

CNH CAPITAL CANADA WHOLESALE TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2011 AND 2010

(In Canadian Dollars)

GENERAL

Management's Discussion and Analysis ("MD&A"), dated April 13, 2012, should be read in conjunction with the audited financial statements for the years ended December 31, 2011 and 2010. Management is responsible for the reliability and timeliness of the information disclosed in the MD&A.

BUSINESS OF THE TRUST

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

The Trust is a special purpose trust whose business is specifically limited to (i) securing finance receivables and certain related rights and assets (collectively, the "Secured Assets") from CNH Capital Canada Ltd. ("CNH Capital Canada" or the "Seller"), which Secured Assets were acquired with proceeds from asset-backed securities issued by the Trust (the "Notes") and through residual indebtedness of the Trust to CNH Capital Canada, (ii) holding, managing and disposing of Secured Assets, (iii) making payments on its securities, and (iv) engaging in incidental and ancillary activities. Collections on the Secured Assets are used to pay the obligations of the Trust, including the payment of interest and principal owing on the securities issued by it.

Pursuant to the Administration Agreement between the Issuer Trustee and CNH Capital Canada (the "Administrator"), and the Sale and Servicing Agreement between the Issuer Trustee and CNH Capital Canada (the "Servicer"), CNH Capital Canada carries out certain administrative and management activities for and on behalf of the Trust, including the administration, servicing, and collection of the Secured Assets. The Trust pays a fee to CNH Capital Canada for the performance of the activities and fulfillment of its responsibilities under the Administration Agreement. No fee is payable by the Trust to CNH Capital Canada for the servicing of the Secured Assets pursuant to the Sales and Servicing Agreement since the Secured Assets are acquired on a fully-serviced basis. The Trust has no employees.

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

In November 2009, the Trust issued the CNH Capital Canada Wholesale Trust Floating Rate Wholesale Receivables Backed Notes, Series CW2009-1, Class A and B Notes, which were publicly placed pursuant to a prospectus.

In September 2010, the Trust issued the CNH Capital Canada Wholesale Trust Variable Funding Wholesale Receivables-Backed Notes, Series CW2010-1, which was privately placed with a qualified institutional buyer.

In May 2011, the Trust paid \$300,000,000 in principal to the holders of the Series CW2009-1 CNH Capital Canada Wholesale Trust Floating Rate Class A Wholesale Receivables Backed Notes and \$25,000,000 in principal to the holders of the Series CW2009-1 CNH Capital Canada Wholesale Trust Floating Rate Class B Wholesale Receivables Backed Notes. Concurrently, the Trust increased the commitment amount of the CNH Capital Canada Wholesale Trust Variable Funding Wholesale Receivables-Backed Notes, Series CW2010-1 and issued the CNH Capital Canada Wholesale Trust Floating Rate Wholesale Receivables Backed Notes, Series CW2010-1, Class B Notes.

CNH CAPITAL CANADA WHOLESALE TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2011 AND 2010 (In Canadian Dollars)

RESULTS OF OPERATIONS

The Trust's pool balance of Secured Assets increased by \$41,409,243 to \$705,268,581 as at December 31, 2011, from \$663,859,338 as at December 31, 2010. With respect to the Secured Assets, principal collections were \$1,865,716,946 and \$1,708,269,349 during the years ended December 31, 2011 and 2010, respectively. Credit losses for the years ended December 31, 2011 and 2010 were \$33,719 and \$Nil, respectively.

The Trust has no income other than scheduled interest income derived from the Secured Assets and investment earnings from the restricted cash and cash equivalents. Interest income for the year ended December 31, 2011, totaled \$50,831,402 compared to \$52,542,653 for the year ended December 31, 2010.

In connection with the Notes and Seller's interest for the year ended December 31, 2011, the Trust incurred interest expense of \$ 50,821,802 compared to \$52,533,653 for the year ended December 31, 2010.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Trust's unaudited financial information for each of the quarters in the years ended December 31, 2011 and 2010:

	2011			
	Q1	Q2	Q3	Q4
Interest income	\$ 12,356,674	\$ 13,431,394	\$ 12,968,064	\$ 12,075,270
	2010			
	Q1	Q2	Q3	Q4
Interest income	\$ 11,723,000	\$ 12,792,728	\$ 13,902,360	\$ 14,124,565

TRANSACTIONS WITH RELATED PARTIES

For the years ended December 31, 2011 and 2010, the Trust's interest expense paid to CNH Capital Canada with respect to residual indebtedness was \$39,448,715 and \$43,154,339, respectively. The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Total interest expense on the Statements of Operations, Comprehensive Income and Undistributed Income includes amounts paid to related parties for interest on the residual indebtedness.

As at December 31, 2011 and 2010, the amount due to related parties with respect to residual indebtedness is \$229,934,590 and \$242,749,626, respectively.

CNH CAPITAL CANADA WHOLESALE TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2011 AND 2010 (In Canadian Dollars)

ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB") requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, and revenues and expenses for the year reported. The most significant estimate relates to the estimation of credit losses on receivable in wholesale contracts. Actual results could differ from those estimates.

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, equity or commodity prices and credit spreads.

Interest rate risk refers to the risk that the fair value or income and future cash flows of a financial instrument will vary as a result of changes in market interest rates. Both the receivable in wholesale contracts and notes payable are impacted by floating interest rates. Interest rate risk can arise because the pricing bases are not identical and the spread over prime charged to customers is not fixed. The payment of the Notes is satisfied by the collections and other amounts received in respect of the Trust's securing of the portfolio of wholesale contracts. Therefore, the differential between the rate earned on the wholesale contracts and paid on the debt can vary. CNH Capital Canada has the ability to raise rates on receivables, thus an increase in the debt CDOR rate without a corresponding increase in the receivables prime rate can be offset by increasing the spread over prime. Theoretically, CNH Capital Canada can offset any adverse increase in debt cost with an increase in receivables income. However, if CNH Capital Canada chooses to allow net interest margin to narrow, a 1% increase or decrease applied to the \$705,268,581 and \$663,859,338 of outstanding receivables as at December 31, 2011 and 2010, respectively, with no change in debt rate would increase or decrease interest income by \$7,052,686 and \$6,638,593, respectively. A 1% increase or decrease in the rate on the \$498,420,000 and \$443,000,000 of debt outstanding as at December 31, 2011 and 2010, respectively, would increase or decrease interest expense by \$4,984,200 and \$4,430,000, respectively. It is important to note that CNH Capital Canada is required to maintain dealer rates at a level such that the amount paid by dealers and its related manufacturer, CNH Canada, equals or exceeds the amount paid to bondholders.

The Trust is not exposed to losses from foreign exchange rates, equity or commodity prices. During the years ended December 31, 2011 and 2010, all of the Trust's transactions were denominated in Canadian dollars and the Trust did not invest in equities or commodities.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations and may arise directly from claims against a debtor or obligor, an issuer of securities or indirectly from claims against a guarantor of credit obligation.

The Trust's investment in the Secured Assets results in significant concentrations of credit risk in the agricultural and construction industries in Canada. Numerous factors can affect the future performance of the Trust. These factors include the general level of activity in the agricultural and construction industries, the rate of North American agricultural production and demand, weather conditions, commodity prices, consumer confidence,

CNH CAPITAL CANADA WHOLESALE TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2011 AND 2010 (In Canadian Dollars)

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Credit Risk (continued)

government subsidies for the agricultural sector and prevailing levels of construction (especially housing starts).

The Trust manages this risk through the Seller's interest, which provides the Trust with overcollateralization designed to minimize its credit risk. The principal balance of accounts greater than 30 days delinquent was \$1,209,511 and \$1,738,145 at December 31, 2011 and 2010, respectively, which represented 0.17% and 0.26% respectively, of the Trust's portfolio.

As at December 31, 2011, the portfolio of secured wholesale contracts by product line and by industry is as follows:

Product Line	Agriculture	Construction	Total Portfolio
Dealer floorplan	\$ 569,104,723	\$ 84,456,183	\$ 653,560,906
Parts	25,256,140	3,461,503	28,717,643
Rental equipment	<u>1,029,331</u>	<u>21,960,701</u>	<u>22,990,032</u>
	<u>\$ 595,390,194</u>	<u>\$ 109,878,387</u>	<u>\$ 705,268,581</u>

As at December 31, 2010, the portfolio of secured wholesale contracts by product line and by industry is as follows:

Product Line	Agriculture	Construction	Total Portfolio
Dealer floorplan	\$ 546,335,786	\$ 69,373,302	\$ 615,709,088
Parts	20,998,706	3,538,734	24,537,440
Rental equipment	<u>1,932,052</u>	<u>21,680,758</u>	<u>23,612,810</u>
	<u>\$ 569,266,544</u>	<u>\$ 94,592,794</u>	<u>\$ 663,859,338</u>

As at December 31, 2011 and 2010, the Trust's maximum credit exposure was \$729,320,058 and \$686,812,309, respectively, being the total of its assets recorded on the Statements of Net Assets.

Liquidity Risk

Liquidity and funding risk is the risk that the Trust may be unable to generate or obtain sufficient cash or cash equivalents in a timely and cost effective manner to meet its commitments as they come due. The Trust's restricted cash and cash equivalents balance totalled \$21,845,953 as at December 31, 2011, compared to \$20,565,284 as at December 31, 2010. The Trust's borrowings are comprised of the Notes and indebtedness to CNH Capital Canada incurred in connection with the securing of the Secured Assets. The balance of the outstanding Notes and Seller's interest was \$728,354,590 as at December 31, 2011, compared to \$685,749,626 as at December 31, 2010. Interest on the Notes is payable monthly in arrears on the 15th day of each month. As at December 31, 2011 and 2010, the cash flows from the Trust's investment in the Secured Assets were expected to provide sufficient liquidity for the repayment of the Trust's borrowings and the interest expense on those borrowings.

CNH CAPITAL CANADA WHOLESALE TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2011 AND 2010 (In Canadian Dollars)

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Measurement of Fair Values and Categorization of Financial Instruments

The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. The Trust determines fair value using available market information or other appropriate valuation methodologies such as discounted cash flow analysis. Fair values using valuation models require the use of assumptions concerning the amount and timing of estimated cash flows and discount rates. In determining those assumptions, the Trust looks primarily to external observable market inputs including factors such as interest yield curves and price or rate volatilities, as applicable.

IFRS requires that all financial instruments measured at fair value be categorized into one of three hierarchy levels for disclosure purposes. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities.

The Trust uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1* Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2* Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3* Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of a financial instrument in the hierarchy is based on the lowest level of input that is significant to the measurement of fair value.

DISCLOSURE CONTROLS AND PROCEDURES

The Trust's disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Trust is recorded, processed, summarized and reported within the time periods specified under Canadian securities laws, and include controls and procedures that are designed to ensure that information is accumulated and communicated to management on a timely basis to allow appropriate decisions regarding public disclosure. As at December 31, 2011 and 2010, an evaluation was carried out, under the supervision of and with the participation of management of CNH Capital Canada, of the effectiveness of the Trust's disclosure controls and procedures as defined under National Instrument 52-109. Based on that evaluation, management concluded that the design and operation of the Trust's disclosure controls and procedures were effective as at December 31, 2011 and 2010.

CNH CAPITAL CANADA WHOLESALE TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2011 AND 2010 (In Canadian Dollars)

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management of CNH Capital Canada assessed the design effectiveness of the Trust's internal control over financial reporting as at December 31, 2011 and 2010, and based on that assessment determined that the Trust's internal control over financial reporting design was effective. No changes were made in the Trust's internal control over financial reporting during the years ended December 31, 2011 and 2010, that have materially affected, or are reasonably likely to materially affect, the Trust's internal control over financial reporting.

ADDITIONAL INFORMATION

Additional information regarding the Trust is available at www.sedar.com.