Company's estimate of probable losses for receivables owned by the Company and consists of two components, depending on whether the receivable has been individually identified as being impaired. The first component of the allowance for credit losses covers the receivables specifically reviewed by management for which the Company has determined it is probable that it will not collect all of the contractual principal and interest. Receivables are individually reviewed for impairment based on, among other items, amounts outstanding, days past due and prior collection history. These receivables are subject to impairment measurement at the loan level based either on the present value of expected future cash flows discounted at the receivables' effective interest rate or the fair value of the collateral for collateral-dependent receivables.

The second component of the allowance for credit losses covers all receivables that have not been individually reviewed for impairment. The allowance for these receivables is based on aggregated portfolio evaluations, generally by financial product. The allowance for retail credit losses is based on loss forecast models that consider a variety of factors that include, but are not limited to, historical loss experience, collateral value, portfolio balance and delinquency. The allowance for wholesale credit losses is based on loss forecast models that consider the same factors as the retail models plus dealer risk ratings. The loss forecast models are updated on a quarterly basis. In addition, qualitative factors that are not fully captured in the loss forecast models, including industry trends, and macroeconomic factors are considered in the evaluation of the adequacy of the allowance for credit losses. These qualitative factors are subjective and require a degree of management judgment.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 4: RECEIVABLES (Continued)

Charge-offs of principal amounts of receivables outstanding are deducted from the allowance at the point when it is determined to be probable that all amounts due will not be collected.

The Company's allowance for credit losses is segregated into three portfolio segments: retail, wholesale and other. A portfolio segment is the level at which the Company develops a systematic methodology for determining its allowance for credit losses. The retail segment includes retail notes and finance lease receivables. The wholesale segment includes wholesale financing to CNH North America dealers, and the other portfolio includes the Company's commercial revolving accounts.

Further, the Company evaluates its portfolio segments by class of receivable: United States and Canada. Typically, the Company's receivables within a geographic area have similar risk profiles and methods for assessing and monitoring risk. These classes align with management reporting.

Allowance for credit losses activity for the three months ended September 30, 2013 is as follows:

| | Retail | Wholesale | Other | Total |
|--|-----------------|------------------|-----------------|------------------|
| Allowance for credit losses: | | | | |
| Beginning balance | \$93,702 | \$7,661 | \$ 8,056 | \$109,419 |
| Charge-offs | (2,567) | — | (1,478) | (4,045) |
| Recoveries | 1,100 | 332 | 754 | 2,186 |
| (Benefit) provision | (530) | 1,177 | 1,244 | 1,891 |
| Foreign currency translation and other | (238) | 26 | 13 | (199) |
| Ending balance | <u>\$91,467</u> | <u>\$9,196</u> | <u>\$ 8,589</u> | <u>\$109,252</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 4: RECEIVABLES (Continued)

Allowance for credit losses activity for the nine months ended September 30, 2013 is as follows:

| | Retail | Wholesale | Other | Total |
|---|--------------------|--------------------|------------------|---------------------|
| Allowance for credit losses: | | | | |
| Beginning balance | \$ 102,560 | \$ 11,887 | \$ 7,873 | \$ 122,320 |
| Charge-offs | (7,819) | (127) | (4,407) | (12,353) |
| Recoveries | 2,882 | 573 | 2,349 | 5,804 |
| (Benefit) provision | (5,166) | (3,102) | 2,799 | (5,469) |
| Foreign currency translation and other | (990) | (35) | (25) | (1,050) |
| Ending balance | <u>\$ 91,467</u> | <u>\$ 9,196</u> | <u>\$ 8,589</u> | <u>\$ 109,252</u> |
| Ending balance: individually evaluated for impairment | <u>\$ 19,213</u> | <u>\$ 5,939</u> | <u>\$ —</u> | <u>\$ 25,152</u> |
| Ending balance: collectively evaluated for impairment | <u>\$ 72,254</u> | <u>\$ 3,257</u> | <u>\$ 8,589</u> | <u>\$ 84,100</u> |
| Receivables: | | | | |
| Ending balance | <u>\$8,157,358</u> | <u>\$4,318,968</u> | <u>\$287,055</u> | <u>\$12,763,381</u> |
| Ending balance: individually evaluated for impairment | <u>\$ 42,064</u> | <u>\$ 30,274</u> | <u>\$ —</u> | <u>\$ 72,338</u> |
| Ending balance: collectively evaluated for impairment | <u>\$8,115,294</u> | <u>\$4,288,694</u> | <u>\$287,055</u> | <u>\$12,691,043</u> |

Allowance for credit losses activity for the three months ended September 30, 2012 is as follows:

| | Retail | Wholesale | Other | Total |
|--|-----------------|------------------|-----------------|-----------------|
| Allowance for credit losses: | | | | |
| Beginning balance | \$67,463 | \$11,444 | \$10,179 | \$89,086 |
| Charge-offs | (3,067) | (98) | (1,852) | (5,017) |
| Recoveries | 1,063 | 64 | 894 | 2,021 |
| Provision | 6,765 | 3,596 | 1,719 | 12,080 |
| Foreign currency translation and other | 68 | 69 | 44 | 181 |
| Ending balance | <u>\$72,292</u> | <u>\$15,075</u> | <u>\$10,984</u> | <u>\$98,351</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 4: RECEIVABLES (Continued)

Allowance for credit losses activity for the nine months ended September 30, 2012 is as follows:

| | Retail | Wholesale | Other | Total |
|---|--------------------|--------------------|------------------|---------------------|
| Allowance for credit losses: | | | | |
| Beginning balance | \$ 83,233 | \$ 12,163 | \$ 11,277 | \$ 106,673 |
| Charge-offs | (24,456) | (136) | (6,220) | (30,812) |
| Recoveries | 3,942 | 166 | 2,396 | 6,504 |
| Provision | 9,524 | 2,808 | 3,486 | 15,818 |
| Foreign currency translation and other | 49 | 74 | 45 | 168 |
| Ending balance | <u>\$ 72,292</u> | <u>\$ 15,075</u> | <u>\$ 10,984</u> | <u>\$ 98,351</u> |
| Ending balance: individually evaluated for impairment | <u>\$ 27,878</u> | <u>\$ 11,259</u> | <u>\$ —</u> | <u>\$ 39,137</u> |
| Ending balance: collectively evaluated for impairment | <u>\$ 44,414</u> | <u>\$ 3,816</u> | <u>\$ 10,984</u> | <u>\$ 59,214</u> |
| Receivables: | | | | |
| Ending balance | <u>\$6,963,049</u> | <u>\$3,907,828</u> | <u>\$314,260</u> | <u>\$11,185,137</u> |
| Ending balance: individually evaluated for impairment | <u>\$ 51,482</u> | <u>\$ 81,935</u> | <u>\$ —</u> | <u>\$ 133,417</u> |
| Ending balance: collectively evaluated for impairment | <u>\$6,911,567</u> | <u>\$3,825,893</u> | <u>\$314,260</u> | <u>\$11,051,720</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 4: RECEIVABLES (Continued)

Allowance for credit losses activity for the year ended December 31, 2012 is as follows:

| | Retail | Wholesale | Other | Total |
|---|--------------------|--------------------|------------------|---------------------|
| Allowance for credit losses: | | | | |
| Beginning balance | \$ 83,233 | \$ 12,163 | \$ 11,277 | \$ 106,673 |
| Charge-offs | (28,238) | (1,857) | (7,906) | (38,001) |
| Recoveries | 5,206 | 312 | 3,276 | 8,794 |
| Provision | 42,135 | 1,245 | 1,198 | 44,578 |
| Foreign currency translation and other | 224 | 24 | 28 | 276 |
| Ending balance | <u>\$ 102,560</u> | <u>\$ 11,887</u> | <u>\$ 7,873</u> | <u>\$ 122,320</u> |
| Ending balance: individually evaluated for impairment | <u>\$ 28,266</u> | <u>\$ 9,512</u> | <u>\$ —</u> | <u>\$ 37,778</u> |
| Ending balance: collectively evaluated for impairment | <u>\$ 74,294</u> | <u>\$ 2,375</u> | <u>\$ 7,873</u> | <u>\$ 84,542</u> |
| Receivables: | | | | |
| Ending balance | <u>\$7,363,384</u> | <u>\$3,265,173</u> | <u>\$226,039</u> | <u>\$10,854,596</u> |
| Ending balance: individually evaluated for impairment | <u>\$ 48,195</u> | <u>\$ 61,752</u> | <u>\$ —</u> | <u>\$ 109,947</u> |
| Ending balance: collectively evaluated for impairment | <u>\$7,315,189</u> | <u>\$3,203,421</u> | <u>\$226,039</u> | <u>\$10,744,649</u> |

Utilizing an internal credit scoring model, which considers customers' attributes, prior credit history and each retail transaction's attributes, the Company assigns a credit quality rating to each retail customer, by specific transaction, as part of the retail underwriting process. This rating is used in setting the terms on the transaction, including the interest rate. The credit quality rating is not updated after the transaction is finalized. A description of the general characteristics of the customers' risk grades is as follows:

Titanium—Customers from whom the Company expects no collection or loss activity.

Platinum—Customers from whom the Company expects minimal, if any, collection or loss activity.

Gold, Silver, Bronze—Customers defined as those with the potential for collection or loss activity.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 4: RECEIVABLES (Continued)

A breakdown of the retail portfolio by the customer's risk grade at the time of origination as of September 30, 2013 and December 31, 2012 is as follows:

| | September 30, 2013 | December 31, 2012 |
|------------------------|-----------------------|----------------------|
| Titanium | \$4,543,522 | \$4,038,596 |
| Platinum | 2,172,276 | 1,994,248 |
| Gold | 1,222,373 | 1,124,612 |
| Silver | 194,737 | 185,712 |
| Bronze | 24,450 | 20,216 |
| Total | \$8,157,358 | \$7,363,384 |

As part of the ongoing monitoring of the credit quality of the wholesale portfolio, the Company utilizes an internal credit scoring model that assigns a risk grade for each dealer. The scoring model considers the strength of the dealer's financial condition and payment history. The Company considers the dealers' ratings in the quarterly credit allowance analysis. A description of the general characteristics of the dealer risk grades is as follows:

Grades A and B—Includes receivables due from dealers that have significant capital strength, moderate leverage, stable earnings and growth, and excellent payment performance.

Grade C—Includes receivables due from dealers with moderate credit risk. Dealers of this grade are differentiated from higher grades on a basis of leverage or payment performance.

Grade D—Includes receivables due from dealers with additional credit risk. These dealers require additional monitoring due to their weaker financial condition or payment performance.

A breakdown of the wholesale portfolio by its credit quality indicators as of September 30, 2013 and December 31, 2012 is as follows:

| | September 30, 2013 | December 31, 2012 |
|------------------------|-----------------------|----------------------|
| A | \$2,493,088 | \$1,873,495 |
| B | 1,406,960 | 967,849 |
| C | 243,178 | 245,652 |
| D | 175,742 | 178,177 |
| Total | \$4,318,968 | \$3,265,173 |

The following tables present information at the level at which management assesses and monitors its credit risk. Receivables are considered past due if the required principal and interest payments have not been received as of the date such payments were due. Delinquency is reported on receivables greater than 30 days past due.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 4: RECEIVABLES (Continued)

The aging of receivables as of September 30, 2013 and December 31, 2012 is as follows:

| | September 30, 2013 | | | | | | Recorded Investment > 90 Days and Accruing |
|--------------------------|-----------------------------|-----------------------------|----------------------------|-------------------|-------------|----------------------|--|
| | 31 - 60 Days Past Due | 61 - 90 Days Past Due | Greater Than 90 Days | Total Past Due | Current | Total Receivables | |
| Retail | | | | | | | |
| United States | \$18,337 | \$4,393 | \$15,789 | \$38,519 | \$6,712,737 | \$6,751,256 | \$3,808 |
| Canada | \$ 3,944 | \$ 483 | \$ 238 | \$ 4,665 | \$1,401,437 | \$1,406,102 | \$ 215 |
| Wholesale | | | | | | | |
| United States | \$ 1,012 | \$ 1 | \$ 487 | \$ 1,500 | \$3,495,050 | \$3,496,550 | \$ 161 |
| Canada | \$ 139 | \$ 9 | \$ 163 | \$ 311 | \$ 822,107 | \$ 822,418 | \$ 36 |
| Total | | | | | | | |
| Retail | \$22,281 | \$4,876 | \$16,027 | \$43,184 | \$8,114,174 | \$8,157,358 | \$4,023 |
| Wholesale | \$ 1,151 | \$ 10 | \$ 650 | \$ 1,811 | \$4,317,157 | \$4,318,968 | \$ 197 |
| | | | | | | | |
| December 31, 2012 | | | | | | | |
| | 31 - 60 Days Past Due | 61 - 90 Days Past Due | Greater Than 90 Days | Total Past Due | Current | Total Receivables | Recorded Investment > 90 Days and Accruing |
| Retail | | | | | | | |
| United States | \$18,676 | \$4,972 | \$21,736 | \$45,384 | \$6,047,807 | \$6,093,191 | \$2,994 |
| Canada | \$ 1,941 | \$ 326 | \$ 387 | \$ 2,654 | \$1,267,539 | \$1,270,193 | \$ 265 |
| Wholesale | | | | | | | |
| United States | \$ 514 | \$ 28 | \$ 580 | \$ 1,122 | \$2,512,270 | \$2,513,392 | \$ 130 |
| Canada | \$ 284 | \$ 11 | \$ 783 | \$ 1,078 | \$ 750,703 | \$ 751,781 | \$ 313 |
| Total | | | | | | | |
| Retail | \$20,617 | \$5,298 | \$22,123 | \$48,038 | \$7,315,346 | \$7,363,384 | \$3,259 |
| Wholesale | \$ 798 | \$ 39 | \$ 1,363 | \$ 2,200 | \$3,262,973 | \$3,265,173 | \$ 443 |

Impaired receivables are receivables for which the Company has determined it will not collect all the principal and interest payments as per the terms of the contract. As of September 30, 2013 and

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 4: RECEIVABLES (Continued)

December 31, 2012, the Company's recorded investment in impaired receivables individually evaluated for impairment and the related unpaid principal balances and allowances are as follows:

| | September 30, 2013 | | | December 31, 2012 | | |
|---|---------------------|--------------------------|-------------------|---------------------|--------------------------|-------------------|
| | Recorded Investment | Unpaid Principal Balance | Related Allowance | Recorded Investment | Unpaid Principal Balance | Related Allowance |
| With no related allowance recorded | | | | | | |
| Retail | | | | | | |
| United States | \$ 8,006 | \$ 7,915 | \$ — | \$ 5,614 | \$ 5,597 | \$ — |
| Canada | \$ 2,065 | \$ 2,067 | \$ — | \$ — | \$ — | \$ — |
| Wholesale | | | | | | |
| United States | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Canada | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| With an allowance recorded | | | | | | |
| Retail | | | | | | |
| United States | \$31,411 | \$30,050 | \$19,030 | \$42,581 | \$37,475 | \$28,266 |
| Canada | \$ 582 | \$ 576 | \$ 183 | \$ — | \$ — | \$ — |
| Wholesale | | | | | | |
| United States | \$27,082 | \$25,852 | \$ 5,527 | \$58,826 | \$58,329 | \$ 9,000 |
| Canada | \$ 3,192 | \$ 3,177 | \$ 412 | \$ 2,926 | \$ 2,846 | \$ 512 |
| Total | | | | | | |
| Retail | \$42,064 | \$40,608 | \$19,213 | \$48,195 | \$43,072 | \$28,266 |
| Wholesale | \$30,274 | \$29,029 | \$ 5,939 | \$61,752 | \$61,175 | \$ 9,512 |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 4: RECEIVABLES (Continued)

For the three months ended September 30, 2013 and 2012, the Company's average recorded investment in impaired receivables individually evaluated for impairment (based on a four-month average) and the related interest income recognized are as follows:

| | 2013 | | 2012 | |
|---|------------------------------------|-----------------------------------|------------------------------------|-----------------------------------|
| | <u>Average Recorded Investment</u> | <u>Interest Income Recognized</u> | <u>Average Recorded Investment</u> | <u>Interest Income Recognized</u> |
| With no related allowance recorded | | | | |
| Retail | | | | |
| United States | \$ 8,030 | \$ 92 | \$ 4,585 | \$147 |
| Canada | \$ 1,556 | \$ 58 | \$ — | \$ — |
| Wholesale | | | | |
| United States | \$ — | \$ — | \$ — | \$ — |
| Canada | \$ — | \$ — | \$ — | \$ — |
| With an allowance recorded | | | | |
| Retail | | | | |
| United States | \$31,843 | \$163 | \$49,005 | \$485 |
| Canada | \$ 590 | \$ — | \$ — | \$ — |
| Wholesale | | | | |
| United States | \$28,468 | \$102 | \$73,473 | \$528 |
| Canada | \$ 3,267 | \$ 32 | \$ 5,655 | \$ 23 |
| Total | | | | |
| Retail | \$42,019 | \$313 | \$53,590 | \$632 |
| Wholesale | \$31,735 | \$134 | \$79,128 | \$551 |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 4: RECEIVABLES (Continued)

For the nine months ended September 30, 2013 and 2012, the Company's average recorded investment in impaired receivables individually evaluated for impairment (based on a ten-month average) and the related interest income recognized are as follows:

| | 2013 | | 2012 | |
|---|-----------------------------|----------------------------|-----------------------------|----------------------------|
| | Average Recorded Investment | Interest Income Recognized | Average Recorded Investment | Interest Income Recognized |
| With no related allowance recorded | | | | |
| Retail | | | | |
| United States | \$ 7,609 | \$ 224 | \$ 4,433 | \$ 411 |
| Canada | \$ 1,507 | \$ 100 | \$ — | \$ — |
| Wholesale | | | | |
| United States | \$ — | \$ — | \$ — | \$ — |
| Canada | \$ — | \$ — | \$ — | \$ — |
| With an allowance recorded | | | | |
| Retail | | | | |
| United States | \$32,193 | \$ 871 | \$49,558 | \$1,464 |
| Canada | \$ 482 | \$ 5 | \$ — | \$ — |
| Wholesale | | | | |
| United States | \$30,228 | \$ 656 | \$66,461 | \$1,381 |
| Canada | \$ 3,686 | \$ 92 | \$ 6,257 | \$ 188 |
| Total | | | | |
| Retail | \$41,791 | \$1,200 | \$53,991 | \$1,875 |
| Wholesale | \$33,914 | \$ 748 | \$72,718 | \$1,569 |

Recognition of income is generally suspended when management determines that collection of future finance income is not probable or when an account becomes 120 days delinquent, whichever occurs first. Interest accrual is resumed if the receivable becomes contractually current and management determines that collection is probable. Previously suspended income is recognized at that time. The receivables on nonaccrual status as of September 30, 2013 and December 31, 2012 are as follows:

| | September 30, 2013 | | | December 31, 2012 | | |
|---------------------|--------------------|-----------|----------|-------------------|-----------|----------|
| | Retail | Wholesale | Total | Retail | Wholesale | Total |
| United States | \$31,083 | \$25,852 | \$56,935 | \$29,130 | \$58,329 | \$87,459 |
| Canada | \$ 606 | \$ 3,177 | \$ 3,783 | \$ 122 | \$ 2,846 | \$ 2,968 |

Troubled Debt Restructurings

A restructuring of a receivable constitutes a troubled debt restructuring ("TDR") when the lender grants a concession it would not otherwise consider to a borrower experiencing financial difficulties. As a collateral-based lender, the Company typically will repossess collateral in lieu of restructuring

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 4: RECEIVABLES (Continued)

receivables. As such, for retail receivables, concessions are typically provided based on bankruptcy court proceedings. For wholesale receivables, concessions granted may include extended contract maturities, inclusion of interest-only periods, modification of a contractual interest rate to a below market interest rate and waiving of interest and principal.

TDRs are reviewed along with other receivables as part of management's ongoing evaluation of the adequacy of the allowance for credit losses. The allowance for credit losses attributable to TDRs is based on the most probable source of repayment, which is normally the liquidation of collateral. In determining collateral value, the Company estimates the current fair market value of the equipment collateral and considers credit enhancements such as additional collateral and third-party guarantees.

Before removing a receivable from TDR classification, a review of the borrower is conducted. If concerns exist about the future ability of the borrower to meet its obligations under the loans based on a credit review, the TDR classification is not removed from the receivable.

As of September 30, 2013, the Company had approximately 800 retail and finance lease receivable contracts in legal or bankruptcy status (i.e., a contract which is, or has been assigned to be, the subject of a lawsuit or bankruptcy proceeding), of which the pre-modification value was \$21,277 and the post-modification value was \$18,839. A court has determined the concession in 540 of these cases. The pre-modification value of these contracts was \$9,190 and the post-modification value was \$7,579. As of September 30, 2012, the Company had approximately 1,100 retail and finance lease receivable contracts in legal or bankruptcy status, of which the pre-modification value was \$37,360 and the post-modification value was \$34,833. A court has determined the concession in 632 of these cases. The pre-modification value of these contracts was \$11,568 and the post-modification value was \$9,853. As the outcome of the bankruptcy cases is determined by a court based on available assets, subsequent re-defaults are unusual and were not material for retail and finance lease receivable contracts that were modified in a TDR during the 12 months ended September 30, 2013 and 2012.

As of September 30, 2013, the Company had three wholesale agreements with an aggregate pre- and post-modification balance of approximately \$1,026 and \$775, respectively. As of September 30, 2012, the Company had five wholesale agreements with an aggregate pre- and post-modification balance of approximately \$21,623 and \$20,274, respectively. The wholesale TDRs that subsequently re-defaulted were immaterial for the 12 months ended September 30, 2013 and 2012.

NOTE 5: DEBT

On July 15, 2013, the Company renewed a U.S. wholesale committed asset-backed facility with a maturity date of July 14, 2014. The renewal reduced the facility from \$250,000 to \$200,000.

On August 15, 2013, the Company, through a U.S. wholesale trust, issued \$367,300 of asset-backed notes with a scheduled final bullet payment date of August 15, 2016 secured by a revolving pool of U.S. dealer wholesale receivables.

On August 29, 2013, the Company, through a bankruptcy-remote trust, issued \$755,500 of amortizing, asset-backed notes secured by U.S. retail loan contracts.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 6: INCOME TAXES

The effective tax rates for the three months ended September 30, 2013 and 2012 were 35.2% and 34.8%, respectively. The effective tax rate was 34.1% for the nine-month period ended September 30, 2013, compared to 35.2% for the same period in 2012. The lower rate for the nine months ended September 30, 2013 was primarily due to the retroactive reinstatement of the exception to U.S. taxation of active financing income as a result of the American Taxpayer Relief Act of 2012 for approximately \$2,671 and changes in the geographic mix of income earned within the U.S. and Canada.

The Company's provision for income taxes is based on an estimated tax rate for the year applied to year-to-date federal, state and foreign income. The 2013 estimated annual tax rate is expected to be lower than the U.S. federal corporate income tax rate of 35% primarily due to profits in tax jurisdictions with lower rates, in addition to favorable changes in certain state income tax legislation. The President of the United States signed the American Taxpayer Relief Act of 2012 on January 2, 2013. As a result, the tax impact of this legislation was taken into account in the quarter in which the legislation was enacted by Congress and signed into law by the President. The Company reflected the tax benefit of this legislation in its financial statements for the first quarter of 2013 by reducing the U.S. tax on active financing income by approximately \$2,671.

NOTE 7: FINANCIAL INSTRUMENTS

The Company may elect to measure many financial instruments and certain other items at fair value. This fair value option must be applied on an instrument-by-instrument basis with changes in fair value reported in earnings. The election can be made at the acquisition of an eligible financial asset, financial liability, or firm commitment or when certain specified reconsideration events occur. The fair value election may not be revoked once made. The Company did not elect the fair value measurement option for eligible items.

Fair-Value Hierarchy

U.S. GAAP specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's internally-developed market assumptions. These two types of inputs have created the following fair-value hierarchy:

Level 1—Quoted prices for identical instruments in active markets.

Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.

Level 3—Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

This hierarchy requires the use of observable market data when available.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 7: FINANCIAL INSTRUMENTS (Continued)

Determination of Fair Value

When available, the Company uses quoted market prices to determine fair value and classifies such items in Level 1. In some cases where a market price is not available, the Company will make use of observable market-based inputs to calculate fair value, in which case the items are classified in Level 2.

If quoted or observable market prices are not available, fair value is based upon internally developed valuation techniques that use, where possible, current market-based or independently sourced market parameters such as interest rates, currency rates, or yield curves. Items valued using such internally generated valuation techniques are classified according to the lowest level input or value driver that is significant to the valuation. Thus, an item may be classified in Level 3 even though there may be some significant inputs that are readily observable.

The following section describes the valuation methodologies used by the Company to measure various financial instruments at fair value, including an indication of the level in the fair value hierarchy in which each instrument is generally classified. Where appropriate, the description includes details of the valuation models and the key inputs to those models, as well as any significant assumptions.

Derivatives

The Company utilizes derivative instruments to mitigate its exposure to interest rate and foreign currency exposures. Derivatives used as hedges are effective at reducing the risk associated with the exposure being hedged and are designated as a hedge at the inception of the derivative contract. The Company does not hold or issue derivative or other financial instruments for speculative purposes. The credit risk for the interest rate hedges is reduced through diversification among counterparties, utilizing mandatory termination clauses and/or collateral support agreements. Derivative instruments are generally classified in Level 2 or 3 of the fair value hierarchy. The cash flows underlying all derivative contracts were recorded in operating activities in the consolidated statements of cash flows.

Interest Rate Derivatives

The Company has entered into interest rate derivatives in order to manage interest rate exposures arising in the normal course of business. Interest rate derivatives that have been designated in cash flow hedging relationships are being used by the Company to mitigate the risk of rising interest rates related to debt and anticipated issuance of fixed-rate debt in future periods. Gains and losses on these instruments, to the extent that the hedge relationship has been effective, are deferred in accumulated other comprehensive income (loss) and recognized in interest expense over the period in which the Company recognizes interest expense on the related debt. Ineffectiveness recognized related to these hedging relationships was not significant for the three and nine months ended September 30, 2013 and 2012. These amounts are recorded in "Other expenses" in the consolidated statements of income. The maximum length of time over which the Company is hedging its interest rate exposure through the use of derivative instruments designated in cash flow hedge relationships is 46 months. The after-tax losses deferred in accumulated other comprehensive income that will be recognized in interest expense over the next 12 months are approximately \$3,049.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 7: FINANCIAL INSTRUMENTS (Continued)

The Company also enters into interest rate derivatives with substantially similar economic terms that are not designated as hedging instruments to mitigate interest rate risk related to the Company's committed asset-backed facilities. These facilities require the Company to enter into interest rate derivatives. To ensure that these transactions do not result in the Company being exposed to this risk, the Company enters into an offsetting position. Unrealized and realized gains and losses resulting from fair value changes in these instruments are recognized directly in income and were insignificant for the three and nine months ended September 30, 2013 and 2012.

Most of the Company's interest rate derivatives are considered Level 2. The fair market value of these derivatives is calculated using market data input for forecasted benchmark interest rates and can be compared to actively traded derivatives. When the future notional amount of the Company's interest rate derivatives is not known in advance, these derivatives are considered Level 3 derivatives. The fair market value of these derivatives is calculated using market data input and a forecasted future notional balance. The total notional amount of the Company's interest rate derivatives was approximately \$3,062,358 and \$1,926,633 at September 30, 2013 and December 31, 2012, respectively. The ten-month average notional amounts as of September 30, 2013 and 2012 were \$2,738,537 and \$3,195,415, respectively.

Foreign Exchange Contracts

The Company uses forward contracts to hedge certain assets and liabilities denominated in foreign currencies. Such derivatives are considered economic hedges and are not designated as hedging instruments. The changes in the fair value of these instruments are recognized directly as income in "Other expenses" and are expected to offset the foreign exchange gains or losses on the exposures being managed.

All of the Company's foreign exchange derivatives are considered Level 2 as the fair value is calculated using market data input and can be compared to actively traded derivatives.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 7: FINANCIAL INSTRUMENTS (Continued)

Financial Statement Impact of the Company's Derivatives

The fair values of the Company's derivatives as of September 30, 2013 and December 31, 2012 in the consolidated balance sheets are recorded as follows:

| | <u>September 30, 2013</u> | <u>December 31, 2012</u> |
|---|-------------------------------|------------------------------|
| Derivatives Designated as Hedging Instruments: | | |
| Other assets: | | |
| Interest rate derivatives | \$ 468 | \$ <u>—</u> |
| Accounts payable and other accrued liabilities: | | |
| Interest rate derivatives | <u>\$ 249</u> | <u>\$ —</u> |
| Derivatives Not Designated as Hedging Instruments: | | |
| Other assets: | | |
| Interest rate derivatives | \$8,439 | \$2,788 |
| Foreign exchange contracts | 7 | 15 |
| Total | <u>\$8,446</u> | <u>\$2,803</u> |
| Accounts payable and other accrued liabilities: | | |
| Interest rate derivatives | \$8,439 | \$2,744 |
| Foreign exchange contracts | 23 | 20 |
| Total | <u>\$8,462</u> | <u>\$2,764</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 7: FINANCIAL INSTRUMENTS (Continued)

Pre-tax gains (losses) on the consolidated statements of income related to the Company's derivatives for the three and nine months ended September 30, 2013 and 2012 are recorded in the following accounts:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|---------|------------------------------------|----------|
| | 2013 | 2012 | 2013 | 2012 |
| Cash Flow Hedges | | | | |
| Losses recognized in accumulated other comprehensive income (effective portion) | | | | |
| Interest rate derivatives | \$ (598) | \$ 39 | \$ (32) | \$ (326) |
| Reclassified from accumulated other comprehensive income (effective portion) | | | | |
| Interest rate derivatives—Interest expense to third parties . . | (1,514) | (1,648) | (4,793) | (5,367) |
| Recognized directly in income (ineffective portion) | | | | |
| Interest rate derivatives—Other expenses | — | (2) | — | 20 |
| Not Designated as Hedges | | | | |
| Interest rate derivatives—Other expenses | \$ (32) | \$ — | \$ 54 | \$ (48) |
| Foreign exchange contracts—Other expenses | \$ 16 | \$ 32 | \$ 32 | \$ 32 |

Items Measured at Fair Value on a Recurring Basis

The following tables present for each of the fair-value hierarchy levels the Company's assets and liabilities that are measured at fair value on a recurring basis at September 30, 2013 and December 31, 2012:

| | Level 2 | | Level 3 | | Total | |
|--------------------------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|
| | September 30, 2013 | December 31, 2012 | September 30, 2013 | December 31, 2012 | September 30, 2013 | December 31, 2012 |
| Assets | | | | | | |
| Interest rate derivatives | \$8,907 | \$2,788 | \$ — | \$ — | \$ 8,907 | \$ 2,788 |
| Foreign exchange contracts | 7 | 15 | — | — | 7 | 15 |
| Retained interests | — | — | 2,769 | 9,271 | 2,769 | 9,271 |
| Total assets | <u>\$8,914</u> | <u>\$2,803</u> | <u>\$2,769</u> | <u>\$9,271</u> | <u>\$11,683</u> | <u>\$12,074</u> |
| Liabilities | | | | | | |
| Interest rate derivatives | \$8,688 | \$2,744 | \$ — | \$ — | \$ 8,688 | \$ 2,744 |
| Foreign exchange contracts | 23 | 20 | — | — | 23 | 20 |
| Total liabilities | <u>\$8,711</u> | <u>\$2,764</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ 8,711</u> | <u>\$ 2,764</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 7: FINANCIAL INSTRUMENTS (Continued)

There were no transfers between Level 1, Level 2 and Level 3 hierarchy levels during the periods presented.

The following table presents the changes in the Level 3 fair-value category for the nine months ended September 30, 2013 and 2012:

| | Retained Interests | Derivative Financial Instruments |
|---|-------------------------------|---|
| Balance at January 1, 2012 | \$ 17,289 | \$ 15 |
| Total gains or losses (realized/unrealized): | | |
| Included in earnings | 912 | 65 |
| Included in other comprehensive income (loss) | 830 | (80) |
| Settlements | <u>(10,658)</u> | <u>—</u> |
| Balance at September 30, 2012 | <u><u>\$ 8,373</u></u> | <u><u>\$ —</u></u> |
| Balance at January 1, 2013 | \$ 9,271 | \$ — |
| Total gains or losses (realized/unrealized): | | |
| Included in earnings | 707 | — |
| Included in other comprehensive income (loss) | (368) | — |
| Settlements | <u>(6,841)</u> | <u>—</u> |
| Balance at September 30, 2013 | <u><u>\$ 2,769</u></u> | <u><u>\$ —</u></u> |

Fair Value of Other Financial Instruments

The carrying amount of cash and cash equivalents, restricted cash, floating-rate affiliated accounts and notes receivable, floating-rate short-term debt, interest payable, short-term affiliated debt and floating-rate long-term debt was assumed to approximate its fair value. Under the fair value hierarchy, cash and cash equivalents and restricted cash are classified as Level 1 and the remainder of the financial instruments listed are measured as Level 2.

Financial Instruments Not Carried at Fair Value

The carrying amount and estimated fair value of assets and liabilities considered financial instruments as of September 30, 2013 and December 31, 2012 are as follows:

| | September 30, 2013 | | December 31, 2012 | |
|--------------------------|----------------------------|----------------------------------|----------------------------|----------------------------------|
| | Carrying Amount | Estimated Fair Value* | Carrying Amount | Estimated Fair Value* |
| Receivables | \$12,654,129 | \$12,714,172 | \$10,732,276 | \$11,074,646 |
| Long-term debt | \$ 7,694,301 | \$ 7,796,649 | \$ 6,321,551 | \$ 6,451,544 |

* Under the fair value hierarchy, all measurements are Level 2.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

NOTE 7: FINANCIAL INSTRUMENTS (Continued)

Financial Assets

The fair value of receivables was determined by discounting the estimated future payments using a discount rate which includes an estimate for credit risk.

Financial Liabilities

The fair values of fixed-rate long-term debt were based on current market quotes for identical or similar borrowings and credit risk.

NOTE 8: SEGMENT AND GEOGRAPHICAL INFORMATION

The Company's segment data is based on disclosure requirements of accounting guidance on segment reporting, which requires financial information be reported on the basis that is used internally for measuring segment performance. The Company's reportable segments are strategic business units that are organized around differences in geographic areas. Each segment is managed separately as they require different knowledge of regulatory environments and marketing strategies. The operating segments offer primarily the same services within each of the respective segments.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(U unaudited)

NOTE 8: SEGMENT AND GEOGRAPHICAL INFORMATION (Continued)

A summary of the Company's reportable segment information is as follows:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|--------------------------|------------------------------------|--------------------------|
| | 2013 | 2012 | 2013 | 2012 |
| Revenues | | | | |
| United States | \$ 169,737 | \$ 163,361 | \$ 493,408 | \$ 479,132 |
| Canada | 49,751 | 49,015 | 146,620 | 143,530 |
| Eliminations | (1,301) | (1,317) | (3,844) | (1,775) |
| Total | <u><u>\$ 218,187</u></u> | <u><u>\$ 211,059</u></u> | <u><u>\$ 636,184</u></u> | <u><u>\$ 620,887</u></u> |
| Interest expense | | | | |
| United States | \$ 53,136 | \$ 48,990 | \$ 152,584 | \$ 150,937 |
| Canada | 13,162 | 13,841 | 38,664 | 41,242 |
| Eliminations | (1,301) | (1,317) | (3,844) | (1,775) |
| Total | <u><u>\$ 64,997</u></u> | <u><u>\$ 61,514</u></u> | <u><u>\$ 187,404</u></u> | <u><u>\$ 190,404</u></u> |
| Segment net income | | | | |
| United States | \$ 45,942 | \$ 41,839 | \$ 146,614 | \$ 123,048 |
| Canada | 19,386 | 15,112 | 51,586 | 46,038 |
| Total | <u><u>\$ 65,328</u></u> | <u><u>\$ 56,951</u></u> | <u><u>\$ 198,200</u></u> | <u><u>\$ 169,086</u></u> |
| Depreciation and amortization | | | | |
| United States | \$ 20,466 | \$ 18,824 | \$ 60,063 | \$ 56,667 |
| Canada | 8,316 | 8,442 | 24,609 | 24,558 |
| Total | <u><u>\$ 28,782</u></u> | <u><u>\$ 27,266</u></u> | <u><u>\$ 84,672</u></u> | <u><u>\$ 81,225</u></u> |
| Expenditures for equipment on operating leases | | | | |
| United States | \$108,422 | \$100,607 | \$314,600 | \$231,908 |
| Canada | 18,906 | 24,755 | 76,159 | 76,287 |
| Total | <u><u>\$127,328</u></u> | <u><u>\$125,362</u></u> | <u><u>\$390,759</u></u> | <u><u>\$308,195</u></u> |
| Provision (benefit) for credit losses, net | | | | |
| United States | \$ 1,762 | \$ 9,169 | \$ (8,070) | \$ 12,735 |
| Canada | 129 | 2,911 | 2,601 | 3,083 |
| Total | <u><u>\$ 1,891</u></u> | <u><u>\$ 12,080</u></u> | <u><u>\$ (5,469)</u></u> | <u><u>\$ 15,818</u></u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 8: SEGMENT AND GEOGRAPHICAL INFORMATION (Continued)

| | As of September 30, 2013 | As of December 31, 2012 |
|--------------------------|--------------------------------|-------------------------------|
| Segment assets | | |
| United States | \$12,099,277 | \$11,016,740 |
| Canada | 2,721,531 | 2,555,140 |
| Eliminations | <u>(216,384)</u> | <u>(225,351)</u> |
| Total | <u>\$14,604,424</u> | <u>\$13,346,529</u> |
| Managed portfolio | | |
| United States | \$10,514,182 | \$ 8,849,079 |
| Canada | 2,267,673 | 2,052,884 |
| Total | <u>\$12,781,855</u> | <u>\$10,901,963</u> |

NOTE 9: RELATED-PARTY TRANSACTIONS

The summary of sources included in "Interest and other income from affiliates" in the accompanying consolidated statements of income for the three and nine months ended September 30, 2013 and 2012 is as follows:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|-----------------|------------------------------------|------------------|
| | 2013 | 2012 | 2013 | 2012 |
| Retail subsidy from CNH North America | \$ 50,100 | \$50,882 | \$158,629 | \$155,856 |
| Wholesale subsidy: | | | | |
| CNH North America | 43,389 | 38,873 | 114,660 | 110,319 |
| Other affiliates | 240 | 571 | 1,568 | 2,389 |
| Operating lease subsidy from CNH North America | 8,424 | 7,591 | 25,529 | 22,053 |
| Lending funds: | | | | |
| CNH North America | — | 2 | — | 352 |
| Other affiliates | — | 2 | — | 2 |
| Total interest and other income from affiliates | <u>\$102,153</u> | <u>\$97,921</u> | <u>\$300,386</u> | <u>\$290,971</u> |

The Company receives compensation from CNH North America for retail installment sales contracts and finance leases that were created under certain low-rate financing programs and interest waiver programs offered to customers by CNH North America. For selected operating leases, CNH North America compensates the Company for the difference between the market rental rates and the amount paid by the customer. Similarly, for selected wholesale receivables, CNH North America and other affiliates compensate the Company for the difference between market rates and the amount paid by the dealer. The Company is also compensated for lending funds to CNH North America and other affiliates for various purposes.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 9: RELATED-PARTY TRANSACTIONS (Continued)

Fees charged by affiliates represent all personnel and administrative tasks CNH America performs on behalf of the Company.

As of September 30, 2013 and December 31, 2012, the Company has various accounts and notes receivable and debt with the following affiliates:

| | <u>September 30, 2013</u> | <u>December 31, 2012</u> |
|------------------------------------|-------------------------------|------------------------------|
| Affiliated receivables from: | | |
| CNH America | \$ 624 | \$ 64,708 |
| CNH Canada Ltd. | 232 | 17,797 |
| Other affiliates | <u>13,115</u> | <u>12,874</u> |
| Total affiliated receivables | <u><u>\$ 13,971</u></u> | <u><u>\$ 95,379</u></u> |
| Affiliated debt owed to: | | |
| CNH America | \$680,754 | \$788,381 |
| CNH Canada Ltd. | 91,935 | 60,651 |
| Fiat Industrial | <u>—</u> | <u>15,000</u> |
| Total affiliated debt | <u><u>\$772,689</u></u> | <u><u>\$864,032</u></u> |

Accounts payable and other accrued liabilities of \$85,520 and \$15,418, respectively, as of September 30, 2013 and December 31, 2012, were payable to related parties.

CNH Canada Ltd., an affiliated entity, owns 76,618,488 shares of preferred stock in CNH Capital Canada, one of the Company's subsidiaries. This is recorded as "Noncontrolling interest" in the stockholder's equity in the accompanying consolidated balance sheets. These shares earn dividends of 12-month LIBOR plus 1.2% per annum. The dividends are accrued annually and are recorded in "Net income attributed to noncontrolling interest" in the consolidated statements of income. The accrued, but not declared, dividends are included in "Noncontrolling interest" in the stockholder's equity in the accompanying consolidated balance sheets.

NOTE 10: COMMITMENTS AND CONTINGENCIES

Legal Matters

The Company is party to various litigation matters and claims arising from its operations. Management believes that the outcome of these proceedings, individually and in the aggregate, will not have a material adverse effect on the Company's financial position or results of operations.

Guarantees

The Company provides payment guarantees on the financial debt of various foreign financial services subsidiaries of CNHI for approximately \$272,552. The guarantees are in effect for the term of the underlying funding facilities, which have various maturities through 2015.

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

NOTE 10: COMMITMENTS AND CONTINGENCIES (Continued)

Commitments

At September 30, 2013, the Company has various agreements to extend credit for the following managed portfolios:

| | <u>Total Credit Limit</u> | <u>Utilized</u> | <u>Not Utilized</u> |
|--------------------------------------|---------------------------|-----------------|---------------------|
| Commercial revolving accounts | \$3,977,330 | \$ 283,668 | \$3,693,662 |
| Wholesale and dealer financing | \$5,887,004 | \$4,243,611 | \$1,643,393 |

The commercial revolving accounts are issued by the Company to retail customers for purchases of parts and services at CNH North America equipment dealers.

NOTE 11: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION

CNH Capital America and New Holland Credit, which are 100%-owned subsidiaries of CNH Capital LLC (the “Guarantor Entities”), guarantee certain indebtedness of CNH Capital LLC. As the guarantees are full, unconditional, and joint and several and as the Guarantor Entities are 100%-owned by CNH Capital LLC, the Company has included the following condensed consolidating financial information as of September 30, 2013 and December 31, 2012 and for the three and nine months

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

**NOTE 11: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

ended September 30, 2013 and 2012. The condensed consolidating financial information reflects investments in consolidated subsidiaries under the equity method of accounting.

| Condensed Statements of Comprehensive Income for the Three Months Ended September 30, 2013 | | | | | |
|---|----------------------------|-------------------------------|-----------------------------------|---------------------|---------------------|
| | <u>CNH Capital LLC</u> | <u>Guarantor Entities</u> | <u>All Other Subsidiaries</u> | <u>Eliminations</u> | <u>Consolidated</u> |
| REVENUES | | | | | |
| Interest income on retail and other notes and finance leases | \$ — | \$ 3,050 | \$ 62,444 | \$ — | \$ 65,494 |
| Interest and other income from affiliates | 17,809 | 60,385 | 86,753 | (62,794) | 102,153 |
| Rental income on operating leases | — | 20,152 | 14,691 | — | 34,843 |
| Servicing fee income | — | 22,329 | 34 | (22,222) | 141 |
| Other income | — | 12,461 | 3,095 | — | 15,556 |
| Total revenues | <u>17,809</u> | <u>118,377</u> | <u>167,017</u> | <u>(85,016)</u> | <u>218,187</u> |
| EXPENSES | | | | | |
| Interest expense: | | | | | |
| Interest expense to third parties | 24,280 | 346 | 33,899 | — | 58,525 |
| Interest expense to affiliates | — | 58,261 | 11,005 | (62,794) | 6,472 |
| Total interest expense | <u>24,280</u> | <u>58,607</u> | <u>44,904</u> | <u>(62,794)</u> | <u>64,997</u> |
| Administrative and operating expenses: | | | | | |
| Fees charged by affiliates | — | 11,436 | 24,868 | (22,222) | 14,082 |
| Provision for credit losses, net | — | 1,042 | 849 | — | 1,891 |
| Depreciation of equipment on operating leases | — | 16,116 | 12,437 | — | 28,553 |
| Other expenses | 1 | 6,857 | 951 | — | 7,809 |
| Total operating expenses | <u>1</u> | <u>35,451</u> | <u>39,105</u> | <u>(22,222)</u> | <u>52,335</u> |
| Total expenses | <u>24,281</u> | <u>94,058</u> | <u>84,009</u> | <u>(85,016)</u> | <u>117,332</u> |
| (Loss) income before income taxes and equity in income of consolidated subsidiaries accounted for under the equity method . . . | (6,472) | 24,319 | 83,008 | — | 100,855 |
| Income tax (benefit) provision | (2,514) | 10,149 | 27,892 | — | 35,527 |
| Equity in income of consolidated subsidiaries accounted for under the equity method . . . | 68,913 | 54,743 | — | (123,656) | — |
| NET INCOME | <u>64,955</u> | <u>68,913</u> | <u>55,116</u> | <u>(123,656)</u> | <u>65,328</u> |
| Net income attributed to noncontrolling interest | — | — | (373) | — | (373) |
| NET INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$64,955</u> | <u>\$ 68,913</u> | <u>\$ 54,743</u> | <u>\$(123,656)</u> | <u>\$ 64,955</u> |
| COMPREHENSIVE INCOME | <u>\$77,274</u> | <u>\$ 81,233</u> | <u>\$ 65,559</u> | <u>\$(146,419)</u> | <u>\$ 77,647</u> |
| Comprehensive income attributed to noncontrolling interest | — | — | (373) | — | (373) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$77,274</u> | <u>\$ 81,233</u> | <u>\$ 65,186</u> | <u>\$(146,419)</u> | <u>\$ 77,274</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

**NOTE 11: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Statements of Comprehensive Income for the Nine Months Ended September 30, 2013 | | | | | |
|---|----------------------------|-------------------------------|-----------------------------------|---------------------|---------------------|
| | <u>CNH Capital LLC</u> | <u>Guarantor Entities</u> | <u>All Other Subsidiaries</u> | <u>Eliminations</u> | <u>Consolidated</u> |
| REVENUES | | | | | |
| Interest income on retail and other notes and finance leases | \$ — | \$ 8,186 | \$181,095 | \$ — | \$189,281 |
| Interest and other income from affiliates | 47,376 | 153,032 | 263,971 | (163,993) | 300,386 |
| Rental income on operating leases | — | 58,541 | 43,474 | — | 102,015 |
| Servicing fee income | — | 63,982 | 71 | (63,640) | 413 |
| Other income | — | 36,293 | 7,796 | — | 44,089 |
| Total revenues | <u>47,376</u> | <u>320,034</u> | <u>496,407</u> | <u>(227,633)</u> | <u>636,184</u> |
| EXPENSES | | | | | |
| Interest expense: | | | | | |
| Interest expense to third parties | 66,555 | 1,947 | 102,041 | — | 170,543 |
| Interest expense to affiliates | — | 150,385 | 30,469 | (163,993) | 16,861 |
| Total interest expense | <u>66,555</u> | <u>152,332</u> | <u>132,510</u> | <u>(163,993)</u> | <u>187,404</u> |
| Administrative and operating expenses: | | | | | |
| Fees charged by affiliates | — | 36,350 | 71,780 | (63,640) | 44,490 |
| (Benefit) provision for credit losses, net | — | (10,495) | 5,026 | — | (5,469) |
| Depreciation of equipment on operating leases | — | 47,138 | 36,792 | — | 83,930 |
| Other expenses (income) | 1 | 25,914 | (1,031) | — | 24,884 |
| Total operating expenses | <u>1</u> | <u>98,907</u> | <u>112,567</u> | <u>(63,640)</u> | <u>147,835</u> |
| Total expenses | <u>66,556</u> | <u>251,239</u> | <u>245,077</u> | <u>(227,633)</u> | <u>335,239</u> |
| (Loss) income before income taxes and equity in income of consolidated subsidiaries accounted for under the equity method | (19,180) | 68,795 | 251,330 | — | 300,945 |
| Income tax (benefit) provision | (7,494) | 27,314 | 82,925 | — | 102,745 |
| Equity in income of consolidated subsidiaries accounted for under the equity method | <u>208,738</u> | <u>167,257</u> | <u>—</u> | <u>(375,995)</u> | <u>—</u> |
| NET INCOME | <u>197,052</u> | <u>208,738</u> | <u>168,405</u> | <u>(375,995)</u> | <u>198,200</u> |
| Net income attributed to noncontrolling interest | — | — | (1,148) | — | (1,148) |
| NET INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$197,052</u> | <u>\$208,738</u> | <u>\$167,257</u> | <u>\$(375,995)</u> | <u>\$197,052</u> |
| COMPREHENSIVE INCOME | <u>\$176,734</u> | <u>\$188,420</u> | <u>\$151,827</u> | <u>\$(339,099)</u> | <u>\$177,882</u> |
| Comprehensive income attributed to noncontrolling interest | — | — | (1,148) | — | (1,148) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$176,734</u> | <u>\$188,420</u> | <u>\$150,679</u> | <u>\$(339,099)</u> | <u>\$176,734</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

**NOTE 11: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Balance Sheets as of September 30, 2013 | | | | | |
|--|----------------------------|-------------------------------|-----------------------------------|-----------------------------|----------------------------|
| | <u>CNH Capital LLC</u> | <u>Guarantor Entities</u> | <u>All Other Subsidiaries</u> | <u>Eliminations</u> | <u>Consolidated</u> |
| ASSETS | | | | | |
| Cash and cash equivalents | \$ — | \$ 139,853 | \$ 91,514 | \$ — | \$ 231,367 |
| Restricted cash | — | 100 | 599,754 | — | 599,854 |
| Receivables, less allowance for credit losses | — | 1,536,050 | 11,118,079 | — | 12,654,129 |
| Retained interests in securitized receivables | — | 5,140 | 2,433 | (4,804) | 2,769 |
| Affiliated accounts and notes receivable | 1,769,273 | 1,893,002 | 1,418,634 | (5,066,938) | 13,971 |
| Equipment on operating leases, net | — | 551,135 | 334,403 | — | 885,538 |
| Equipment held for sale | — | 23,326 | 5,567 | — | 28,893 |
| Investments in consolidated subsidiaries accounted for under the equity method | 1,652,235 | 1,890,902 | — | (3,543,137) | — |
| Goodwill and intangible assets, net | — | 85,632 | 34,970 | — | 120,602 |
| Other assets | 20,596 | (21,144) | 67,849 | — | 67,301 |
| TOTAL | <u>\$3,442,104</u> | <u>\$6,103,996</u> | <u>\$13,673,203</u> | <u>\$(8,614,879)</u> | <u>\$14,604,424</u> |
| LIABILITIES AND STOCKHOLDER'S EQUITY | | | | | |
| Liabilities: | | | | | |
| Short-term debt, including current maturities of long-term debt | \$ — | \$ 68,040 | \$ 4,105,569 | \$ — | \$ 4,173,609 |
| Accounts payable and other accrued liabilities | 37,970 | 1,888,522 | 1,074,533 | (2,499,450) | 501,575 |
| Affiliated debt | — | 2,424,578 | 920,403 | (2,572,292) | 772,689 |
| Long-term debt | 2,000,000 | 70,621 | 5,623,680 | — | 7,694,301 |
| Total liabilities | 2,037,970 | 4,451,761 | 11,724,185 | (5,071,742) | 13,142,174 |
| Stockholder's equity | 1,404,134 | 1,652,235 | 1,949,018 | (3,543,137) | 1,462,250 |
| TOTAL | <u>\$3,442,104</u> | <u>\$6,103,996</u> | <u>\$13,673,203</u> | <u>\$(8,614,879)</u> | <u>\$14,604,424</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

**NOTE 11: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Statements of Cash Flows for the Nine Months Ended September 30, 2013 | | | | | |
|--|----------------------------|-------------------------------|-----------------------------------|---------------------|---------------------|
| | <u>CNH Capital LLC</u> | <u>Guarantor Entities</u> | <u>All Other Subsidiaries</u> | <u>Eliminations</u> | <u>Consolidated</u> |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Net cash (used in) from operating activities | | | | | |
| Net cash (used in) from operating activities | \$(400,000) | \$ 275,179 | \$ 141,158 | \$ 427,122 | \$ 443,459 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Cost of receivables acquired | | | | | |
| Cost of receivables acquired | — | (12,005,414) | (12,267,832) | 9,574,684 | (14,698,562) |
| Collections of receivables | — | 11,614,411 | 10,667,838 | (9,574,225) | 12,708,024 |
| Decrease in restricted cash | — | — | 122,905 | — | 122,905 |
| Purchase of equipment on operating leases, net | — | (167,675) | (54,725) | — | (222,400) |
| Other investing activities | — | (250) | (27) | — | (277) |
| Net cash (used in) from investing activities | — | (558,928) | (1,531,841) | 459 | (2,090,310) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | | |
| Intercompany activity | | | | | |
| Intercompany activity | — | 277,908 | 61,512 | (427,581) | (88,161) |
| Net increase (decrease) in indebtedness | 600,000 | (111,307) | 891,773 | — | 1,380,466 |
| Dividends paid to CNH America LLC | (200,000) | — | — | — | (200,000) |
| Net cash from (used in) financing activities | 400,000 | 166,601 | 953,285 | (427,581) | 1,092,305 |
| DECREASE IN CASH AND CASH EQUIVALENTS | — | (117,148) | (437,398) | — | (554,546) |
| CASH AND CASH EQUIVALENTS: | | | | | |
| Beginning of period | — | 257,001 | 528,912 | — | 785,913 |
| End of period | <u>\$ —</u> | <u>\$ 139,853</u> | <u>\$ 91,514</u> | <u>\$ —</u> | <u>\$ 231,367</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uunaudited)

**NOTE 11: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Statements of Comprehensive Income for the Three Months Ended September 30, 2012 | | | | | |
|---|----------------------------|-------------------------------|-----------------------------------|---------------------|---------------------|
| | <u>CNH Capital LLC</u> | <u>Guarantor Entities</u> | <u>All Other Subsidiaries</u> | <u>Eliminations</u> | <u>Consolidated</u> |
| REVENUES | | | | | |
| Interest income on retail and other notes and finance leases | \$ — | \$ 2,650 | \$ 59,066 | \$ — | \$ 61,716 |
| Interest and other income from affiliates | — | 46,382 | 88,636 | (37,097) | 97,921 |
| Rental income on operating leases | — | 20,314 | 13,360 | — | 33,674 |
| Servicing fee income | — | 21,185 | 29 | (21,007) | 207 |
| Other income | — | 8,823 | 8,718 | — | 17,541 |
| Total revenues | <u>—</u> | <u>99,354</u> | <u>169,809</u> | <u>(58,104)</u> | <u>211,059</u> |
| EXPENSES | | | | | |
| Interest expense: | | | | | |
| Interest expense to third parties | 10,860 | 1,294 | 39,948 | — | 52,102 |
| Interest expense to affiliates | 83 | 37,314 | 9,112 | (37,097) | 9,412 |
| Total interest expense | <u>10,943</u> | <u>38,608</u> | <u>49,060</u> | <u>(37,097)</u> | <u>61,514</u> |
| Administrative and operating expenses: | | | | | |
| Fees charged by affiliates | — | 12,239 | 23,680 | (21,007) | 14,912 |
| Provision for credit losses, net | — | 3,735 | 8,345 | — | 12,080 |
| Depreciation of equipment on operating leases | — | 15,963 | 11,058 | — | 27,021 |
| Other expenses | — | 6,521 | 1,637 | — | 8,158 |
| Total operating expenses | <u>—</u> | <u>38,458</u> | <u>44,720</u> | <u>(21,007)</u> | <u>62,171</u> |
| Total expenses | <u>10,943</u> | <u>77,066</u> | <u>93,780</u> | <u>(58,104)</u> | <u>123,685</u> |
| (Loss) income before income taxes and equity in income of consolidated subsidiaries accounted for under the equity method . . . | (10,943) | 22,288 | 76,029 | — | 87,374 |
| Income tax (benefit) provision | (4,287) | 9,152 | 25,558 | — | 30,423 |
| Equity in income of consolidated subsidiaries accounted for under the equity method . . . | <u>63,133</u> | <u>49,997</u> | <u>—</u> | <u>(113,130)</u> | <u>—</u> |
| NET INCOME | <u>56,477</u> | <u>63,133</u> | <u>50,471</u> | <u>(113,130)</u> | <u>56,951</u> |
| Net income attributed to noncontrolling interest | — | — | (474) | — | (474) |
| NET INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$ 56,477</u> | <u>\$63,133</u> | <u>\$ 49,997</u> | <u>\$ (113,130)</u> | <u>\$ 56,477</u> |
| COMPREHENSIVE INCOME | <u>\$ 83,025</u> | <u>\$89,681</u> | <u>\$ 72,498</u> | <u>\$ (161,705)</u> | <u>\$ 83,499</u> |
| Comprehensive income attributed to noncontrolling interest | — | — | (474) | — | (474) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$ 83,025</u> | <u>\$89,681</u> | <u>\$ 72,024</u> | <u>\$ (161,705)</u> | <u>\$ 83,025</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Uaudited)

**NOTE 11: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Statements of Comprehensive Income for the Nine Months Ended September 30, 2012 | | | | | |
|---|----------------------------|-------------------------------|-----------------------------------|---------------------|---------------------|
| | <u>CNH Capital LLC</u> | <u>Guarantor Entities</u> | <u>All Other Subsidiaries</u> | <u>Eliminations</u> | <u>Consolidated</u> |
| REVENUES | | | | | |
| Interest income on retail and other notes and finance leases | \$ — | \$ 9,402 | \$169,170 | \$ — | \$178,572 |
| Interest and other income from affiliates | — | 130,291 | 263,369 | (102,689) | 290,971 |
| Rental income on operating leases | — | 62,402 | 37,264 | — | 99,666 |
| Servicing fee income | — | 60,198 | 125 | (59,522) | 801 |
| Other income | — | 22,590 | 28,287 | — | 50,877 |
| Total revenues | <u>—</u> | <u>284,883</u> | <u>498,215</u> | <u>(162,211)</u> | <u>620,887</u> |
| EXPENSES | | | | | |
| Interest expense: | | | | | |
| Interest expense to third parties | 31,468 | 4,705 | 127,120 | — | 163,293 |
| Interest expense to affiliates | 228 | 102,682 | 26,890 | (102,689) | 27,111 |
| Total interest expense | <u>31,696</u> | <u>107,387</u> | <u>154,010</u> | <u>(102,689)</u> | <u>190,404</u> |
| Administrative and operating expenses: | | | | | |
| Fees charged by affiliates | — | 38,515 | 68,202 | (59,522) | 47,195 |
| (Benefit) provision for credit losses, net | — | (10,294) | 26,112 | — | 15,818 |
| Depreciation of equipment on operating leases | — | 49,636 | 30,779 | — | 80,415 |
| Other expenses | — | 21,688 | 4,497 | — | 26,185 |
| Total operating expenses | <u>—</u> | <u>99,545</u> | <u>129,590</u> | <u>(59,522)</u> | <u>169,613</u> |
| Total expenses | <u>31,696</u> | <u>206,932</u> | <u>283,600</u> | <u>(162,211)</u> | <u>360,017</u> |
| (Loss) income before income taxes and equity in income of consolidated subsidiaries accounted for under the equity method | (31,696) | 77,951 | 214,615 | — | 260,870 |
| Income tax (benefit) provision | (12,420) | 30,913 | 73,291 | — | 91,784 |
| Equity in income of consolidated subsidiaries accounted for under the equity method | <u>187,136</u> | <u>140,098</u> | <u>—</u> | <u>(327,234)</u> | <u>—</u> |
| NET INCOME | <u>167,860</u> | <u>187,136</u> | <u>141,324</u> | <u>(327,234)</u> | <u>169,086</u> |
| Net income attributed to noncontrolling interest | — | — | (1,226) | — | (1,226) |
| NET INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$167,860</u> | <u>\$187,136</u> | <u>\$140,098</u> | <u>(\$327,234)</u> | <u>\$167,860</u> |
| COMPREHENSIVE INCOME | <u>\$194,769</u> | <u>\$214,045</u> | <u>\$163,693</u> | <u>(\$376,512)</u> | <u>\$195,995</u> |
| Comprehensive income attributed to noncontrolling interest | — | — | (1,226) | — | (1,226) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO CNH CAPITAL LLC | <u>\$194,769</u> | <u>\$214,045</u> | <u>\$162,467</u> | <u>(\$376,512)</u> | <u>\$194,769</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

**NOTE 11: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Balance Sheets as of December 31, 2012 | | | | | |
|--|----------------------------|-------------------------------|-----------------------------------|-----------------------------|----------------------------|
| | <u>CNH Capital LLC</u> | <u>Guarantor Entities</u> | <u>All Other Subsidiaries</u> | <u>Eliminations</u> | <u>Consolidated</u> |
| ASSETS | | | | | |
| Cash and cash equivalents | \$ — | \$ 257,001 | \$ 528,912 | \$ — | \$ 785,913 |
| Restricted cash | — | 100 | 727,086 | — | 727,186 |
| Receivables, less allowance for credit losses | — | 1,136,838 | 9,595,438 | — | 10,732,276 |
| Retained interests in securitized receivables | — | 5,368 | 8,248 | (4,345) | 9,271 |
| Affiliated accounts and notes receivable | 1,357,013 | 1,970,680 | 1,380,472 | (4,612,786) | 95,379 |
| Equipment on operating leases, net | — | 430,599 | 323,772 | — | 754,371 |
| Equipment held for sale | — | 39,455 | 7,195 | — | 46,650 |
| Investments in consolidated subsidiaries accounted for under the equity method | 1,462,859 | 1,740,138 | — | (3,202,997) | — |
| Goodwill and intangible assets | — | 86,095 | 36,130 | — | 122,225 |
| Other assets | 21,765 | (14,998) | 66,491 | — | 73,258 |
| TOTAL | <u>\$2,841,637</u> | <u>\$5,651,276</u> | <u>\$12,673,744</u> | <u>\$(7,820,128)</u> | <u>\$13,346,529</u> |
| LIABILITIES AND STOCKHOLDER'S EQUITY | | | | | |
| Liabilities: | | | | | |
| Short-term debt, including current maturities of long-term debt | \$ — | \$ 110,557 | \$ 4,119,680 | \$ — | \$ 4,230,237 |
| Accounts payable and other accrued liabilities | 15,194 | 1,791,778 | 1,112,745 | (2,472,419) | 447,298 |
| Affiliated debt | — | 2,146,670 | 862,074 | (2,144,712) | 864,032 |
| Long-term debt | 1,400,000 | 139,412 | 4,782,139 | — | 6,321,551 |
| Total liabilities | 1,415,194 | 4,188,417 | 10,876,638 | (4,617,131) | 11,863,118 |
| Stockholder's equity | 1,426,443 | 1,462,859 | 1,797,106 | (3,202,997) | 1,483,411 |
| TOTAL | <u>\$2,841,637</u> | <u>\$5,651,276</u> | <u>\$12,673,744</u> | <u>\$(7,820,128)</u> | <u>\$13,346,529</u> |

CNH CAPITAL LLC AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands)
(Unaudited)

**NOTE 11: SUPPLEMENTAL CONDENSED CONSOLIDATING FINANCIAL INFORMATION
(Continued)**

| Condensed Statements of Cash Flows for the Nine Months Ended September 30, 2012 | | | | | |
|---|-----------------------------|--------------------------------|------------------------------------|---------------------|---------------------|
| | CNH Capital LLC | Guarantor Entities | All Other Subsidiaries | Eliminations | Consolidated |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Net cash (used in) from operating activities | \$(278) | \$ (580,853) | \$ 1,034,918 | \$ 56,739 | \$ 510,526 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Cost of receivables acquired | — | (11,104,286) | (12,802,889) | 10,043,100 | (13,864,075) |
| Collections of receivables | — | 11,251,988 | 11,028,995 | (10,043,062) | 12,237,921 |
| Decrease in restricted cash | — | — | 97,290 | — | 97,290 |
| Purchase of equipment on operating leases, net | — | (101,483) | (61,724) | — | (163,207) |
| Other investing activities | — | (151) | — | — | (151) |
| Net cash from (used in) investing activities | — | 46,068 | (1,738,328) | 38 | (1,692,222) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | | |
| Intercompany activity | 278 | 448,164 | (66,894) | (56,777) | 324,771 |
| Net (decrease) increase in indebtedness .. | — | (48,664) | 604,418 | — | 555,754 |
| Net cash from (used in) financing activities | 278 | 399,500 | 537,524 | (56,777) | 880,525 |
| DECREASE IN CASH AND CASH EQUIVALENTS | | | | | |
| | — | (135,285) | (165,886) | — | (301,171) |
| CASH AND CASH EQUIVALENTS: | | | | | |
| Beginning of period | — | 306,208 | 287,885 | — | 594,093 |
| End of period | <u>\$ —</u> | <u>\$ 170,923</u> | <u>\$ 121,999</u> | <u>\$ —</u> | <u>\$ 292,922</u> |

NOTE 12: SUBSEQUENT EVENTS

On October 8, 2013, CNH Capital LLC completed an offering of \$500,000 in aggregate principal amount of its 3.250% unsecured notes due 2017, issued at par.



**CNH Capital LLC
CNH Capital America LLC
New Holland Credit Company, LLC**

Offer to Exchange

**\$500,000,000 3.250% Notes due 2017
that have been registered under
the Securities Act of 1933, as amended
for
\$500,000,000 3.250% Notes due 2017**

PROSPECTUS

December 19, 2013

**All tendered old notes, executed letters of transmittal and other related documents should be directed
to the exchange
agent at the numbers and address below. Requests for assistance and for additional copies of the
prospectus, the letter
of transmittal and other related documents should also be directed to the exchange agent.**

The exchange agent for the exchange offer is:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By Registered & Certified Mail:

WELLS FARGO BANK, NATIONAL
ASSOCIATION
Corporate Trust Operations
MAC Code: N9303-121
P.O. Box 1517
Minneapolis, MN 55480

By Regular Mail or Overnight Courier:

WELLS FARGO BANK, NATIONAL
ASSOCIATION
Corporate Trust Operations
MAC Code: N9303-121
6th St & Marquette Avenue
Minneapolis, MN 55479

In Person by Hand Only:

WELLS FARGO BANK, NATIONAL ASSOCIATION
Corporate Trust Services
Northstar East Building—12th Floor
608 Second Avenue South
Minneapolis, MN 55402

By Facsimile (for Eligible Institutions only):

(612) 667-6282

Attention: Corporate Trust Operations

For Information or Confirmation by Telephone:

(800) 344-5128
