

This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to a U.S. Person.

Information has been incorporated by reference in this prospectus from documents filed with the securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference may be obtained on request without charge from our administrator, CNH Capital Canada Ltd., c/o CNH Capital America LLC at 100 South Saunders Road, Lake Forest, Illinois, 60045, U.S.A. (847) 735-9200 and are also available electronically at www.sedar.com. For the purpose of the Province of Québec, this simplified prospectus contains information to be completed by consulting the permanent information record. A copy of the permanent information record may be obtained from our administrator at the above-mentioned address and telephone number and is also available electronically at www.sedar.com.

SHORT FORM PROSPECTUS

New Issue

July 21, 2006

CNH Capital Canada Wholesale Trust
\$175,598,000 Floating Rate Class A Wholesale Receivables-Backed Notes,
Series CW2006-1
\$14,402,000 Floating Rate Class B Wholesale Receivables-Backed Notes,
Series CW2006-1

Notes to be dated on or about July 28, 2006.

Scheduled Final Payment Date for all Notes: August 17, 2009

This prospectus qualifies the distribution by CNH Capital Canada Wholesale Trust (the “Trust”) of \$175,598,000 Floating Rate Class A Wholesale Receivables-Backed Notes, Series CW2006-1 (the “Class A Notes”) and \$14,402,000 Floating Rate Class B Wholesale Receivables-Backed Notes, Series CW2006-1 (the “Class B Notes”) and, collectively with the Class A Notes, the “Series CW2006-1 Notes”).

The head and registered office of The Canada Trust Company, the trustee of the Trust, is 79 Wellington Street West, 8th Floor, TD Waterhouse Tower, Toronto, Ontario, M5K 1A2.

<u>Series CW2006-1 Notes</u>	<u>Amount Offered</u>	<u>Annual Interest Rate⁽¹⁾</u>	<u>Scheduled Final Payment Date⁽²⁾</u>	<u>Expected Ratings DBRS/S&P/Moody’s</u>
Class A	\$175,598,000	One Month CDOR plus 0.17%	August 17, 2009	AAA/AAA/Aaa
Class B ⁽³⁾	\$14,402,000	One Month CDOR plus 0.65%	August 17, 2009	A/A-/A2

- (1) Interest on the Series CW2006-1 Notes will be calculated and payable, except in limited circumstances, monthly in arrears.
- (2) Principal payments may be made before or after the scheduled final payment date in certain circumstances.
- (3) The Class B Notes are subordinated to the Class A Notes to the extent described herein.

	<u>Price to the Public⁽¹⁾</u>	<u>Proceeds to the Trust⁽²⁾</u>
Per \$1,000 principal amount of Class A Notes.....	Non-fixed price	\$175,598,000
Per \$1,000 principal amount of Class B Notes.....	Non-fixed price	\$14,402,000
Total.....	Non-fixed price	<u>\$190,000,000</u>

- (1) Yield will vary depending on the price paid for the Series CW2006-1 Notes and other factors. See “Plan of Distribution”.
- (2) Expenses of the offering, estimated at \$900,000, together with the underwriters’ fees of \$620,407, will be paid by CNH Capital Canada Ltd. and not out of the proceeds of the offering.

CIBC WORLD MARKETS INC.

RBC DOMINION SECURITIES INC.

TD SECURITIES INC.

CIBC World Markets Inc., RBC Dominion Securities Inc. and TD Securities Inc. (collectively, the “**Class A Underwriters**”) are the underwriters of the Class A Notes. CIBC World Markets Inc. (the “**Class B Underwriter**”) and, collectively with the Class A Underwriters, the “**Underwriters**”) is the underwriter of the Class B Notes. The Class A Underwriters, as principals, conditionally offer the Class A Notes and the Class B Underwriter, as principal, conditionally offers the Class B Notes, in each case, subject to prior sales, if, as and when issued by us and accepted by the Class A Underwriters in the case of the Class A Notes and the Class B Underwriter in the case of the Class B Notes in accordance with the conditions contained in the underwriting agreements referred to under “*Plan of Distribution*” and subject to the approval of certain legal matters at closing on our behalf by Osler, Hoskin & Harcourt LLP and on behalf of the Underwriters by Davies Ward Phillips & Vineberg LLP.

The Series CW2006-1 Notes will be offered to purchasers at prices to be negotiated between each purchaser and the Underwriters. Accordingly, the price at which the Series CW2006-1 Notes will be offered and sold to purchasers may vary as between purchasers and during the period of distribution of the Series CW2006-1 Notes. The Underwriters’ overall compensation will increase or decrease by the amount by which the aggregate price paid for the Series CW2006-1 Notes by purchasers exceeds or is less than the aggregate price paid by the Underwriters to us for the Series CW2006-1 Notes.

There is no market through which the Series CW2006-1 Notes may be sold and purchasers may not be able to resell the notes purchased under this short form prospectus. This may affect the pricing of the Series CW2006-1 Notes in the secondary market, the transparency and availability of the trading prices, the liquidity of the Series CW2006-1 Notes, and the extent of issuer regulation. See “Risk Factors”. The Underwriters currently intend to make a market in the Series CW2006-1 Notes, but are under no obligation to do so. There can be no assurance that a secondary market will develop or that, if a secondary market does develop, it will provide purchasers of Series CW2006-1 Notes with liquidity or that it will continue for the life of the Series CW2006-1 Notes. The Underwriters may effect transactions that stabilize or maintain the price of the Series CW2006-1 Notes to be offered at a level different from that which might otherwise prevail in an open market. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*” and “*Risk Factors*”.

An investment in the Series CW2006-1 Notes bears certain risks. See “Risk Factors”.

Subscriptions for the Series CW2006-1 Notes will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is intended that the closing of this offering will occur on or about July 28, 2006 or on such other date as we and the Underwriters may agree, but, in any event, not later than August 4, 2006. Delivery of the Series CW2006-1 Notes in book-entry form will be made through The Canadian Depository for Securities Limited on or about the Series CW2006-1 Closing Date against payment in immediately available funds. Definitive certificates for the Series CW2006-1 Notes will not be issued to purchasers except in certain limited circumstances. See “*Administrative Information About the Series CW2006-1 Notes*”.

In the opinion of counsel, the Series CW2006-1 Notes at the date of their issue will not be precluded as investments under certain statutes as set out herein under “*Eligibility for Investment*”.

THE SERIES CW2006-1 NOTES WILL NOT REPRESENT INTERESTS IN OR OBLIGATIONS OF CNH CAPITAL CANADA LTD., ANY SERVICER, THE ADMINISTRATOR, THE TRUSTEE (OTHER THAN IN ITS CAPACITY AS TRUSTEE OF THE TRUST), THE INDENTURE TRUSTEE, THE UNDERWRITERS, THE BENEFICIARIES OF THE TRUST, OR ANY AFFILIATE OF ANY OF THE FOREGOING. NONE OF THESE ENTITIES HAS REPRESENTED OR UNDERTAKEN THAT THE RECEIVABLES OR THE COLLATERAL SECURITY WILL REALIZE THEIR FACE VALUE OR ANY PART THEREOF AND, ACCORDINGLY, NEITHER THE TRUST NOR ITS CREDITORS WILL HAVE ANY CLAIM AGAINST ANY OF THESE ENTITIES FOR ANY DEFICIENCY ARISING IN THE REALIZATION OF THE RECEIVABLES OR THE COLLATERAL SECURITY. THE SERIES CW2006-1 NOTES ARE NOT “DEPOSITS” WITHIN THE MEANING OF THE CANADA DEPOSIT INSURANCE CORPORATION ACT AND NONE OF THE SERIES CW2006-1 NOTES, THE RECEIVABLES OR THE COLLATERAL SECURITY IS INSURED OR GUARANTEED BY THE CANADA DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY.

TABLE OF CONTENTS

	Page		Page
ELIGIBILITY FOR INVESTMENT	1	Events of Default.....	49
DOCUMENTS INCORPORATED BY REFERENCE	2	Sale of Receivables Securing Other Series	49
SUMMARY	4	Sale of Receivables and Remedies—Terms Applicable to All Series	49
TRANSACTION OVERVIEW	10	Meetings	50
INFORMATION ABOUT THE TRUST	11	Voting	50
General	11	Amendments to the Indenture and Indenture Supplements	51
The Trustee	11	Addresses for Notices	52
The Administrator	12	Issuer’s Annual Compliance Statement	53
IMPORTANT PARTIES	12	Satisfaction and Discharge of Indenture	53
CNH Capital Canada Ltd.	12	Exemptive Relief.....	53
CNH Global N.V.	12	Reports	53
Indenture Trustee	13	Additional Series of Notes	53
Backup Servicer	13	THE SALE AND SERVICING AGREEMENT	54
USE OF PROCEEDS	14	Conveyance of Receivables and Collateral Security	54
THE DEALER FLOORPLAN FINANCING BUSINESS	14	Representations and Warranties	55
Creation of Receivables	15	Eligible Accounts and Eligible Receivables	57
Credit Underwriting Process	15	Ineligible Receivables	59
Servicing of Wholesale Portfolio	16	Addition of Accounts	59
Billing, Collection Procedures and Payment Terms	16	Removal of Accounts	61
Revenue Experience	16	Purchase Termination Event	62
Relationship With CNH Capital and CNH Canada	16	Collection Account.....	62
Dealer Monitoring	17	Allocation of Collections; Deposits in Collection Account	63
Sales Out of Trust	17	Defaulted Receivables and Recoveries; Dilutions	64
“Credit Watch” Status	17	Indemnification	65
Repossessions and Repurchases of Equipment and Parts	18	Collection and Other Servicing Procedures	65
THE ACCOUNTS	19	Servicer Covenants.....	66
Composition of Receivables	20	Servicing Compensation and Payment of Expenses	67
THE RECEIVABLES POOL	21	Matters Regarding the Servicer.....	67
Receivables Composition	21	Servicer Default.....	67
Geographic Distribution	22	Backup Servicer	69
Aggregate Principal Receivables Balance Distribution	22	Backup Servicer Account.....	69
CNH CAPITAL’S WHOLESALE PORTFOLIO ACCOUNTS PERFORMANCE HISTORY	23	Reports	70
Loss Experience	23	Evidence as to Compliance	70
Aging Experience	24	Amendments.....	70
Portfolio Monthly Payment Rates	24	LEGAL ASPECTS OF THE RECEIVABLES	71
DESCRIPTION OF THE NOTES	25	Transfer of Receivables.....	71
Interest	26	Matters Relating to Bankruptcy	72
Principal	26	ADMINISTRATIVE INFORMATION ABOUT THE SERIES CW2006-1 NOTES	73
Events of Default	31	MATURITY AND PRINCIPAL PAYMENT CONSIDERATIONS	73
Excess Funding Account	32	RATINGS	74
SOURCES OF FUNDS TO PAY THE NOTES; DEPOSIT AND APPLICATION OF FUNDS	33	RISK FACTORS	76
Deposit and Allocation of Funds	34	PLAN OF DISTRIBUTION	83
Limited Recourse to the Trust; Security for the Notes	34	CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	84
Allocation Percentages	34	Interest	84
Application of Collections to Series CW2006-1	35	Refundable Tax	85
Shared Excess Available Interest Amounts	39	Disposition	85
Shared Excess Available Principal Amounts	39	MATERIAL CONTRACTS	85
Allocation of Excess Principal	39	AUDITORS	86
Reduction and Reinstatement of Series CW2006-1 Security Amount.....	40	PROMOTER	86
Series CW2006-1 Available Subordinated Amount	41	LEGAL MATTERS	86
Series CW2006-1 Yield Reserve Amount.....	44	STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	86
Sale of Receivables	45	AUDITORS’ CONSENT	87
Final Payment of the Series CW2006-1 Notes.....	46	CERTIFICATE OF THE TRUST AND THE PROMOTER	C-1
Collateral For the Series CW2006-1 Notes	47	CERTIFICATE OF THE UNDERWRITERS	C-2
THE INDENTURE; MASTER TRUST PROVISIONS APPLICABLE TO ALL SERIES.....	48	APPENDIX A – INDEX OF DEFINED TERMS	A-1
Issuer Covenants	48		

ELIGIBILITY FOR INVESTMENT

In the opinion of Osler, Hoskin & Harcourt LLP and Davies Ward Phillips & Vineberg LLP, subject to compliance with the prudent investment standards and general investment provisions and restrictions of the statutes referred to below (and, where applicable, the regulations thereunder) and, in certain cases, subject to the satisfaction of additional requirements relating to investment or lending policies, guidelines or goals and, in certain cases, the filing of such policies, guidelines or goals, the Series CW2006-1 Notes offered hereby will not at the date of their issue be precluded as investments under the following statutes:

<i>Bank Act</i> (Canada)	<i>Pension Benefits Act</i> (Ontario)
<i>Cooperative Credit Associations Act</i> (Canada)	<i>Trustee Act</i> (Ontario)
<i>Insurance Companies Act</i> (Canada)	<i>An Act respecting insurance</i> (Québec) (for an insurer (as defined therein) incorporated under the laws of the Province of Québec, other than a guarantee fund)
<i>Pensions Benefits Standards Act, 1985</i> (Canada)	<i>An Act respecting trust companies and savings companies</i> (Québec) (for a trust company (as defined therein) investing its own funds and funds received as deposits, and for a savings company (as defined therein) incorporated under the laws of the Province of Québec, which invests its own funds)
<i>Trust and Loan Companies Act</i> (Canada)	<i>Supplemental Pension Plans Act</i> (Québec)
<i>Financial Institutions Act</i> (British Columbia)	<i>Trustees Act</i> (New Brunswick)
<i>Pension Benefits Standards Act</i> (British Columbia)	<i>Pension Benefits Act</i> (New Brunswick)
<i>Alberta Heritage Savings Trust Fund Act</i> (Alberta)	<i>Trustee Act</i> (Nova Scotia)
<i>Loan and Trust Corporations Act</i> (Alberta)	<i>Pension Benefits Act</i> (Nova Scotia)
<i>Insurance Act</i> (Alberta)	<i>Insurance Companies Act</i> (Newfoundland and Labrador)
<i>Financial Administration Act</i> (Alberta)	<i>Pension Benefits Act, 1997</i> (Newfoundland and Labrador)
<i>Employment Pensions Plans Act</i> (Alberta)	
<i>The Pension Benefits Act, 1992</i> (Saskatchewan)	
<i>The Trust and Loan Corporations Act, 1997</i> (Saskatchewan)	
<i>The Insurance Act</i> (Manitoba)	
<i>The Pensions Benefits Act</i> (Manitoba)	
<i>The Trustee Act</i> (Manitoba)	
<i>Insurance Act</i> (Ontario)	
<i>Loan and Trust Corporations Act</i> (Ontario)	

Based in part on a certificate provided by the Trust as to certain factual matters including the composition of the property of the Trust, the Series CW2006-1 Notes, on the date of issue, will be qualified investments under the current *Income Tax Act* (Canada) (the “Tax Act”) and the regulations under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans and deferred profit sharing plans.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from our administrator, CNH Capital Canada Ltd., c/o CNH Capital America LLC at 100 South Saunders Road, Lake Forest, Illinois, 60045, U.S.A. (847) 735-9200. For the purpose of the Province of Québec, this simplified prospectus contains information to be completed by consulting the permanent information record. A copy of the permanent information record may be obtained from our administrator at the above-mentioned address and telephone number.

The following documents, which have been filed with the various securities commissions and other securities regulatory authorities in each of the provinces of Canada are specifically incorporated by reference into this prospectus:

- (a) the Trust's Annual Information Form dated May 11, 2006;
- (b) the Trust's audited financial statements for the year ended December 31, 2005 and the period ended December 31, 2004, including the auditors' report and management's discussion and analysis of financial condition and results of operations; and
- (c) the Trust's management's discussion and analysis of financial condition and results of operations for the three months ended March 31, 2006.

Any annual information forms, material change reports (excluding confidential reports), comparative annual financial statements and annual filings filed by us with the securities commissions or similar authorities in the provinces of Canada subsequent to the date of this prospectus and prior to the expiry of this prospectus will be deemed to be incorporated by reference into this prospectus.

Except as referenced above, no other document or information is incorporated by reference into or forms part of this prospectus, including without limitation, (i) any information that may be published from time to time on the Bloomberg® Service, including asset-backed securities reports on such service under "abs.go", (ii) the monthly servicer report prepared by the servicer and filed by us on SEDAR, (iii) the annual servicer's compliance certificate prepared by the servicer and filed by us on SEDAR, (iv) the annual accountant's servicing report prepared by our accountants and (v) the annual notice prepared by us and delivered to holders of notes pursuant to the exemption application described below.

Pursuant to an exemptive relief application dated November 26, 2004 under the mutual reliance review system, the Trust is exempt from the requirements to file and deliver quarterly financial statements provided that the Trust (i) within 60 days after the end of each fiscal year of the Trust, provides to noteholders who so request and contemporaneously file on SEDAR modified management's discussion and analysis concerning the Receivables, and (ii) within 140 days after the end of each fiscal year of the Trust, provides to noteholders who so request and contemporaneously file on SEDAR management's discussion and analysis of financial condition and results of operations of the Trust for such fiscal year, the annual servicer's compliance certificate required by the Sale and Servicing Agreement and the annual accountant's servicing report required by the Sale and Servicing Agreement. These reports are available to Series CW2006-1 Noteholders upon request from the indenture trustee, on the Internet at www.cnh.com or on SEDAR at www.sedar.com. See "*The Indenture; Master Trust Provisions Applicable to All Series – Exemptive Relief*" and "*The Sale and Servicing Agreement – Evidence as to Compliance*".

All material information in our monthly servicer reports will be contained in our interim and annual management's discussion and analysis.

Recent amendments to securities laws may require our monthly servicer reports, an annual servicer's compliance certificate prepared by the servicer and an annual accountants' servicing report prepared by our accountants respecting compliance by the servicer with the Uniform Single Attestation Program for Mortgage Bankers, or such other servicing standard acceptable to the provincial securities regulators, to be incorporated by reference in this prospectus. We have requested an exemption from such requirements from the provincial securities regulators. Such exemption would be evidenced by the issuance of a receipt for this prospectus by such regulators.

Any statement contained in this prospectus or in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded, for the purposes of this prospectus, to the extent that a statement contained in this prospectus or in any other subsequently

filed document which also is or is deemed to be incorporated by reference into this prospectus modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not constitute a part of this prospectus, except as so modified or superseded.

SUMMARY

The following summary information should be read in conjunction with the full text of this prospectus and is qualified in its entirety by the more detailed information appearing elsewhere or incorporated by reference in this prospectus. Unless otherwise specified, all references in this prospectus to "\$" or "dollars" are to Canadian dollars. Certain terms defined in this summary are defined elsewhere in this prospectus on the pages indicated in the Index of Defined Terms attached hereto as Appendix A.

The Parties

- Issuer:** CNH Capital Canada Wholesale Trust, a trust established by the trustee under the laws of Ontario (herein referred to as "we", "us" or the "Trust"). We are a master trust that issues securities and other obligations to finance the acquisition of financial assets from CNH Capital Canada Ltd.
- Trustee:** The Canada Trust Company, a trust company established under the laws of Canada and licensed to carry on the business of a trust company in all provinces and territories of Canada, will act as our trustee.
- Seller:** CNH Capital Canada Ltd. ("CNH Capital" or the "seller"), a corporation formed under the laws of Alberta will be the seller of the Receivables to us.
- Administrator:** CNH Capital will act as our administrator. The administrator is an indirect wholly-owned subsidiary of CNH Global N.V.
- Servicer:** CNH Capital will be the servicer of the Receivables.
- Backup Servicer:** Systems & Services Technologies, Inc., a Delaware corporation and an affiliate of JPMorgan Chase Bank, has been retained to be the backup servicer of the Receivables. See "The Sale and Servicing Agreement — Backup Servicer".
- Indenture Trustee:** BNY Trust Company of Canada (the "indenture trustee"), a trust company established under the laws of Canada and licensed to carry on the business of a trust company in all provinces and territories of Canada or exempt from such requirements, will act as our indenture trustee.
- Promoter:** CNH Capital has taken the initiative in organizing our business and as such may be considered our "promoter" within the meanings of the securities legislation of certain provinces of Canada.

See "Information About the Trust", "Important Parties" and "Promoter".

The Offering

Series CW2006-1 Notes: We will issue the following Series CW2006-1 Notes under this prospectus:

	<u>Initial Principal Balance</u>	<u>Annual Interest Rate</u>
Class A	\$175,598,000	One Month CDOR plus 0.17%
Class B	\$14,402,000	One Month CDOR plus 0.65%

Use of Proceeds: The proceeds of the offering will be used by us as follows: (i) to reduce the amount outstanding under the Series CW2004-4 Notes, (ii) to make the initial deposit to the Reserve Fund, and (iii) the remainder will be paid by us to the seller in partial payment of the

purchase price for the Receivables and the related Collateral Security. See *“Use of Proceeds”*.

**Series CW2006-1
Security Amount:**

Initial Series CW2006-1 Security Amount.....	\$227,367,585
Initial Series CW2006-1 Collateral Amount.....	\$190,000,000
Initial Series CW2006-1 Available Subordinated Amount.....	\$33,567,585
Initial Series CW2006-1 Yield Reserve Amount.....	\$3,800,000

The Series CW2006-1 Security Amount will equal the sum of (a) the Series CW2006-1 Collateral Amount, (b) the Series CW2006-1 Available Subordinated Amount, and (c) the Series CW2006-1 Yield Reserve Amount. The Series CW2006-1 Security Amount, the Series CW2006-1 Collateral Amount and the Series CW2006-1 Available Subordinated Amount may be reduced and reinstated as described under *“Sources of Funds to Pay the Notes; Deposit and Application of Funds—Reduction and Reinstatement of Series CW2006-1 Security Amount”*. The Series CW2006-1 Yield Reserve Amount may be increased or decreased as described under *“Sources of Funds to Pay the Notes; Deposit and Application of Funds—Series CW2006-1 Yield Reserve Amount”*.

The Accounts:

The Accounts under which the Receivables have been or will be generated are revolving credit agreements entered into by CNH Capital with dealers to finance the purchase of new and used agricultural and construction:

- equipment and parts inventories;
- equipment for their rental business; and
- equipment that is rented on a rent-to-own basis.

Additional accounts may be designated by the seller to be included in the Trust or to be removed from such designation. See *“The Accounts”* and *“The Sale and Servicing Agreement—Eligible Accounts and Eligible Receivables”*, *“—Addition of Accounts”* and *“—Removal of Accounts”*.

The Receivables:

The Receivables consist of advances made or credit extended, directly or indirectly, by CNH Capital to Canadian agricultural and construction equipment and parts dealers to finance the dealers’ purchase of agricultural and construction equipment and parts and to finance the dealers’ rent-to-own programs as well as purchases of equipment for the dealers’ rental businesses. See *“The Dealer Floorplan Financing Business”*.

Collateral:

We have granted to the indenture trustee for the benefit and security of each noteholder, certain enhancement providers, the servicer, the seller and the indenture trustee, a security interest in all of our property, including the Receivables and the Collateral Security, collections and recoveries related to the Receivables, all permitted investments, all rights under contracts to which we are a party, all insurance proceeds, all proceeds of any derivative agreements and any proceeds of the foregoing. This security interest is granted to secure certain of our obligations to such parties equally and rateably without prejudice, priority or distinction. However, particular notes and enhancement agreements, including the Series CW2006-1 Notes, benefit from this security interest only to the extent collections on and proceeds of the collateral securing the security interest are allocated for their benefit pursuant to the indenture and the related indenture supplement. In the case of the Series CW2006-1 Notes, the benefit of the security interest is limited to:

- a shared security interest in the Receivables and the Collateral Security securing an amount equal to the Series CW2006-1 Security Amount;
- a share of the principal collections, interest collections and other funds and proceeds

collected or to be collected in respect of the Receivables and Collateral Security;

- a shared security interest in all our rights, remedies, powers and claims under the Sale and Servicing Agreement;
- a share of the funds or permitted investments on deposit in the Collection Account and the Excess Funding Account and all funds or permitted investments on deposit in the Reserve Fund, the Interest Funding Account and the Principal Funding Account; and
- all proceeds of the foregoing.

In addition, collections that are allocated to other series of notes issued by us may also be available to make payments on the Series CW2006-1 Notes under certain limited circumstances. See *“Sources of Funds to Pay the Notes; Deposit and Application of Funds—Collateral for the Series CW2006-1 Notes”*.

Interest Payment Dates: Interest on the Series CW2006-1 Notes will be payable on the 15th day of each month, unless the 15th day is not a business day, in which case the payment will be made on the following business day. The first interest payment date will be on September 15, 2006.

Interest Rate: Class A Notes - One Month CDOR plus 0.17% per year.
Class B Notes - One Month CDOR plus 0.65% per year.
Interest will be calculated on the basis of the actual number of days in the applicable interest period divided by 365. See *“Description of the Notes—Interest”*.

Scheduled Final Payment Date: We expect to pay the principal of the Series CW2006-1 Notes in full on August 17, 2009 (the **“Series CW2006-1 Scheduled Final Payment Date”**). However, under certain circumstances we may pay principal earlier or later or in reduced amounts. See *“Description of the Notes—Principal”* and *“Maturity and Principal Payment Considerations”*.

Series Final Maturity Date: We will be obligated to pay the principal amount of the Series CW2006-1 Notes, to the extent not previously paid, by August 15, 2012 (the **“Series Final Maturity Date”**). Recourse for this obligation is limited to an amount not to exceed the Series CW2006-1 Security Amount. See *“Description of the Notes—Principal”*.

Revolving Period: During the Revolving Period, we will not pay principal on the Series CW2006-1 Notes or accumulate principal for that purpose. Instead, we will use the Series CW2006-1 share of available principal amounts (other than yield reserve collections) to make principal payments on other series of notes issued by us and/or pay them to the seller, and/or in certain circumstances, to cover interest shortfalls on the Series CW2006-1 Notes, trustee fee and servicing fee shortfalls and required deposits into the Reserve Fund and the Excess Funding Account.

The Revolving Period will begin at the close of business on the Series CW2006-1 Closing Date and will end when the Accumulation Period or the Early Amortization Period begins. See *“Description of the Notes—Principal”*.

Accumulation Period: We will accumulate principal for the Series CW2006-1 Notes during the Accumulation Period unless an Early Amortization Period that is not terminated begins before the start of the Accumulation Period. The latest date on which the Accumulation Period will commence is July 1, 2009. During the Accumulation Period we will accumulate the Series CW2006-1 share of principal collections for payment on the Series CW2006-1 Scheduled Final Payment Date. If a Series CW2006-1 Early Amortization Event occurs and is not cured during the Accumulation Period, the Accumulation Period will end and an Early Amortization Period will begin. See *“Description of the Notes—Principal”*.

Early Amortization Period: If a Series CW2006-1 Early Amortization Event occurs and is not cured, Series CW2006-1 Noteholders will begin to receive payments of principal. We refer to this period after the occurrence of a Series CW2006-1 Early Amortization Event as the “Early Amortization Period”. Series CW2006-1 Early Amortization Events are events that might adversely affect our ability to make payments on the Series CW2006-1 Notes as originally expected. See *“Description of the Notes—Principal—Early Amortization Period”* for a description of the

events that might cause an Early Amortization Period to start.

Credit Enhancement:

Subordination of Seller's Indebtedness:

A portion of the Seller's Indebtedness equal to the Series CW2006-1 Available Subordinated Amount is subordinated to the Series CW2006-1 Notes to the extent described in this prospectus. The Series CW2006-1 Available Subordinated Amount will initially be \$33,567,585, but may be reduced and increased from time to time. See "*Sources of Funds to Pay the Notes; Deposit and Application of Funds—Series CW2006-1 Available Subordinated Amount*". This subordinated amount is intended to protect the Series CW2006-1 Noteholders from the effect of (i) charge-offs on Defaulted Receivables owned by us and uncovered dilution amounts that are allocated to Series CW2006-1 Notes, and (ii) any reallocations of available principal amounts to pay interest on the Series CW2006-1 Notes, monthly trustee and servicing fees or to make required deposits to the Reserve Fund.

The Series CW2006-1 Available Subordinated Amount will be reduced to the extent it is actually used to provide such protection but may later be reinstated to the extent that excess interest collections are available to compensate for these prior uses.

Reductions in the Series CW2006-1 Available Subordinated Amount will result in a reduced amount of collections that are available to make payments on the Series CW2006-1 Notes. If the Series CW2006-1 Available Subordinated Amount is reduced to zero, then those reallocations, uncovered dilution amounts and charge-offs will instead reduce the Series CW2006-1 Collateral Amount, and you may incur a loss on your Series CW2006-1 Notes.

Reserve Fund:

On the Series CW2006-1 Closing Date, we will deposit \$2,850,000 into the Reserve Fund for the Series CW2006-1 Notes. The Reserve Fund Required Amount for any payment date will equal 1.50% of the initial outstanding principal balance of the Series CW2006-1 Notes; provided that, if the average of the Monthly Payment Rates for the three preceding Monthly Periods is (a) less than 10.00% for any Determination Date falling in the months of February through April, or (b) less than 14.00% for any Determination Date falling in the months of May through January, then the Reserve Fund Required Amount for any payment date will equal 2.00% of the initial outstanding principal balance of the Series CW2006-1 Notes. From the period beginning on the payment date preceding the Accumulation Period through the last payment date occurring in the Accumulation Period, an additional 25.00% of that Reserve Fund Required Amount will be required to be deposited from interest collections into the Reserve Fund, but only to the extent available therefor. Amounts on deposit in the Reserve Fund will be available to pay monthly interest due on the Series CW2006-1 Notes and the monthly trustee and servicing fees. In addition, during any Early Amortization Period, amounts on deposit in the Reserve Fund will be available to cover charge-offs on Defaulted Receivables and uncovered dilution amounts.

Subordination of the Class B Notes:

The subordination of the Class B Notes to the Class A Notes as described in this prospectus will provide additional credit enhancement for the Class A Notes.

Excess Collections:

Collections allocable to other series of notes issued by us, to the extent not needed to make payments for those other series, will be applied to make interest and/or principal payments on the Series CW2006-1 Notes and other series of notes issued by us then entitled to interest and/or principal payments.

See "*Sources of Funds to Pay the Notes; Deposit and Application of Funds*".

Series CW2006-1 Yield Reserve Amount:

The Series CW2006-1 Security Amount will include the Series CW2006-1 Yield Reserve Amount. The Series CW2006-1 Yield Reserve Amount is an allocation of principal Receivables to Series CW2006-1 that will generate additional principal collections for Series CW2006-1 to augment the interest collections available to Series CW2006-1 should CNH Canada, Ltd. (“CNH Canada”) or any other applicable manufacturers fail to pay to CNH Capital any required interest payments to be paid in reimbursement of interest subsidies or interest-free periods extended by CNH Capital to dealers at the request of CNH Canada or such manufacturers. This Series CW2006-1 Yield Reserve Amount will initially be \$3,800,000 (2.00% of the initial Series CW2006-1 Collateral Amount) and will be subject to increase or decrease as described herein. See “*Sources of Funds to Pay the Notes; Deposit and Application of Funds—Application of Collections to Series CW2006-1—Series CW2006-1 Yield Reserve Amount*”. The additional principal collections allocable to or derived from the Series CW2006-1 Yield Reserve Amount will be treated as interest collections allocable to Series CW2006-1 and applied to make payment of the amounts payable or distributable by us on each payment date as discussed under “*Sources of Funds to Pay the Notes; Deposit and Application of Funds—Application of Collections to Series CW2006-1—Interest Collections Allocated to Series CW2006-1*”.

Monthly Servicing Fee:

The monthly servicing fee for Series CW2006-1 is the product of 1/12 of 1.00% times the Series CW2006-1 Collateral Amount, or less if the servicer waives any portion of the monthly servicing fee on any date. For so long as CNH Capital or any of its affiliates is the servicer, the monthly servicing fee will be zero.

Backup Servicing Fee:

The backup servicing fee payable to the backup servicer each month is an amount in U.S. dollars which is equal to the greater of (a) 1/12 of 0.02% of the Pool Balance as of the first day of the Monthly Period, or (b) \$4,000, plus any applicable taxes.

Other Series of Notes:

On July 22, 2004, the Trust issued (i) \$150,000,000 aggregate principal amount of Floating Rate Class A Wholesale Receivables-Backed Notes, Series CW2004-1 (the “**CW2004-1 Class A Notes**”) and \$12,303,000 aggregate principal amount of Floating Rate Class B Wholesale Receivables-Backed Notes, Series CW2004-1 (the “**CW2004-1 Class B Notes**”) and together with the CW2004-1 Class A Notes, the “**Series CW2004-1 Notes**”) to the public pursuant to a short-form prospectus dated July 14, 2004, (ii) \$175,000,000 aggregate principal amount of Floating Rate Class A Wholesale Receivables-Backed Notes, Series CW2004-2 (the “**CW2004-2 Class A Notes**”) and \$14,353,000 aggregate principal amount of Floating Rate Class B Wholesale Receivables-Backed Notes, Series CW2004-2 (the “**CW2004-2 Class B Notes**”) and together with the CW2004-2 Class A Notes, the “**Series CW2004-2 Notes**”) to the public pursuant to a short-form prospectus dated July 14, 2004, and (iii) \$160,000,000 aggregate principal amount of Variable Funding Wholesale Receivables-Backed Notes, Series CW2004-3 (the “**Series CW2004-3 Notes**”) on a private placement basis in reliance upon exemptions from the prospectus and dealer requirements of applicable securities laws in Canada pursuant to a note purchase agreement dated July 22, 2004. It is expected that the Series CW2004-1 Notes will be redeemed in full on August 15, 2006 which is their scheduled final payment date.

On August 15, 2005, the Trust issued \$146,000,000 aggregate principal amount of Variable Funding Wholesale Receivables-Backed Notes, Series CW2004-4 Notes (the “**Series CW2004-4 Notes**”) on a private placement basis in reliance upon exemptions from the prospectus requirements of applicable securities laws in Canada pursuant to a note purchase agreement dated August 15, 2005. The Series CW2004-4 facility limit is \$250,000,000. The proceeds received upon the issuance of the Series CW2004-4 Notes on August 15, 2005 were applied by the Trust to redeem the issued and outstanding Series CW2004-3 Notes in full on August 15, 2005.

From time to time, we may issue additional series of notes secured by our assets. See “*The Indenture; Master Trust Provisions Applicable to All Series—Additional Series of Notes*”.

Allocation of Collections:

The servicer will collect payments on the Receivables. The servicer will allocate interest collections and principal collections received, charge-offs on Defaulted Receivables and

uncovered dilution amounts among:

- the Series CW2006-1 Notes;
- other outstanding series of notes that we have issued; and
- the seller.

The amounts allocated to the Series CW2006-1 Notes will be determined based generally on the size of the Series CW2006-1 Security Amount compared with the aggregate balance of principal Receivables held by us, or if greater, the sum of the series security amounts of all series of notes that have been issued by us. If the Series CW2006-1 Security Amount declines, amounts allocated and available to make required distributions and deposits for the Series CW2006-1 Notes and to make required payments thereon may be reduced. For a description of the allocation calculations and the events that may lead to these reductions, see *“Sources of Funds to Pay the Notes; Deposit and Application of Funds—Reduction and Reinstatement of Series CW2006-1 Security Amount—Reduction”*.

Ratings of the Notes:

We will not issue any Series CW2006-1 Notes unless the Class A Notes are rated “AAA” by Dominion Bond Rating Service Limited (“**DBRS**”) and Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies, Inc. (“**S&P**”) and “Aaa” by Moody’s Investors Services, Inc. (“**Moody’s**”), and the Class B Notes are rated “A” by DBRS, “A-” by S&P and “A2” by Moody’s. A rating is not a recommendation to purchase, hold or sell Series CW2006-1 Notes, since the rating does not comment as to market price or suitability for a particular investor. The ratings of the Series CW2006-1 Notes address the likelihood of the timely payment of interest on, and the ultimate repayment of principal of, the Series CW2006-1 Notes according to their terms. See *“Ratings”*.

Risk Factors:

An investment in Series CW2006-1 Notes involves material risks. See *“Risk Factors”*.

Indenture:

We and the indenture trustee are parties to a trust indenture (the “**indenture**”) which provides for the creation and issuance by us of notes and other securities for the purposes of financing the acquisition of the Receivables and related Collateral Security from CNH Capital. The Series CW2006-1 Notes will be created and issued pursuant to a supplemental indenture (the “**indenture supplement**”) to the indenture. See *“The Indenture; Master Trust Provisions Applicable to All Series”*.

Exemptive Relief:

Pursuant to an exemptive relief application dated November 26, 2004 under the mutual reliance review system, the Trust is exempt from the requirements to file and deliver quarterly financial statements provided that the Trust (i) within 60 days after the end of each fiscal year of the Trust, provides to noteholders who so request and contemporaneously file on SEDAR modified management’s discussion and analysis concerning the Receivables, and (ii) within 140 days after the end of each fiscal year of the Trust, provides to noteholders who so request and contemporaneously file on SEDAR management’s discussion and analysis of financial condition and results of operations of the Trust for such fiscal year, the annual servicer’s compliance certificate required by the Sale and Servicing Agreement and the annual accountant’s servicing report required by the Sale and Servicing Agreement. These reports are available to Series CW2006-1 Noteholders upon request from the indenture trustee, on the Internet at www.cnh.com or on SEDAR at www.sedar.com. See *“The Indenture; Master Trust Provisions Applicable to All Series – Exemptive Relief”* and *“The Sale and Servicing Agreement – Evidence as to Compliance”*.

Monthly Reporting:

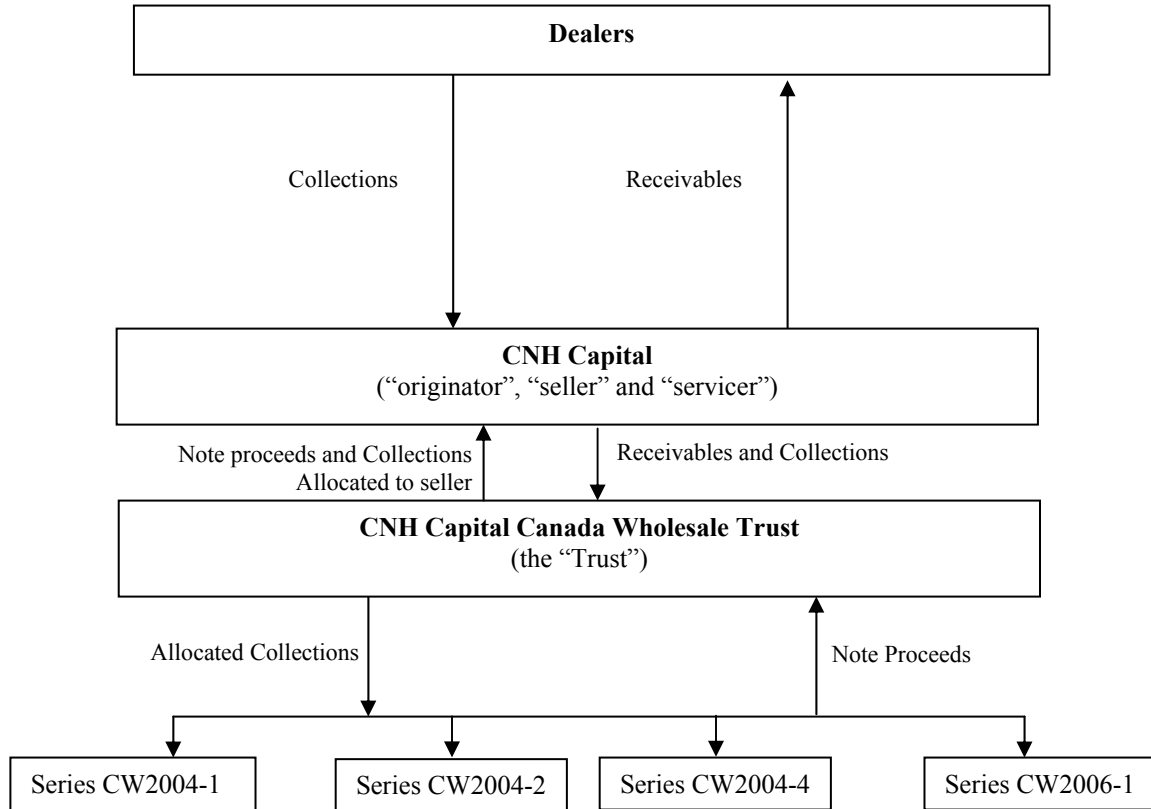
Monthly reports containing information on the Series CW2006-1 Notes and the Collateral Security will be available to Series CW2006-1 Noteholders upon request from the indenture trustee, on the Internet at www.cnh.com or on SEDAR at www.sedar.com. See *“The Indenture; Master Trust Provisions Applicable to All Series—Reports”*.

Series CW2006-1 Closing Date:

July 28, 2006 or such other date as we and the Underwriters agree but, in any event, not later than August 4, 2006.

TRANSACTION OVERVIEW

(This Chart provides only a simplified overview of the transaction described in this prospectus. Carefully read this entire prospectus for a further description.)



INFORMATION ABOUT THE TRUST

General

We are a master trust that exists for the exclusive purposes of:

- (a) acquiring, holding, managing and disposing of our assets, including the proceeds of these assets;
- (b) issuing asset-backed securities and entering into hedging contracts and credit enhancement arrangements;
- (c) making payments on our securities, hedging agreements and credit enhancements; and
- (d) engaging in other activities that are necessary or incidental to accomplish these limited purposes.

Our assets will consist of any and all assets which have been transferred, conveyed and paid to, or acquired by, us including all right, title and interest in:

- (a) Receivables existing in the Accounts from time to time, but excluding Receivables in any Accounts that are removed from our assets from time to time;
- (b) all funds collected or to be collected in respect of those Receivables;
- (c) our rights and remedies under the Sale and Servicing Agreement;
- (d) any credit enhancement issued with respect to any particular series or class of notes;
- (e) a security interest in the financed equipment and parts and any other Collateral Security and any proceeds of that collateral;
- (f) derivative agreements that, subject to the terms of the related indenture supplement, we have entered into or may enter into to manage interest rate or currency risk relating to a specific class or classes of notes; and
- (g) our bank accounts.

The activities in which we are permitted to engage may not be amended without the consent of Noteholders (other than our affiliates as Noteholders) evidencing not less than a majority of the outstanding principal amount of the notes held by parties exclusive of us and our affiliates.

The Trustee

The Canada Trust Company acts as our trustee under a declaration of trust made as of April 30, 2004 under the laws of Ontario. The trustee is a trust company established under the laws of Canada and is licensed to carry on business as a trustee in each of the provinces and territories of Canada. The office of the trustee from which the Trust will be administered is located at 79 Wellington Street West, 8th Floor, TD Waterhouse Tower, Toronto, Ontario M5K 1A2. In the ordinary course of its business, the trustee and its affiliates have engaged and may in the future engage in commercial banking or other financial advisory or fiduciary transactions with CNH Global N.V. and its affiliates.

The liability of the trustee in connection with the issuance and sale of the Series CW2006-1 Notes and any other related securities will generally be limited solely to our assets under the declaration of trust and other related agreements.

The trustee may resign after giving 60 days' written notice (or shorter notice, if acceptable) to the indenture trustee, the administrator and the rating agencies rating our securities. The administrator may remove the trustee at any time if a material conflict of interest arises in the trustee's role as our trustee and such material conflict of interest is not eliminated within 90 days after the trustee becomes aware of it. If the trustee is dissolved, becomes bankrupt or insolvent, goes into liquidation, resigns, is removed or otherwise becomes incapable of acting, the administrator may appoint an eligible successor trustee. If this does not occur upon the resignation by the trustee, the resigning trustee may apply to an Ontario court to appoint an eligible successor trustee.

No resignation or removal of the trustee will become effective until a successor trustee has accepted its appointment.

The Administrator

CNH Capital Canada Ltd. acts as our administrator pursuant to an administration agreement with us. The administrator performs on our behalf certain administrative activities required by agreements relating to offerings of our securities. As compensation for the performance of the administrator's obligations under the administration agreement and as reimbursement for its related expenses, in each case, with respect to our securities, the administrator is entitled to a quarterly administration fee in an amount equal to \$500 plus any applicable taxes per outstanding series of notes.

IMPORTANT PARTIES

CNH Capital Canada Ltd.

CNH Capital Canada Ltd. (formerly Case Credit Ltd.) ("**CNH Capital**" or the "**seller**") is a corporation formed under the laws of Alberta. CNH Capital is an indirect wholly-owned finance subsidiary of CNH Global N.V. CNH Capital provides wholesale, retail and lease financing services to dealers and customers in connection with the agricultural and industrial equipment operations of CNH Canada, Ltd. ("**CNH Canada**") and other manufacturers.

On May 1, 2005, Case Credit Ltd. ("**Case Credit**"): (i) changed its name to CNH Capital Canada Ltd.; and (ii) purchased the partnership interest of CNH Canada in New Holland (Canada) Credit Company ("**New Holland Credit**"). Accordingly, as of such date CNH Capital owned all of the interest in New Holland Credit and, as a result, New Holland Credit no longer exists as a partnership and CNH Capital has succeeded to all of the assets and liabilities of New Holland Credit. Some of the Receivables included in the Accounts were previously originated by New Holland Credit and sold to Case Credit, who then sold them to us. References in this prospectus to CNH Capital include CNH Capital in its capacity as the successor entity to New Holland Credit.

CNH Capital is the originator of the Receivables. CNH Capital provides and administers financing for the retail purchase or lease of new and used agricultural, construction and other equipment. CNH Capital also provides various financing options to dealers for a variety of purposes, including inventory, working capital, real estate acquisitions, construction and remodelling, business acquisitions, dealer systems and service and maintenance equipment. CNH Capital also buys, sells and leases or rents new and used agricultural and construction equipment from and to dealers and other third parties.

CNH Capital offers a broad variety of financing options through dealers to end-use customers for the retail sale of CNH Global N.V.'s agricultural and construction equipment, used equipment accepted by dealers in trade and equipment of other manufacturers stocked and sold by dealers.

CNH Global N.V.

CNH Global N.V. ("**CNH**"), formerly New Holland N.V., is incorporated in The Netherlands under Dutch law. CNH combines the operations of New Holland N.V. and CNH America LLC, formerly Case Corporation, as a result of a business merger on November 12, 1999. When we refer to CNH in this prospectus, we are referring to CNH and its consolidated subsidiaries.

CNH believes that it is one of the largest manufacturers of agricultural equipment in the world based on units sold, one of the largest manufacturers of construction equipment based on units sold and has one of the industry's largest equipment finance operations. CNH organizes its operations into three business segments: agricultural equipment, construction equipment and financial services. CNH's global scope and scale includes integrated engineering, manufacturing, marketing and distribution of equipment on five continents.

In agricultural equipment, CNH believes it is one of the leading global manufacturers of agricultural tractors and combines based on units sold and it also has leading positions in hay and forage equipment and specialty harvesting equipment. In construction equipment, CNH has leading positions in backhoe loaders and in skid steer loaders in North America and a leading position in crawler excavators in Western Europe. In addition, CNH provides a complete range of replacement parts and services to support its equipment.

CNH believes that it is the most geographically diversified manufacturer and distributor of agricultural equipment in the industry. CNH's broad manufacturing base includes facilities in Europe, Latin America, North America, China and India. CNH markets its products globally through its highly recognized Case Construction, Case IH, New Holland, New Holland Construction and Kobelco brand names. CNH manufactures its products in 39 facilities throughout the world and distributes its products in over 160 countries through an extensive network of approximately 11,000 dealers and distributors.

In North America, CNH offers a range of financial services products through its financial services companies, including retail financing for the purchase or lease of new and used CNH and other equipment manufacturers' products and other retail financing programs. To facilitate the sale of its products, CNH offers wholesale financing to dealers. Wholesale financing consists primarily of floor plan financing and allows dealers to maintain a representative inventory of products. CNH's retail financing alternatives are intended to be competitive with financing available from third parties. In addition, CNH offers retail financing in Brazil and Australia through wholly-owned subsidiaries and in Western Europe through a joint venture with a major European bank.

Indenture Trustee

BNY Trust Company of Canada is the indenture trustee. See "*The Indenture; Master Trust Provisions Applicable to All Series*". The indenture trustee is a trust company established under the laws of Canada and is licensed to carry on business as a trustee in each of the provinces and territories of Canada or is exempt from such requirements. The head office of the indenture trustee is 1101-4 King Street West, Toronto, Ontario M5H 1B6. In the ordinary course of its business, the indenture trustee and its affiliates have engaged and may in the future engage in commercial banking or other financial advisory or fiduciary transactions with CNH and its affiliates.

The liability of the indenture trustee in connection with the issuance and sale of the Series CW2006-1 Notes and any other related securities will be limited solely to its express obligations under the indenture and other related agreements.

The indenture trustee may resign at any time upon written notice to us. If an instrument of acceptance by a successor indenture trustee is not delivered to the indenture trustee within 30 days of the giving of such notice, the resigning indenture trustee may petition a court for the appointment of a successor indenture trustee. The indenture trustee may be removed with respect to any series or class of notes at any time by act of the majority noteholders of that series or class. In addition, we may also remove, and certain noteholders may petition a court to remove, the indenture trustee if the indenture trustee is no longer eligible or capable to act as trustee under the indenture, if the indenture trustee becomes insolvent, or if a material conflict of interest arises in the indenture trustee's role as our indenture trustee and such material conflict of interest is not eliminated within 90 days after the indenture trustee becomes aware of it. In all circumstances, we must appoint a successor indenture trustee for the notes. Any resignation or removal of the indenture trustee and appointment of a successor indenture trustee will not become effective until the successor indenture trustee accepts the appointment.

Backup Servicer

The backup servicer is Systems & Services Technologies, Inc., a Delaware corporation and an affiliate of JPMorgan Chase Bank, and their office is located at 4315 Pickett Road, St. Joseph, Missouri 64503.

USE OF PROCEEDS

The net proceeds from the sale of the Series CW2006-1 Notes will be \$190,000,000. We will apply the net proceeds from the sale of the Series CW2006-1 Notes (i) to reduce the amount outstanding under the Series CW2004-4 Notes, (ii) to make the initial deposit in the Reserve Fund, and (iii) the remainder will be paid by us to the seller in partial payment of the purchase price of the Receivables and related Collateral Security under the Sale and Servicing Agreement.

THE DEALER FLOORPLAN FINANCING BUSINESS

The Receivables that have been and will be transferred to us by the seller are or will be direct or indirect extensions of credit or advances, known as "**wholesale**" or "**floorplan**" financing, made by CNH Capital to Canadian domestic agricultural and construction equipment and parts dealers (including credit or instalment sales made by CNH Canada to the dealers and purchased by CNH Capital and credit or instalment sales made by CNH Canada to such dealers that are serviced and administered by the seller). Some dealers may be affiliated with CNH Capital. These extensions of credit or advances are used by a dealer to:

- (a) purchase new and used agricultural and construction equipment and parts manufactured or distributed by CNH Canada and other manufacturers pending sale to retail buyers;
- (b) purchase agricultural and construction equipment for its equipment rental business; or
- (c) place agricultural and construction equipment in the dealer's rent-to-own program.

Receivables are secured by the related agricultural or construction equipment and/or parts sold to the dealers. In most cases, the Receivables are also guaranteed by one or more of the dealer's principals, affiliates or investors. The guarantors may also guarantee other obligations not held by us. With respect to any guarantees and obligations of the dealer that are not Receivables, in the Sale and Servicing Agreement the seller will grant to us an undivided participation interest in such guarantees and obligations, but solely to the extent necessary to enforce the obligations of the related dealer under the Receivables, and the seller will agree to subordinate its undivided participation interest in the foregoing Collateral Security to that granted to us by the seller.

CNH Capital is often the primary wholesale financing source for CNH dealers in Canada. CNH agricultural and construction equipment for which CNH Capital provides wholesale financing includes agricultural and construction equipment manufactured under CNH's highly recognized Case Construction, Case IH, New Holland, New Holland Construction and Kobelco brand names. CNH Capital has extended credit lines to CNH dealers that also sell non-CNH equipment and/or parts.

Equipment financed by any dealer under the floorplan program is categorized by CNH Capital, under its policies and procedures, as new equipment or used equipment. Currently, new equipment consists of agricultural and construction equipment which has not been sold to an end user and registered for warranty, and used equipment consists of any equipment other than new equipment. For instance, used equipment includes:

- (a) trade-ins:
 - (i) received by a dealer from a customer; or
 - (ii) purchased by CNH Canada from a terminated dealer and then sold to another dealer;
- (b) repossessed equipment from a retail customer and returned to a dealer;
- (c) equipment used for testing or other purposes by CNH and then sold to a dealer; and
- (d) equipment purchased by a dealer from an auction.

New equipment and used equipment may be categorized differently in the future based on CNH Capital's practices and policies.

Creation of Receivables

CNH Capital finances 100.00% of the wholesale invoice price of new equipment and parts, including destination or shipping charges, as applicable, and goods and services and other similar taxes. With respect to used equipment, CNH Capital may finance some or all of the cost of the equipment to the dealer, including destination or shipping charges and goods and services and other similar taxes. For the purpose of valuing trade-ins, CNH Capital estimates the fair market value of such equipment based primarily on industry recognized valuation guides. CNH Capital originates Receivables relating to CNH-manufactured equipment and parts and other equipment and parts distributed by CNH authorized dealers concurrently with, or shortly after, the shipment of the equipment or parts to the financed dealer. Used equipment, other than some trade-ins, may have additional requirements before the dealer can receive any financing for the equipment. For example, the equipment may be required to be physically on the dealer's lot and specific documentation also may be required.

Once a dealer has commenced the floorplanning of a manufacturer's equipment and parts through CNH Capital, CNH Capital will usually be the primary source of financing for purchases of agricultural and construction equipment and parts by the dealer from the manufacturer.

A dealer may on occasion transfer equipment to another dealer. If such a transfer occurs, a new receivable will arise with respect to the dealer acquiring the equipment and the proceeds of that new receivable will be used to pay off the related existing receivable owed by the dealer that will be sending the equipment to the acquiring dealer.

Credit Underwriting Process

CNH Capital extends credit to dealers from time to time based upon established credit lines. Dealers may request lines of credit to finance purchases of new and used agricultural and construction equipment and parts. Dealers that have new equipment lines of credit may be considered for used equipment and parts credit lines. New equipment credit lines relate to new equipment, rental equipment credit lines relate to new/used equipment for dealers' rental businesses, used equipment credit lines relate to used equipment, and miscellaneous credit lines relate to parts and other charges for items like service manuals, advertising and other non-equipment charges. The maximum amounts available under these credit lines are guidelines only, and CNH Capital has the flexibility to allow dealers to temporarily exceed those guidelines.

A new dealer requesting the establishment of a new equipment, rental equipment, used equipment, or miscellaneous credit line with CNH Capital must submit an application to CNH Capital's finance office. After receipt of the application, the finance office investigates the prospective dealer. The finance office reviews the prospective dealer's credit reports, bank references and financial statements and evaluates the dealer's marketing capabilities, start-up financial resources and credit requirements. When an existing dealer requests the establishment of a new equipment, used equipment, rental equipment or miscellaneous credit line, the finance office reviews the dealer's credit reports and financial statements, including the experience of the dealer's current financing source, and bank references. Further, the finance office investigates the dealer's current state of operations and management, including evaluating credit references, and marketing capabilities. For credit lines within a finance office's approval limits, that office either approves or disapproves the dealer's request. For credit lines in excess of a finance office's approval limits, that office transmits the requisite documentation to an individual with the appropriate approval authority for approval or disapproval. CNH Capital applies the same underwriting standards for dealers selling equipment not manufactured by CNH.

Upon approval, dealers execute a financing agreement with CNH Capital. This agreement provides CNH Capital a first priority security interest in the equipment and parts and possibly other collateral. Under these agreements, CNH Capital requires the dealers to maintain physical loss or damage insurance coverage for each piece of equipment/parts for which it provided floorplan financing, and liability insurance with respect to equipment in a rent-to-own program or purchased by a dealer for its rental business, in amounts satisfactory to CNH Capital, with CNH Capital designated as loss payee.

The size of a credit line initially offered to a dealer is based upon the dealer's sales record, or, in the case of a prospective dealer, its expected annual sales, the dealer's effective net worth, utilization of existing credit lines, and inventory turnover. The amounts of a dealer's credit lines are reviewed on a regular basis, which is usually annually, and adjusted when appropriate by CNH Capital.

Servicing of Wholesale Portfolio

CNH Capital currently services the wholesale portfolios owned or serviced by it through its office located in Racine, Wisconsin.

Billing, Collection Procedures and Payment Terms

CNH Capital prepares and distributes each month to each related dealer a statement setting forth billing and related account information. CNH Capital generates each dealer's billing statements near the end of each month and mails them out several days later. Interest and other non-principal charges must be paid by the tenth day of each month. The interest accrual period for a dealer can range from 28 to 35 days. CNH Capital bills interest and handling fees and insurance in arrears. Upon the sale of equipment for which it has provided floorplan financing, CNH Capital is entitled to receive payment in full of the related advance by the earlier of seven days and the end of the month in which such sale took place. Payment in full of the related advance with respect to parts is due at such time as is provided in the related invoice. Dealers remit payments by cheque directly to CNH Capital's finance office or electronically via an electronic funds transfer system maintained by the finance office.

Interest-free financing is generally available to dealers for all new and used equipment and parts. Parts have interest-free financing until the first day of the following month if the parts invoice is generated before the dealer statement date. Generally, payment schedules are interest bearing for equipment that has been purchased by a dealer for its rental business. During any interest-free period, CNH Canada or any other applicable manufacturer of the equipment or parts will make interest subsidy payments to CNH Capital at a rate comparable to what the dealer is obligated to pay during the period in which the dealer is responsible for paying interest.

Revenue Experience

CNH Capital usually charges dealers interest at a floating rate based on the rate designated as the "prime rate" from time to time by financial institutions selected by CNH Capital, plus a designated spread ranging from 0.00% to 3.50% on new and used equipment or parts. The prime rate can be changed by CNH Capital on a weekly basis and is applied to all balances outstanding during the applicable period. Some payment schedules on equipment purchased for a dealers' rental business, however, have a fixed interest rate on some dealer agreements with CNH Capital.

Relationship With CNH Capital and CNH Canada

CNH Capital provides to some CNH dealers financial assistance in the form of working capital loans and other loans. In addition, CNH Capital and CNH Canada provide floorplan assistance to some CNH dealers through a number of formal and informal programs. On some new equipment financings, CNH Canada or any other applicable manufacturer makes subsidy payments to CNH Capital for a specified period from the date of shipment to compensate CNH Capital for making interest free loans to the dealer during the period. CNH Canada and CNH Capital also have supplemental floorplan assistance programs. In such programs, CNH Canada and CNH Capital reimburse dealers at the time of retail sale or lease, rental or other settlement of the floorplan loan, for a specified amount depending upon the equipment type and model.

CNH Canada's or any other applicable manufacturer's repurchase obligations related to new, unused, resaleable equipment and new, unused, resaleable parts in inventory at the time of dealership termination are determined by applicable provincial law and applicable agreements with a dealer.

Much of the assistance is provided at the option of CNH Capital or CNH Canada, either of which may terminate any of the optional programs in whole or in part at any time. If either CNH Capital or CNH Canada is unable to or elects not to provide the assistance, the loss experience of CNH Capital on its wholesale portfolio may be adversely affected.

Dealer Monitoring

Individuals within CNH Capital's finance office monitor the level of each dealer's wholesale credit line on a periodic basis. Dealers are permitted to exceed those lines on a temporary basis. For example, a dealer may, immediately before a seasonal sales peak, purchase more equipment and parts than it is otherwise permitted to finance under its existing credit lines. As another example, because of slow inventory turnover, a dealer's credit lines may be reduced before the dealer has liquidated a sufficient portion of its equipment and parts inventory. If at any time CNH Capital learns that a dealer's balance exceeds its approved credit lines, CNH Capital will evaluate the dealer's financial position and may temporarily increase the dealer's credit lines or place the dealer in a disciplinary category known as "Credit Watch". See "—"Credit Watch" Status" below.

Personnel of CNH Capital or third parties conduct audits of dealer equipment inventories on a regular basis. The timing of each visit is varied and no advance notice is given to the audited dealer. Auditors review dealers' financial records and conduct a physical inventory of the equipment on the dealers' premises. The dealers' credit risk rating sets parameters for individual dealer audit cycles. Audit cycles range from 60 to 240 days. Through the audit process, CNH Capital reconciles each dealer's physical inventory with its records of financed equipment. Audits are intended to identify instances where a dealer sold equipment but did not immediately repay the related advances. The audit process also aids CNH Capital in determining in those instances whether a dealer received sale proceeds but diverted the proceeds to uses other than the repayment of the related floorplan obligations of the dealer to CNH Capital. All payments received for sold units must be made to CNH Capital at the end of the inventory audit.

Sales Out of Trust

If a dealer receives payment for a piece of equipment but does not repay the amounts owed on the equipment as required to CNH Capital, then the dealer is considered to have sold the equipment out of trust. Selling equipment out of trust is a breach of the dealer agreements and CNH Capital will take action, which may include but is not limited to:

- (a) placing the dealer on a cash on delivery or credit watch status;
- (b) advising the dealer that prior approval of CNH Capital is required for further floorplan goods deliveries and additional trade-in financing;
- (c) requesting an accounting of all monies; and
- (d) requesting a current financial statement.

At the time a piece of agricultural or construction equipment or a part of equipment is sold, CNH Capital's security interest in the equipment or part, as applicable, will terminate. Therefore, if a dealer fails to remit to CNH Capital amounts owed with respect to the equipment or part, as applicable, that has been sold, the related receivable will no longer be secured by the related equipment or part.

"Credit Watch" Status

Under some circumstances, CNH Capital will classify a dealer under credit watch status. The circumstances include, but are not limited to:

- (a) failure to remit any principal or interest payment when due;
- (b) any notifications of liens, levies or attachments on the financed equipment or part;
- (c) a dealer exceeds 130.00% of its approved aggregate wholesale credit line for three consecutive months;
- (d) a dealer makes sales of equipment out of trust;

- (e) violation of certain terms of the dealer agreement by the dealer;
- (f) a dealer has signed a termination agreement or is involved in a pending termination;
- (g) a dealer is placed on cash on delivery status; and
- (h) a general deterioration of the dealer's financial condition.

Once a dealer is assigned to credit watch status, CNH Capital will determine additional extensions of credit on a case-by-case basis and will assume control of equipment or parts releases to the dealer.

Like credit watch, which is a status used by CNH Capital with respect to dealers that are a party with CNH Capital to the applicable dealer financing agreement, CNH Capital has a similar classification for dealers known as "suspension", which is a status presently used by CNH Capital and which had previously been used by New Holland Credit, with respect to dealers that are a party with CNH Capital to the applicable dealer financing agreement. Once placed on suspension status, the dealer will no longer have availability under any credit lines except for the miscellaneous credit lines (which include financing for parts, among other things), thus making the dealer ineligible to receive financing for any additional equipment, including floorplan trade-ins and equipment for their rental business or their rent-to-own program. When we refer to credit watch throughout this prospectus, we are referring to (a) credit watch status with respect to dealers that are a party to a dealer finance and security agreement with CNH Capital, and (b) suspension status with respect to dealers that are a party to a dealer finance and security agreement with CNH Capital.

A dealer may be placed on credit watch for a number of reasons. This results in closer monitoring of the dealer by CNH Capital, but being placed on credit watch does not necessarily mean the dealership agreement will ultimately be terminated.

CNH Capital attempts to work with dealers to resolve instances of credit watch status. If, however, a dealer remains on that status, it can result in one of the following:

- (a) an orderly liquidation in which the dealer voluntarily liquidates its inventory through normal sales to retail customers;
- (b) a forced liquidation in which, in most cases, CNH Capital repossesses the dealer's inventory and, in the case of CNH dealers, CNH Capital terminates its financing relationship with the dealership and CNH Canada may terminate its relationship with the dealer; or
- (c) a voluntary surrender of the dealer's inventory and, in the case of CNH dealers, CNH Capital terminates its financing relationship with the dealership and CNH Canada may terminate the dealer's authorized status.

CNH Capital may make special arrangements to finance inter-dealer sales of equipment and/or parts or may purchase dealer inventory directly.

Repossessions and Repurchases of Equipment and Parts

CNH Capital does not normally repossess any equipment or other collateral unless the relationship with the dealer has been terminated.

The proceeds of any sales of repossessed collateral are used to repay amounts due to CNH Capital. Once liquidation has begun, CNH Capital performs an analysis of its position, estimates an appropriate loss reserve of any amounts identified at that time as uncollectible and attempts to liquidate all possible collateral remaining. During the course of a liquidation, CNH Capital may recognize additional losses or recoveries. If a dealer is in bankruptcy or insolvency proceedings, it may take a longer period of time for CNH Capital to repossess the equipment or part, and if the sale proceeds are in excess of the amounts which the equipment or part secures, then the surplus proceeds may be repaid according to the order of the bankruptcy court.

If CNH Canada repurchases new equipment or parts from a dealer in connection with the termination of the dealer as required by applicable provincial law and the applicable dealer agreement, or if CNH Capital repossesses any new or used equipment or parts, historically CNH Canada or CNH Capital, as applicable, would pay the full amount owing on the related Receivable that was secured by that equipment or part, regardless of the market value of the related equipment or part. However, neither CNH Canada nor CNH Capital are required to pay the full amount of the related Receivables and may discontinue this practice at any time. In addition, we cannot provide any assurance that CNH Canada or CNH Capital will have the ability to make payments of these amounts in the future.

THE ACCOUNTS

The accounts under which the Receivables arise and will continue to arise (the “**Accounts**”) are revolving credit wholesale accounts and the related agreements between CNH Capital and its dealers. The seller selected each initial revolving credit wholesale account, which may include one or more lines of credit, designated to be included in the Trust on July 22, 2004 (the “**Initial Accounts**”). The seller initially designated to be included in the Trust all or almost all of the revolving credit wholesale accounts serviced by CNH Capital which are financed by CNH Capital and which are Eligible Accounts. In addition, all Eligible Accounts created by CNH Capital after the Initial Cut-Off Date (“**Automatic Additional Accounts**”) are automatically included as Accounts. The seller has conveyed and will convey to us, as applicable, with certain exceptions, the Receivables then existing or later created under the Initial Accounts and the Automatic Additional Accounts. See “*The Sale and Servicing Agreement—Addition of Accounts*”.

Under some circumstances specified in the Sale and Servicing Agreement, the seller has the right to remove Accounts from the Trust, and may be required to remove Automatic Additional Accounts from the Trust. See “*The Sale and Servicing Agreement—Removal of Accounts*”.

The Accounts will include CNH Capital’s wholesale accounts with a dealer for:

- (a) dealer floorplan financing of new and/or used equipment;
- (b) miscellaneous dealer non-floorplan financing (including new parts);
- (c) dealer purchases of new and/or used equipment for their rental business; and
- (d) dealer floorplan financing of new and/or used equipment for rent on a rent-to-own basis.

Under the Sale and Servicing Agreement, the seller has the right, with some limitations and conditions, and in some circumstances is obligated, to choose from time to time additional qualifying wholesale accounts to be included as Accounts designated to us (“**Additional Accounts**”) and to convey to us some of the Receivables in the Additional Accounts, including Receivables created after the conveyance. The seller will convey the Receivables then existing, with exceptions, or later created under the Additional Accounts to us. See “*The Sale and Servicing Agreement—Addition of Accounts*”.

Each Account included in the Trust must be an Eligible Account (*i.e.* an account established by CNH Capital in the ordinary course of business and meeting other criteria provided in the Sale and Servicing Agreement). See “*The Sale and Servicing Agreement—Representations and Warranties*”.

At any time, the Accounts from which the Receivables arise are the same Accounts designated to us and included in the Trust on June 30, 2004 (the “**Initial Cut-Off Date**”) plus all Automatic Additional Accounts and any Additional Accounts, minus any Accounts designated for removal from the Trust.

When we refer to “**Receivables**” in this prospectus, we are referring only to receivables arising in the Accounts that are designated to us.

Additional receivables may arise in the Accounts designated to us that will not be included in the Receivables sold to us. Excluded receivables include all promissory notes and all receivables arising from CNH Capital financing of advertising, dealer manuals, signage and other non-equipment and non-part charges.

In addition, on the Initial Cut-Off Date and any Additional Cut-Off Date in respect of Automatic Additional Accounts and Additional Accounts and the date new Receivables are generated, the seller has represented and warranted and will represent and warrant, as applicable, to us that those Receivables meet the eligibility requirements included in the Sale and Servicing Agreement. See *“The Sale and Servicing Agreement—Conveyance of Receivables and Collateral Security”*.

For purposes of this prospectus, reference to Accounts “designated to be” included in us or in the Trust or “designated for removal” from us or from the Trust means those Accounts with respect to which the Receivables arising therein have been transferred to us by the seller or have been reassigned by us to the seller, respectively, pursuant to the Sale and Servicing Agreement.

Composition of Receivables

As of May 31, 2006, the aggregate balance of principal Receivables in the Accounts was approximately \$766,559,195.

As of May 31, 2006, the total credit lines in the Accounts for new and used agricultural and construction equipment (excluding any parts or equipment purchased by a dealer for its rental business) were \$604,694,000 and \$237,049,000, respectively, and the total balance of principal Receivables in these lines of credit were \$554,330,361 and \$151,792,309, respectively.

As of May 31, 2006, the total credit lines in the Accounts for agricultural and construction equipment purchased by dealers for their rental businesses was \$31,496,000 and the total balance of principal Receivables in these lines of credit was \$9,665,608.

As of May 31, 2006, the total balance of principal Receivables in the Accounts relating to parts was \$50,770,916.

As of May 31, 2006, the aggregate balance of principal Receivables in the Accounts as a percentage of the aggregate credit lines for parts and equipment, including equipment placed in rent-to-own programs or purchased by dealers for their rental businesses, was approximately 87.47%.

As of May 31, 2006, over 99.37% of the aggregate principal balance of the Receivables in the Accounts were floating rate Receivables. On such date, the weighted average spread over the prime rate charged to dealers relating to such Receivables was approximately 1.42%. On such date, 73.04% of the aggregate principal balance related to Receivables in the Accounts where interest is payable directly by CNH Canada at a spread over the prime rate of 1.50%, or 1.60%; and 3.42% of the aggregate principal balance related to past due portions of principal Receivables in the Accounts where past due interest is payable at a spread of 3.50% over the prime rate. As of May 31, 2006, the prime rate was 6.00%. There are no floors on floating interest rates charged to dealers.

Financing for the purchase of new equipment (excluding any equipment purchased by a dealer for its rental business) represented approximately 72.31% of the aggregate balance of principal Receivables in the Accounts arising from financing of equipment as of May 31, 2006.

Financing for the purchase of used equipment (excluding any equipment purchased by a dealer for its rental business) represented approximately 19.80% of the aggregate balance of principal Receivables in the Accounts as of May 31, 2006.

Financing for the purchase of new equipment and used equipment purchased by dealers for their rental businesses represented approximately 1.26% of the aggregate balance of principal Receivables in the Accounts as of May 31, 2006.

Financing for the purchase of parts represented approximately 6.62% of the aggregate balance of principal Receivables in the Accounts as of May 31, 2006.

As of May 31, 2006, the three largest Main Dealers represented 5.95%, 4.75%, and 3.22% respectively of the aggregate balance of principal Receivables in the Accounts.

As of May 31, 2006, the three largest Main Dealers represented 4.66%, 3.40%, and 1.82% respectively of the total credit lines arising in the Accounts.

On July 22, 2004 the seller transferred \$643,958,011 aggregate principal amount of Receivables to the Trust.

THE RECEIVABLES POOL

Receivables Composition

The following table provides the composition of the principal Receivables in the Accounts as of May 31, 2006. The percentages may not add up to 100.00% because of rounding.

Composition of Receivables in the Accounts as of May 31, 2006

	May 31, 2006
Number of Dealers.....	564
Number of Main Dealers	443
Number of Dealer Credit Lines	2,029
Outstanding Balance of Receivables	\$766,559,195
Total Available Credit Lines	\$876,325,000
Average Outstanding Principal Receivables Balance for each Dealer Credit Line.....	\$377,801
Average Total Available Credit Line for each Dealer Credit Line.....	\$431,900
 Agricultural ⁽¹⁾	
New	58.97%
Used.....	18.70%
Total	77.67%
 Construction/Industrial ⁽¹⁾	
New	13.34%
Used.....	1.10%
Total	14.44%
Weighted Average Interest Rate of Principal Receivables ⁽²⁾	7.42%
 Product Type	
Wholegoods ⁽¹⁾	92.12%
Rental ⁽³⁾	1.26%
Parts.....	6.62%

(1) All principal Receivables relating to floorplan financing of equipment, excluding equipment purchased by dealers for their rental businesses and/or parts.

(2) As of May 31, 2006, the prime rate was 6.00%.

(3) Financing of equipment purchased by dealers for their rental businesses.

Geographic Distribution

The following table provides the geographic distribution by dealer location of the principal Receivables outstanding in the Accounts relating to (i) the financing of equipment, including equipment placed in a rent-to-own program or purchased by the dealer for its rental business, and parts inventory for all dealers with Accounts designated to us on the basis of equipment, including equipment placed in a rent-to-own program or purchased by the dealer for its rental business, and (ii) the financing of parts, as well as the number of dealers to which financing was provided in connection with such principal Receivables. The percentages may not add up to 100.00% because of rounding.

Geographic Distribution of Principal Receivables in the Accounts as of May 31, 2006

	Principal Receivables Outstanding	Percentage of Principal Receivables Outstanding	Total Number of Dealers	Percentage of Total Number of Dealers
	May 31, 2006	May 31, 2006	May 31, 2006	May 31, 2006
Alberta.....	\$188,775,848	24.6%	125	22.2%
Saskatchewan.....	\$179,915,509	23.5%	126	22.3%
Ontario.....	\$127,331,332	16.6%	105	18.6%
Manitoba.....	\$126,538,014	16.5%	76	13.5%
Québec.....	\$98,989,887	12.9%	77	13.7%
British Columbia.....	\$22,861,017	3.0%	29	5.1%
New Brunswick.....	\$8,676,719	1.1%	10	1.8%
Nova Scotia.....	\$6,751,703	0.9%	9	1.6%
Prince Edward Island.....	\$5,563,607	0.7%	5	0.9%
Newfoundland & Labrador.....	\$1,155,559	0.2%	2	0.4%
Total.....	<u>\$766,559,195</u>	<u>100.0%</u>	<u>564</u>	<u>100.0%</u>

Aggregate Principal Receivables Balance Distribution

The following table provides the distribution of the aggregate principal Receivables balances by dealer in the Accounts designated to us relating to (i) the financing of equipment, including equipment placed in a rent-to-own program or purchased by the dealer for its rental business, and parts inventory for all dealers with Accounts designated to us on the basis of equipment, including equipment placed in a rent-to-own program or purchased by the dealer for its rental business, and (ii) the financing of parts, as well as the number of dealers to which financing was provided in connection with such principal Receivables. The percentages may not add up to 100.00% because of rounding.

Aggregate Principal Receivables Balance Distribution as of May 31, 2006

Range of Aggregate Principal Receivables Balances	Principal Receivables Outstanding	Percentage of Principal Receivables Outstanding	Number of Dealers	Percentage of Total Number of Dealers
	May 31, 2006	May 31, 2006	May 31, 2006	May 31, 2006
Less than \$100,000.....	\$3,116,344	0.4%	195	34.6%
\$100,000 to \$499,999.....	\$31,848,277	4.2%	123	21.8%
\$500,000 to \$999,999.....	\$39,283,724	5.1%	52	9.2%
\$1,000,000 to \$1,999,999.....	\$101,000,562	13.2%	69	12.2%
\$2,000,000 to \$2,999,999.....	\$130,131,479	17.0%	52	9.2%
\$3,000,000 to \$3,999,999.....	\$80,500,256	10.5%	23	4.1%
\$4,000,000 to \$4,999,999.....	\$53,935,074	7.0%	12	2.1%
\$5,000,000 to \$5,999,999.....	\$53,739,980	7.0%	10	1.8%
\$6,000,000 to \$6,999,999.....	\$72,004,890	9.4%	11	2.0%
\$7,000,000 to \$9,999,999.....	\$73,439,520	9.6%	9	1.6%
\$10,000,000 to \$13,999,999..	\$56,773,029	7.4%	5	0.9%
\$14,000,000 to \$17,999,999..	\$16,981,451	2.2%	1	0.2%
\$18,000,000 or greater.....	\$53,804,609	7.0%	2	0.4%
Total.....	<u>\$766,559,195</u>	<u>100.0%</u>	<u>564</u>	<u>100.0%</u>

**CNH CAPITAL'S WHOLESALE PORTFOLIO ACCOUNTS
PERFORMANCE HISTORY**

Loss Experience

The following table identifies the average aggregate balance of principal receivables in all of the wholesale financing accounts in CNH Capital's wholesale portfolio that would have qualified as Eligible Accounts during the periods shown and the loss experience for each of the periods shown on the wholesale portfolio of receivables relating to such wholesale financing accounts. We cannot assure you that the loss experience for the Receivables in the future will be similar to the historical experience presented below. The table below has not been adjusted to reflect the impact of any credit support which is occasionally provided by CNH Canada or its affiliates. See "Risk Factors—Our ability to make payments on the Series CW2006-1 Notes depends in part on CNH Capital".

Loss Experience for CNH Capital's Wholesale Portfolio Accounts⁽¹⁾
(\$ in millions)

	Period Ended		Year Ended December 31,			
	May 31,		2004	2003	2002	2001
	2006	2005				
Average Principal Receivables Balance ⁽¹⁾	\$681.36	\$556.99	\$524.85	\$508.58	\$462.70	\$451.13
Net Losses ⁽²⁾	\$0.78	\$0.0	\$0.0	\$1.4	\$1.7	\$0.0
Liquidations ⁽³⁾	\$563	\$1,453	\$1,520	\$1,489	\$1,284	\$1,317
Net Losses as a Percent of Liquidations ⁽²⁾⁽⁴⁾	0.14%	0.0%	0.0%	0.1%	0.1%	0.0%
Net Losses as a Percent of Average Principal Receivables Balance ⁽²⁾⁽⁴⁾	0.28%	0.0%	0.0%	0.3%	0.4%	0.0%

- (1) Average Principal Receivables Balance is the average of the year-end principal balances for the prior and current year for 2001 to 2005. The Average Principal Receivables Balance for May 31, 2006 is the average of the May month-end principal balance and the year end 2005 principal balance.
- (2) Net Losses in any period are gross losses less recoveries for that period.
- (3) Liquidations means proceeds received from the collection of the Receivables.
- (4) Percentages for the five-month period ended May 31, 2006 are expressed on an annualized basis and are not necessarily indicative of the experience for the entire year.

Aging Experience

The following table provides the age distribution for all principal receivables in the wholesale financing accounts in CNH Capital's wholesale portfolio that would have qualified as Eligible Accounts as a percentage of the total principal receivables balance outstanding in such accounts as of the date indicated. The percentages may not add up to 100.00% because of rounding.

Age Distribution for CNH Capital's Wholesale Portfolio Accounts
(\$ in millions)

	As of May 31		As of December 31,			
	2006	2005	2004	2003	2002	2001
Principal Balance.....	\$766.56	\$596.17	\$517.80	\$531.90	\$485.25	\$440.14
Days Outstanding						
Less than 31.....	99.11%	98.31%	98.17%	98.30%	97.03%	98.68%
31 to 60.....	0.68%	0.36%	0.68%	0.25%	0.59%	0.50%
61 to 90.....	0.07%	0.24%	0.42%	0.02%	0.06%	0.01%
91 to 120.....	0.01%	0.11%	0.20%	0.12%	0.34%	0.17%
121 and greater.....	<u>0.13%</u>	<u>0.98%</u>	<u>0.53%</u>	<u>1.31%</u>	<u>1.98%</u>	<u>0.63%</u>
Total.....	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Portfolio Monthly Payment Rates

The following table sets forth the highest and lowest portfolio monthly payment rates for equipment credit lines, including equipment placed in a rent-to-own program or purchased by dealers for their rental businesses, and parts credit lines in all of the wholesale financing accounts in CNH Capital's wholesale portfolio during any month in the periods shown and the average of the portfolio monthly payment rates for all months during the periods shown. The portfolio monthly payment rate is the percentage equivalent of a fraction (a) the numerator of which is the aggregate of all collections of principal on the receivables in such accounts during the month, and (b) the denominator of which is the aggregate beginning principal balance of the receivables in such accounts for the month. These portfolio monthly payment rates include principal credit adjustments. We cannot assure you that the

rate of principal collections on the Receivables in the future will be similar to the historical experience presented below.

**Monthly Payment Rates for Equipment and Parts Credit Lines
in CNH Capital's Wholesale Portfolio Accounts**

	Period Ended		Year Ended December 31,			
	<u>May 31,</u>					
	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Highest Month.....	18.80%	20.93%	27.03%	27.35%	26.45%	30.71%
Lowest Month.....	8.34%	9.16%	11.04%	14.96%	14.17%	12.94%
Average of the Months in the Period.....	14.39%	17.03%	20.13%	23.25%	21.61%	21.85%

DESCRIPTION OF THE NOTES

We will issue the Series CW2006-1 Notes under the indenture and the indenture supplement. The discussion under the headings “*Description of the Notes*”, “*Sources of Funds to Pay the Notes; Deposit and Application of Funds*” and “*The Indenture; Master Trust Provisions Applicable to All Series*” in this prospectus summarize the material terms of the Series CW2006-1 Notes, the indenture and the indenture supplement. These summaries do not claim to be complete and are qualified in their entirety by reference to the provisions of the Series CW2006-1 Notes, the indenture and the indenture supplement. Neither the indenture nor the indenture supplement limits the aggregate principal amount of notes that may be issued by us.

Generally, we will pay principal and interest on the Series CW2006-1 Notes solely from the portion of interest collections and principal collections that are allocated to Series CW2006-1 under the indenture and the indenture supplement after giving effect to all allocations and reallocations.

We will apply interest collections allocable to Series CW2006-1 and the Series CW2006-1 Yield Reserve Collections to pay interest on the Series CW2006-1 Notes, the trustee fees and the servicing fee (if applicable), to cover charge-offs on Defaulted Receivables and uncovered dilution amounts that are allocable to Series CW2006-1 and to make any required deposits to the Reserve Fund. The collections allocable to Series CW2006-1 will include those funds allocable to the Series CW2006-1 Security Amount (which is the sum of the Series CW2006-1 Collateral Amount, the Series CW2006-1 Available Subordinated Amount and the Series CW2006-1 Yield Reserve Amount). If these amounts are insufficient, we will first use any excess available interest collections not required by other series of notes and, to the extent available as described under “*Sources of Funds to Pay the Notes; Deposit and Application of Funds—Application of Collections to Series CW2006-1*”, any withdrawals from the Reserve Fund, to cover any interest shortfalls, trustee and servicing fee shortfalls, shortfalls in required deposit amounts into the Reserve Fund, and the Series CW2006-1 share of charge-offs on Defaulted Receivables and uncovered dilution amounts allocated to Series CW2006-1. If thereafter we still have not covered the interest and fee shortfalls or any required deposit to the Reserve Fund, we will use the Series CW2006-1 share of principal collections to do so. When it is time to distribute principal to the holders of Series CW2006-1 Notes (the “**Series CW2006-1 Noteholders**”) or accumulate principal collections for that purpose, we will use the Series CW2006-1 share of principal collections (other than Series CW2006-1 Yield Reserve Collections). Under some circumstances, we may use principal collections allocated to one or more other series of notes to the extent that those amounts are not then needed by those series, but not to cover charge-offs, uncovered dilution or amounts initially required to be covered by interest collections.

When we refer in this prospectus to principal collections allocated to Series CW2006-1 that are to be paid or applied to or for the purposes of making payments of the principal of the notes or to cover interest and fee shortfalls of any series (including Series CW2006-1), to make payments or deposits in respect of Monthly Principal or to make deposits to the Excess Funding Account or the Principal Funding Account, we mean the principal collections allocated to Series CW2006-1 as described herein other than any Series CW2006-1 Yield Reserve Collections that are to be included in the Series CW2006-1 Available Interest Amounts and applied to make payment of the amounts payable or distributable by us on each payment date as discussed under “*Sources of Funds*”

to Pay the Notes; Deposit and Application of Funds—Application of Collections to Series CW2006-1—Interest Collections Allocated to Series CW2006-1”.

The preceding paragraphs are a very simplified description of the primary allocations relating to the Series CW2006-1 Notes. The following descriptions in this prospectus contain a more precise description of the calculations of those allocations and the manner, timing and priorities of the application of those distributions. Many of the calculations are complex and are described in the definitions of the terms used. The complex defined terms are needed in order to tell you more precisely the amount that will be available to make a specified payment.

Interest

Interest on the outstanding principal amount of the Class A and Class B Notes will accrue at the Class A Rate and Class B Rate, respectively, and will be payable to the holders of Class A Notes and Class B Notes, as applicable, on each payment date, commencing September 15, 2006. The **“payment date”** means the 15th day of each month, or if that 15th day is not a business day, the next following business day. Interest payable on any payment date will accrue from and including the preceding payment date to but excluding that payment date, or, in the case of the first payment date, from and including the Series CW2006-1 Closing Date to but excluding the first payment date. Each of those periods is an **“Interest Period”**. Interest will be calculated on the basis of the actual number of days in each Interest Period divided by 365. Interest due for any payment date but not paid on that payment date will be due on the next payment date, together with interest on that amount at the Class A Rate or Class B Rate, as applicable, to the extent permitted by applicable law.

The **“Calculation Agent”** will initially be the servicer. The Calculation Agent will determine the Class A Rate and Class B Rate for each Interest Period on the CDOR Determination Date preceding that Interest Period. The **“Class A Rate”** will be the per year rate equal to the applicable CDOR plus 0.17% and the **“Class B Rate”** will be the per year rate equal to the applicable CDOR plus 0.65%.

“CDOR” for the Series CW2006-1 Notes and any Interest Period and the related payment date shall mean that per annum rate (based on a year of 365 days) expressed as a percentage, equal to the average **“BA 1 Month”** for Canadian dollar bankers’ acceptances displayed and identified as such on the **“Reuters Screen CDOR Page”** (as defined in the 2000 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., as modified, amended or replaced from time to time) as of 10:00 a.m., Toronto time, on the first business day of such Interest Period (each such day, a **“CDOR Determination Date”**). If such rates do not appear on the Reuters Screen CDOR Page as contemplated, then the CDOR for such CDOR Determination Date shall be calculated based upon the arithmetic mean of the applicable rates for 30 day Canadian dollar bankers’ acceptances quoted by five banks listed in Schedule I of the *Bank Act* (Canada) as of 10:00 a.m., Toronto time, on that CDOR Determination Date. If less than five such quotations are available, then the CDOR on that CDOR Determination Date will be the arithmetic mean (rounded upwards as provided below) of such available quotations; *provided, however*, that if fewer than two quotations are available, the CDOR on that CDOR Determination Date will be the CDOR in effect for the previous CDOR Determination Date. The arithmetic average of any rates or quotations to be calculated hereunder shall be rounded, if necessary, to the nearest 1/100,000 of one per cent (.00001%), with five one millionths of one percent being rounded upwards. All dollar amounts used in or resulting from any calculation based on CDOR will be rounded to the nearest cent (with one-half of one cent being rounded upwards).

CDOR for the first Interest Period will be determined by straight line interpolation, based on the actual number of days in the period from and including the initial CDOR Determination Date through but excluding September 15, 2006, between (i) CDOR as determined, and (ii) CDOR as determined if **“BA 1 Month”** was replaced with **“BA 2 Month”** and **“30 day”** was replaced with **“60 day”**, in each case as calculated by the Calculation Agent.

Principal

We are not scheduled to make principal payments to the Series CW2006-1 Noteholders until the Series CW2006-1 Scheduled Final Payment Date. However, if an Early Amortization Period that is not terminated has commenced before the Series CW2006-1 Scheduled Final Payment Date, we will begin making principal payments on the payment date in the month following the month in which the Early Amortization Period begins.

Revolving Period

During the Revolving Period, the Series CW2006-1 share of principal collections will not be used to make principal payments on the Series CW2006-1 Notes. If on any day during the Revolving Period no other series is then amortizing, repaying or accumulating principal and the Adjusted Pool Balance is not less than the Required Pool Balance on such day and the Seller Amount is not less than the sum of the Trust Available Subordinated Amount and the Trust Yield Reserve Amount on such day, the servicer will distribute to the seller on each date of deposit the Series CW2006-1 share of principal collections (other than Series CW2006-1 Yield Reserve Collections).

See “*Sources of Funds to Pay the Notes; Deposit and Application of Funds—Application of Collections Allocated to Series CW2006-1*” and “*The Sale and Servicing Agreement—Allocations of Collections; Deposits in Collection Accounts*” below for additional details.

The “**Revolving Period**” for the Series CW2006-1 Notes will be the period beginning at the close of business on the Series CW2006-1 Closing Date and terminating on the earlier of:

- (a) the close of business on the day immediately preceding the Accumulation Period Commencement Date; and
- (b) the close of business on the day immediately preceding the day on which an Early Amortization Period commences.

The Revolving Period, however, may recommence upon the termination of an Early Amortization Period. See “*—Early Amortization Period*” below.

Accumulation Period

Unless a Series CW2006-1 Early Amortization Period has commenced and has not terminated as described below under “*Early Amortization Period*”, the Series CW2006-1 Notes will have an Accumulation Period during which the Series CW2006-1 share of principal collections will be accumulated in specified amounts in the Principal Funding Account for the purpose of paying the outstanding principal amount of the Series CW2006-1 Notes in full on the Series CW2006-1 Scheduled Final Payment Date. Any excess of the Series CW2006-1 share of principal collections for a Monthly Period over the Controlled Deposit Amount on the related payment date will be available to make principal payments on other series of notes or to make required deposits in the Excess Funding Account. Any Shared Excess Available Principal Amounts remaining after application to other series and any amounts required to be deposited into the Excess Funding Account will be paid to the seller.

The “**Accumulation Period**” for the Series CW2006-1 Notes will be the period beginning on the Accumulation Period Commencement Date and terminating on the earlier of:

- (a) the payment date on which the outstanding principal amount of the Series CW2006-1 Notes (less any amounts on deposit (other than investment earnings) in the Principal Funding Account) is reduced to zero; and
- (b) the close of business on the day immediately preceding the day on which an Early Amortization Period commences.

Initially, the Accumulation Period is scheduled to be six months long. However, depending on the performance of the Receivables, the length of the Accumulation Period may be shortened to as little as a single month as described below. In addition, the Accumulation Period may be lengthened at the option of the servicer as described below.

The “**Accumulation Period Commencement Date**” for the Series CW2006-1 Notes will be (a) February 1, 2009, or (b) a later date selected by the servicer, if the servicer elects at its option to delay the start of the Accumulation Period, or (c) an earlier date selected by the servicer, if the servicer elects at its option to accelerate the start of the Accumulation Period.

The “**Principal Funding Account**” will be a Qualified Deposit Account maintained in the name of the indenture trustee for the benefit of the Series CW2006-1 Noteholders and in which principal will be deposited for payment to the Series CW2006-1 Noteholders.

Delaying the start of the Accumulation Period will extend the Revolving Period and shorten the Accumulation Period. The servicer may, subject to the following conditions, elect to delay the start of the Accumulation Period:

- (a) the servicer must deliver to the indenture trustee a certificate certifying that the servicer reasonably believes that delaying the start of the Accumulation Period will not result in the outstanding principal amount of the Series CW2006-1 Notes not being paid on the Series CW2006-1 Scheduled Final Payment Date;
- (b) the rating agencies must advise us that they will not lower or withdraw their ratings on the notes of any series or class issued by us because of the delay in the start of the Accumulation Period;
- (c) the amount of principal that the indenture trustee will deposit into the Principal Funding Account each month during the Accumulation Period must be increased, so that the sum of all deposits made during the shortened Accumulation Period will equal the principal amount due to Series CW2006-1 Noteholders on the Series CW2006-1 Scheduled Final Payment Date;
- (d) the Accumulation Period must start no later than the first day of the Monthly Period ending prior to the Series CW2006-1 Scheduled Final Payment Date; and
- (e) the servicer must make this election no later than the first day of the last month of the Revolving Period, including any shortenings or extensions of the Revolving Period.

Examples of circumstances in which the servicer may elect to delay the start of the Accumulation Period include if it believes that (a) we will be able to reallocate principal collections allocable to other series of notes to make larger monthly deposits into the Principal Funding Account over a shorter period of time, or (b) the payment rate on the Receivables will permit larger monthly deposits to the Principal Funding Account over a shorter period of time. If the servicer delays the start of the Accumulation Period and a Series CW2006-1 Early Amortization Event occurs, the Series CW2006-1 Noteholders may receive some of their principal later than they would have received it without a delay in the start of the Accumulation Period.

Accelerating the start of the Accumulation Period will shorten the Revolving Period and lengthen the Accumulation Period. The servicer has the option to accelerate the start of the Accumulation Period if the servicer believes that doing so would be appropriate in light of the payment rate on the Receivables and/or other factors. If the servicer accelerates the start of the Accumulation Period and a Series CW2006-1 Early Amortization Event occurs, the Series CW2006-1 Noteholders may receive some of their principal sooner than they would have received it without an acceleration of the Accumulation Period.

During the Accumulation Period, we will accumulate each month a fixed amount equal to the “**Controlled Accumulation Amount**”, which is equal to the outstanding principal amount of the Series CW2006-1 Notes as of the Accumulation Period Commencement Date, divided by the Accumulation Period Length. The “**Accumulation Period Length**” will be the number of full calendar months between the Accumulation Period Commencement Date and the Series CW2006-1 Scheduled Final Payment Date. Because there may be funds in the Excess Funding Account allocable to Series CW2006-1 and the principal collections allocable to Series CW2006-1 for any payment date may fluctuate, we will be required to deposit the Controlled Deposit Amount in the Principal Funding Account on each payment date relating to the Accumulation Period. The “**Controlled Deposit Amount**” for a payment date will be the excess of (a) the Controlled Accumulation Amount plus portions of Controlled Accumulation Amounts that were to be deposited on a prior payment date but were not so deposited, over (b) any funds in the Excess Funding Account that are allocable to Series CW2006-1 and have not been deposited into the Principal Funding Account as of that payment date. Any amounts that are on deposit in the Excess Funding Account, after giving effect to any deposits into the Excess Funding Account that are to be made on that payment date, and which are allocable to Series CW2006-1 on that payment date will be deposited into the Principal Funding Account on that date.

Unless and until an Early Amortization Period that is not terminated as described below has occurred, we will use the funds accumulated in the Principal Funding Account, including available funds from the Excess Funding Account that are allocable to Series CW2006-1, to pay the outstanding principal amount of the Series CW2006-1 Notes on the Series CW2006-1 Scheduled Final Payment Date.

Early Amortization Period

The early amortization events (each, a “**Series CW2006-1 Early Amortization Event**”) for the Series CW2006-1 Notes include each of the following:

- (a) failure by the seller or the servicer, as applicable,
 - (i) to make any payment or deposit required by the Sale and Servicing Agreement, including but not limited to any required deposits into the Excess Funding Account, on or before the date occurring two business days after the date that payment or deposit is required to be made; or
 - (ii) to deliver a monthly servicer report within five days after the date required under the Sale and Servicing Agreement; or
 - (iii) to comply with its agreement not to create any lien on a Receivable; or
 - (iv) to observe or perform in any material respect any other obligations under the Sale and Servicing Agreement, which failure continues unremedied for a period of 60 days after written notice of that failure;
- (b) any representation or warranty made by the seller in the Sale and Servicing Agreement or any information required to be given by the seller to the indenture trustee to identify the Accounts proves to have been incorrect in any material respect when made or delivered and continues to be incorrect in any material respect for a period of 60 days after receipt by the seller of written notice setting forth the situation and as a result of the failure to correct the information, representation and/or warranty, the interests of the Series CW2006-1 Noteholders are materially and adversely affected throughout the 60 day period, without regard to the availability of any credit enhancement. A Series CW2006-1 Early Amortization Event, however, will not be deemed to occur in such circumstances if the seller has repurchased the related Receivables or all of the Receivables, if applicable, during that period as permitted under the provisions of the Sale and Servicing Agreement;
- (c) a failure by the seller to convey Receivables in Additional Accounts to us within five business days after the day on which the seller is required to convey those Receivables under the Sale and Servicing Agreement;
- (d) on any payment date, the Series CW2006-1 Available Subordinated Amount is reduced to an amount less than the Series CW2006-1 Required Subordinated Amount (as calculated without giving effect to any reductions or reinstatements described under “*Sources of Funds to Pay the Notes; Deposit and Application of Funds—Reduction and Reinstatement of Series CW2006-1 Security Amount*”, except for reductions due to deposits to the Principal Funding Account) on that payment date after giving effect to the distributions to be made on that payment date; provided that, for the purpose of determining whether a Series CW2006-1 Early Amortization Event has occurred pursuant to this clause, any reduction of the Series CW2006-1 Available Subordinated Amount resulting from reallocations of the Series CW2006-1 Available Principal Amounts to pay interest on the Series CW2006-1 Notes in the event CDOR is equal to or greater than the prime rate upon which interest on the Receivables is calculated on the applicable CDOR Determination Date will be considered a Series CW2006-1 Early Amortization Event only if CDOR remains equal to or greater than such prime rate for the next 30 consecutive days following such CDOR Determination Date;

- (e) any Servicer Default occurs;
- (f) (A) on any Determination Date falling in the months of February through April of any year, the average of the Monthly Payment Rates for the three preceding consecutive Monthly Periods is less than 9.00%, and (B) on any Determination Date falling in the months of May through January, the average of the Monthly Payment Rates for the three preceding consecutive Monthly Periods is less than 13.00%;
- (g) the outstanding principal amount of the Series CW2006-1 Notes is not repaid by the Series CW2006-1 Scheduled Final Payment Date;
- (h) the occurrence of events of bankruptcy, insolvency or receivership relating to CNH, CNH Canada or CNH Capital;
- (i) the occurrence of an event of default under the indenture; and
- (j) the balance in the Excess Funding Account is greater than 30.00% of the Adjusted Pool Balance for any three consecutive Monthly Periods.

In the case of any event described in clause (a), (b) or (e) above, a Series CW2006-1 Early Amortization Event will be deemed to have occurred only if, after the applicable grace period, if any, either the indenture trustee or Series CW2006-1 Noteholders holding Series CW2006-1 Notes evidencing more than 50.00% of the outstanding principal amount of the Series CW2006-1 Notes (the “**Series CW2006-1 Majority Noteholders**”) by written notice to us, the seller, the servicer and the indenture trustee, if given by Series CW2006-1 Noteholders, declare that a Series CW2006-1 Early Amortization Event has occurred as of the date of that notice. In the case of any event described in clause (c), (d), (f), (g), (h), (i) or (j) above, a Series CW2006-1 Early Amortization Event will be deemed to have occurred without any notice or other action on the part of the indenture trustee or the Series CW2006-1 Noteholders immediately upon the occurrence of that event.

“**Determination Date**” means the second business day preceding each payment date.

“**Monthly Payment Rate**” means, for a Monthly Period, the percentage obtained by dividing principal collections for the Monthly Period by the beginning Pool Balance for the Monthly Period.

An “**Early Amortization Period**” for the Series CW2006-1 Notes will be a period beginning on the day on which a Series CW2006-1 Early Amortization Event occurs and terminating on the earliest of:

- (a) the payment date on which the outstanding principal amount of the Series CW2006-1 Notes is reduced to zero; and
- (b) if the Early Amortization Period has commenced before the scheduled termination of the Revolving Period, the day on which the Revolving Period recommences as described below under “—*Recommencement of Revolving Period*”.

On each payment date relating to the Early Amortization Period, the Series CW2006-1 Noteholders will receive payments of Monthly Principal and the amount of interest accrued on the related Series CW2006-1 Notes during the Interest Period for that payment date.

The “**Monthly Principal**” on any payment date relating to the Accumulation Period or any Early Amortization Period will equal the principal collections allocable to the Series CW2006-1 Notes less any portion of those principal collections that is applied to pay interest on the Class A Notes and the Class B Notes or to pay the monthly trustee and servicing fees to be paid by Series CW2006-1. However, for each payment date relating to the Accumulation Period, Monthly Principal will not exceed the Controlled Deposit Amount for that payment date plus any Controlled Deposit Amount for a prior payment date that has not been previously deposited into the Principal Funding Account. Also, Monthly Principal in any event will not exceed the Series CW2006-1 Collateral Amount. Consequently, if the Series CW2006-1 Collateral Amount is reduced by (a) reallocations of principal collections to pay interest on the Class A Notes and/or the monthly trustee and servicing fees to be paid by Series CW2006-1, (b)

charge-offs on Defaulted Receivables or uncovered dilution amounts, and/or (c) the Series CW2006-1 Available Principal Amounts deposited into the Reserve Fund as described below under “*Sources of Funds to Pay the Notes; Deposit and Application of Funds— Application of Collections to Series CW2006-1—Principal Collections Allocable to Series CW2006-1*”, and is not reinstated, Class B Noteholders will incur a loss. If the reduction exceeds the outstanding principal balance of the Class B Notes, the Class A Noteholders will incur a loss.

During an Early Amortization Period: (i) any amounts that are on deposit in the Excess Funding Account, after giving effect to any deposits into the Excess Funding Account that are made on that payment date, and which are allocable to Series CW2006-1 on that payment date, will be included in the Monthly Principal available to Series CW2006-1 on that payment date; and (ii) the Monthly Principal will be applied on each payment date first, to the payment of principal on the Class A Notes until the outstanding principal balance of the Class A Notes has been reduced to zero, and second, to the payment of principal on the Class B Notes until the outstanding principal balance of the Class B Notes has been reduced to zero.

Recommencement of Revolving Period

If (i) an Early Amortization Period commences during the Revolving Period as a result of the failure by the seller to convey Receivables in Additional Accounts to us within five business days after the day on which the seller is required to convey those Receivables under the Sale and Servicing Agreement, and (ii) no other Series CW2006-1 Early Amortization Event that has not been cured or waived has occurred, the Early Amortization Period resulting from that failure will terminate and the Revolving Period will recommence as of the end of the first Monthly Period during which the seller would no longer be required to convey Receivables to us. However, the Revolving Period will not recommence if the scheduled termination date of the Revolving Period has occurred. The seller may no longer be required to convey Receivables as described above as a result of a reduction in the aggregate series security amounts occurring due to principal payments made on a series of notes issued by us or as a result of the subsequent transfer of additional Receivables to us by the seller. However, if any Series CW2006-1 Early Amortization Event, other than a Series CW2006-1 Early Amortization Event described in clause (h) of the definition of “Series CW2006-1 Early Amortization Events” above occurs, the Revolving Period will recommence following receipt of:

- (a) written confirmation from the rating agencies that their rating of any outstanding series or class of notes issued by us will not be reduced or withdrawn as a result of the recommencement; and
- (b) the consent of the Series CW2006-1 Majority Noteholders to the recommencement,

provided that no other Series CW2006-1 Early Amortization Event has occurred and not been cured or waived as described above and the scheduled termination of the Revolving Period has not occurred.

Events of Default

Each of the following events is an event of default for the Series CW2006-1 Notes (each, a “**Series CW2006-1 Event of Default**”):

- (a) our failure to pay interest on any note of the series or any class of the series when due and payable and such default shall continue for a period of 35 days following the date on which such interest became due and payable;
- (b) our failure to pay the outstanding principal amount of any Series CW2006-1 Note on its Series Final Maturity Date;
- (c) our default in the performance, or breach, of our other covenants or warranties in the indenture and continuance of such default or breach, for a period of 60 days after either the indenture trustee or the holders of 25.00% of the aggregate outstanding principal amount of the Series CW2006-1 Notes, or the affected class thereof, have provided written notice requesting remedy of that default or breach, and, as a result of that default or breach, the interests of the related Series CW2006-1 Noteholders are materially and adversely affected and continue to be materially and adversely affected during the 60 day period; or

- (d) we become insolvent or are liquidated.

Our failure to pay the full outstanding principal amount of a Series CW2006-1 Note on its Scheduled Final Payment Date will not constitute a Series CW2006-1 Event of Default. An event of default with respect to one series or class of notes (including Series CW2006-1) will not necessarily be an event of default with respect to any other series or class of notes (including Series CW2006-1).

If a Series CW2006-1 Event of Default described in clause (a), (b) or (c) (if the event of default under clause (c) is with respect to less than all series and classes of notes then outstanding) occurs and is continuing with respect to Series CW2006-1, then, unless the principal of the Series CW2006-1 Notes or any class of Series CW2006-1 Notes shall have already become due and payable, either the indenture trustee or the Series CW2006-1 Majority Noteholders or the majority holders of any class of Series CW2006-1 Notes (each such series or class acting as a separate class), by notice in writing to us (and to the indenture trustee if given by holders), may declare the outstanding principal amount of all the Series CW2006-1 Notes or of the affected class then outstanding and all interest accrued or principal accreted and unpaid (if any) thereon to be due and payable immediately.

If a Series CW2006-1 Event of Default described in clause (c) above (if the Series CW2006-1 Event of Default is an event of default with respect to all series and classes of notes then outstanding) occurs and is continuing, then and in each and every such case, unless the principal of all the notes of all series and classes has already become due and payable, either the indenture trustee or the majority holders of all the notes then outstanding (treated as one class), by notice in writing to us (and to the indenture trustee if given by holders), may declare the outstanding principal amount of all the notes then outstanding and all interest accrued or principal accreted and unpaid (if any) thereon to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable.

If a Series CW2006-1 Event of Default described in clause (d) occurs, such event of default will be an event of default for all outstanding notes of all series and classes and if it is continuing beyond the relevant cure period, if any, then the notes of all series and classes (including Series CW2006-1) shall automatically become immediately due and payable by us, without notice or demand to any person, and we shall automatically and immediately be obligated to pay off the notes of all outstanding series and classes.

At any time after such a declaration of acceleration has been made with respect to the notes of any series or class (including Series CW2006-1) and before a judgment has been obtained by the indenture trustee, the majority holders of such series or class, by written notice to us and the indenture trustee, may rescind and annul such declaration and its consequences if:

- (a) we have paid or deposited with the indenture trustee a sum sufficient to pay (A) all overdue instalments of interest on the notes of such series or class, (B) the principal of any notes of such series or class which have become due otherwise than by such declaration of acceleration, and interest thereon at the rate or rates prescribed therefor by the terms of the notes of such series or class, to the extent that payment of such interest is lawful, (C) interest upon overdue instalments of interest at the rate or rates prescribed therefor by the terms of the notes of such series or class to the extent that payment of such interest is lawful, and (D) all sums paid by the indenture trustee hereunder and the reasonable compensation, expenses and disbursements of the indenture trustee, its agents and counsel and all other amounts due to the indenture trustee under the indenture; and
- (b) all other events of default with respect to such series or class of notes, other than the non-payment of the principal of the notes of such series or class which has become due solely by such acceleration, have been cured or waived as provided in the indenture.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Excess Funding Account

We will keep an Excess Funding Amount, to the extent required, in a Qualified Deposit Account (the “**Excess Funding Account**”) established in the name of the indenture trustee for the benefit of the noteholders of all series issued by us. The “**Excess Funding Amount**” will initially equal zero. The indenture provides that deposits

will be made into the Excess Funding Account from funds that would otherwise be payable to the seller in an amount so that:

- (a) the Adjusted Pool Balance on the related payment date is not less than the Required Pool Balance on such payment date; and
- (b) the Seller Amount on the related payment date is not less than the sum of the Trust Available Subordinated Amount and the Trust Yield Reserve Amount on such payment date.

See “*Sources of Funds to Pay The Notes; Deposit and Application of Funds – Allocation of Excess Principal*”.

“**Trust Yield Reserve Amount**” means, as of any date of determination, the aggregate of the yield reserve amounts for all outstanding series of notes (including Series CW2006-1) on such date.

The indenture trustee will invest funds on deposit in the Excess Funding Account at our direction in Permitted Investments. The investments must mature on or before the next payment date.

On each payment date, we will withdraw all investment income earned on amounts in the Excess Funding Account since the preceding payment date and treat those amounts as interest collections for all purposes.

Unless and until a Series CW2006-1 Early Amortization Event has occurred or the Accumulation Period has commenced, the indenture trustee will keep the Series CW2006-1 Excess Funding Amount, which is the Series CW2006-1 share of the Excess Funding Amount, in the Excess Funding Account.

“**Series CW2006-1 Excess Funding Amount**” means, as of any date of determination, the product of:

- (a) the amount on deposit in the Excess Funding Account on that date; times
- (b) a fraction:
 - (i) whose numerator is the Series CW2006-1 Security Amount; and
 - (ii) whose denominator is the sum of the series security amounts of all series issued by us that are being allocated a portion of the funds in the Excess Funding Account on that date.

Funds on deposit in the Excess Funding Account will be withdrawn and paid to the seller on any date that (a) the Seller Amount exceeds the sum of the Trust Available Subordinated Amount and the Trust Yield Reserve Amount, and (b) the Adjusted Pool Balance exceeds the Required Pool Balance.

At the end of the Revolving Period, we will transfer the Series CW2006-1 Excess Funding Amount on deposit in the Excess Funding Account to the Principal Funding Account. No funds allocable to Series CW2006-1 will be deposited in the Excess Funding Account during any Early Amortization Period or during the Accumulation Period.

SOURCES OF FUNDS TO PAY THE NOTES; DEPOSIT AND APPLICATION OF FUNDS

We describe how interest collections and principal collections received by us are allocated among the Seller’s Indebtedness and the various series of notes and applied to cover required payments on the Series CW2006-1 Notes in particular in the following discussion and below under “*The Sale and Servicing Agreement – Allocation of Collections; Deposits in Collection Account*”.

Deposit and Allocation of Funds

The primary source of funds for the payment of principal of and interest on the notes issued by us is collections on the Receivables included in our assets.

Principal collections will consist of collections of principal on the Receivables, while interest collections will include collections under the Receivables that consist of interest and other non-principal charges, including insurance fees, amounts recovered with respect to Defaulted Receivables and insurance proceeds.

Interest collections and principal collections will be deposited within two days of the date of processing by the servicer into our Collection Account, unless certain conditions provided for in the indenture are satisfied. The servicer will then allocate all interest collections and principal collections among each series of notes and the Seller's Indebtedness based on the respective allocation percentages for each series and the Seller's Percentage. The **"Seller's Percentage"** means as to principal collections, interest collections, Defaulted Amounts and uncovered dilution amounts, 100.00% minus the total of the applicable allocation percentages for all outstanding series of notes issued by us.

However, when one or more series of notes issued by us begin to accumulate principal or amortize, principal collections allocable to other series of notes that are not accumulating or amortizing will be used to satisfy the principal accumulation or payment requirements of those series of notes that are accumulating or amortizing.

Limited Recourse to the Trust; Security for the Notes

The portion of principal collections and interest collections allocable to a series or class of notes after giving effect to all allocations and reallocations, funds for that series or class on deposit in the applicable accounts, any applicable derivative agreement for that series or class, rights under the Sale and Servicing Agreement and proceeds of sales of Receivables for that series or class provide the only sources of payment for principal of or interest on that series or class of notes. Noteholders will have no recourse to any of our other assets or any other person or entity for the payment of principal of or interest on the notes.

The notes of all series are secured by a shared security interest in the Collection Account and the Excess Funding Account, but each series or class of notes is entitled to the benefits of only that portion of those assets allocated to it under the indenture and the related indenture supplement. Each series or class of notes will also be secured by a security interest in any applicable supplemental account and any applicable derivative agreement. See *"—Collateral For the Series CW2006-1 Notes"* below.

Allocation Percentages

The servicer will allocate all collections, charge-offs on Defaulted Receivables and uncovered dilution amounts for each Monthly Period among:

- (a) the Series CW2006-1 Notes;
- (b) other outstanding series of notes that we have issued; and
- (c) the Seller.

The servicer will allocate collections, charge-offs on Defaulted Receivables and uncovered dilution amounts to Series CW2006-1 on the basis of various percentages. Which percentage the servicer will use to allocate collections depends on whether the servicer is allocating interest collections or principal collections and whether the interest collections or principal collections, as applicable, are received in the Revolving Period, the Accumulation Period or an Early Amortization Period.

The servicer will allocate the collections, uncovered dilution amounts and charge-offs on Defaulted Receivables among each series of notes issued by us, including Series CW2006-1, as follows:

- (a) interest collections (including all investment income earned on amounts in the Collection Account, Backup Servicer Account and Excess Funding Account since the preceding payment date), uncovered dilution amounts and charge-offs on Defaulted Receivables will be allocated to each series of notes based on its series floating allocation percentage; and
- (b) principal collections will be allocated to that series based on its series principal allocation percentage.

The series floating allocation percentage effects, in general, an allocation to each series based on the series security amount of each series. The series floating allocation percentage for Series CW2006-1, referred to as the “**Series CW2006-1 Floating Allocation Percentage**”, for any payment date will be the percentage equivalent, which may never exceed 100.00%, of a fraction, the numerator of which is the Series CW2006-1 Security Amount as of the last day of the immediately preceding Monthly Period and the denominator of which is the greater of (a) the Adjusted Pool Balance as of the close of business on the last day of the immediately preceding Monthly Period, and (b) the sum of the series security amounts for all series of notes issued by us, including Series CW2006-1, on that day.

The series principal allocation percentage is, in general, based on the series security amount of each series, but is based on a numerator that is fixed for a series at the end of its revolving period. Even though we will be distributing or accumulating principal collections for the noteholders of that series, the numerator used for the calculation for that series will not decline. The series principal allocation percentage for Series CW2006-1, referred to as the “**Series CW2006-1 Principal Allocation Percentage**”, for any payment date will be the percentage equivalent, which may never exceed 100.00%, of a fraction:

- (a) the numerator of which is the Series CW2006-1 Security Amount as of the last day of the immediately preceding Monthly Period or, if the Accumulation Period or an Early Amortization Period has commenced, as of the last day of the Monthly Period that preceded the commencement of the earlier to occur of the Accumulation Period or an Early Amortization Period, as applicable; and
- (b) the denominator of which is the greater of (a) the Adjusted Pool Balance as of the close of business on the last day of the immediately preceding Monthly Period and (b) the sum of the series security amounts for all series of notes as of the last day of the immediately preceding Monthly Period, except that for any series that is amortizing, repaying or accumulating principal, the series security amount of that series will be the series security amount as of the last day of the Monthly Period that preceded the commencement of the amortization, repayment or accumulation, as applicable.

This fraction will be adjusted to account for any additional issuances of series of notes since the prior Monthly Period. Collections not allocated to any series of notes will be allocated to the seller as part of the Seller’s Indebtedness.

Application of Collections to Series CW2006-1

Interest Collections Allocated to Series CW2006-1

Along with interest collections allocated to the Series CW2006-1 Notes as described above (“**Series CW2006-1 Interest Collections**”), on each payment date, the indenture trustee will also include the following amounts as part of the interest collections allocated to Series CW2006-1 (which together with the Series CW2006-1 Interest Collections are the “**Series CW2006-1 Available Interest Amounts**”):

- (a) any net investment earnings on funds in the Principal Funding Account, the Interest Funding Account and the Reserve Fund will be added to the interest collections allocated to the Series CW2006-1 Notes;
- (b) the Series CW2006-1 Yield Reserve Collections will be added to the interest collections allocated to the Series CW2006-1 Notes; and

- (c) to the extent the available interest amount is insufficient to pay items (a) through (g) under the following paragraph, any shared excess interest collections allocated from other series to Series CW2006-1, as described below in “*Shared Excess Available Interest Amounts*”, will be added to the interest allocated to the Series CW2006-1 Notes and used to make payments in the same priority.

“**Interest Funding Account**” means a Qualified Deposit Account maintained in the name of the indenture trustee for the benefit of the Series CW2006-1 Noteholders and in which interest is deposited for payment to the Series CW2006-1 Noteholders.

On each payment date, the indenture trustee will apply Series CW2006-1 Available Interest Amounts as follows:

- (a) first, the indenture trustee will apply funds to pay the monthly servicing fee, plus any previously due but unpaid monthly servicing fees, to be paid by Series CW2006-1;
- (b) second, the indenture trustee will apply funds to pay the indenture trustee, the trustee or the administrator in respect of any unpaid Series CW2006-1 Trustee Fees and Expenses of the indenture trustee, the trustee, or the administrator as applicable, *pro rata*;
- (c) third, the indenture trustee will deposit to the Interest Funding Account (i) accrued and unpaid interest on the Class A Notes due on that payment date, and (ii) to the extent lawful, interest at the Class A Rate on any unpaid delinquent interest on the Class A Notes;
- (d) fourth, the indenture trustee will deposit into the Interest Funding Account (i) accrued and unpaid interest on the Class B Notes due on that payment date, and (ii) to the extent lawful, interest at the Class B Rate on any unpaid delinquent interest on the Class B Notes;
- (e) fifth, if the Series CW2006-1 Available Interest Amounts for that payment date exceed the amounts payable in clauses (a), (b), (c) and (d), then we will treat that excess amount as principal collections for Series CW2006-1 to the extent of: (i) the amount of charge-offs on Defaulted Receivables and uncovered dilution amounts that are allocable to Series CW2006-1 for the related Monthly Period, and (ii) the Series CW2006-1 Collateral Amount Deficit, if any;
- (f) sixth, the indenture trustee will deposit into the Reserve Fund an amount so that the amounts on deposit will equal the Reserve Fund Required Amount, if any, for that payment date or, for each payment date from the month preceding the Accumulation Period through the last payment date occurring in the Accumulation Period, an amount so that amounts on deposit will equal 125.00% of the Reserve Fund Required Amount;
- (g) seventh, an amount equal to the excess of the Series CW2006-1 Required Subordinated Amount over the Series CW2006-1 Available Subordinated Amount will be distributed to the seller to increase the Series CW2006-1 Available Subordinated Amount by the amount so distributed;
- (h) eighth, during an Early Amortization Period, any Series CW2006-1 Available Interest Amounts that remain after giving effect to clauses (a) to (g) above in an amount up to the Series CW2006-1 Collateral Amount, will be deposited into the Principal Funding Account and included in the Series CW2006-1 Available Principal Amounts; and
- (i) ninth, any Series CW2006-1 Available Interest Amounts that remain after giving effect to clauses (a) to (h) above will be treated as “**Shared Excess Available Interest Amounts**” and will be applied to shortfalls or deficits of other series of notes or, to the extent not needed to cover shortfalls or deficits of other series, paid to the seller.

The annual servicing fee rate for Series CW2006-1 is 1.00% per year. The monthly servicing fee for Series CW2006-1 is 1/12 of 1.00% of the Series CW2006-1 Collateral Amount. For so long as CNH Capital or any of its affiliates is the servicer, the monthly servicing fee will be zero.

“Series CW2006-1 Trustee Fees and Expenses” means, for any payment date and the related Monthly Period, an amount equal to the product of (i) the lesser of (A) the sum of our unpaid Trustee Fees and Expenses for the related Monthly Period plus the amount of any Series CW2006-1 Trustee Fees and Expenses previously due but not distributed to the trustee, indenture trustee and administrator on a prior date, and (B) \$100,000, and (ii) a fraction, the numerator of which is the Series CW2006-1 Collateral Amount as of the last day of the immediately preceding Monthly Period and the denominator of which is the sum of the series collateral amounts for all series of notes as of such last day.

“Trustee Fees and Expenses” means, for any Monthly Period and the related payment date, the aggregate amounts of the fees and expenses of the trustee and the indenture trustee (including administration fees due and payable by the trustee to the administrator under the administration agreement), and all goods and services, harmonized sales, or other sales taxes thereon, due and payable to the trustee and by the trustee to the indenture trustee, respectively, during or in respect of the Series CW2006-1 Notes and such Monthly Period (whether or not accrued during such Monthly Period), which are not paid by the seller to the trustee or the indenture trustee in accordance with arrangements made between us and the seller on or before the Series CW2006-1 Closing Date or pursuant to the Sale and Servicing Agreement.

If Series CW2006-1 Available Interest Amounts are not sufficient to make the entire distributions required by clauses (a), (b), (c) and (d) above, the indenture trustee will withdraw funds from the Reserve Fund and apply those funds to complete the distributions under those clauses. In addition, if Series CW2006-1 is in an Early Amortization Period and if the Series CW2006-1 Available Interest Amounts are not sufficient to make the entire distributions required by clause (e) above, the indenture trustee will withdraw funds from the Reserve Fund and apply those funds to complete the distributions under that clause.

The **“Series CW2006-1 Collateral Amount”** means the outstanding principal amount of the Series CW2006-1 Notes, which upon issuance will be \$190,000,000, minus the reductions and plus the increases in the Series CW2006-1 Collateral Amount described under *“Sources of Funds to Pay the Notes; Deposit and Application of Funds—Reduction and Reinstatement of Series CW2006-1 Security Amount”* below.

The **“Series CW2006-1 Collateral Amount Deficit”** is the amount, if any, by which (x) the outstanding principal amount of the Series CW2006-1 Notes less the amount, other than investment earnings, in the Principal Funding Account exceeds (y) the Series CW2006-1 Collateral Amount.

Reserve Fund

The **“Reserve Fund”** will be a Qualified Deposit Account established and maintained in the name of the indenture trustee for the benefit of the Series CW2006-1 Noteholders. On the Series CW2006-1 Closing Date, we will deposit \$2,850,000 (1.50% of the initial principal balance of the Series CW2006-1 Notes) into the Reserve Fund. From the period beginning on the payment date preceding the Accumulation Period through the last payment date occurring in the Accumulation Period, an additional 25.00% of that Reserve Fund Required Amount will be required to be deposited from interest collections into the Reserve Fund, but only to the extent available therefor. We will deposit some of the collections into the Reserve Fund in an effort to keep the Reserve Fund Required Amount in the Reserve Fund. The **“Reserve Fund Required Amount”** for any payment date will equal 1.50% of the initial outstanding principal balance of the Series CW2006-1 Notes; provided that, if the average of the Monthly Payment Rates for the three preceding Monthly Periods is (a) less than 10.00% for any Determination Date falling in the months of February through April or (b) less than 14.00% for any Determination Date falling in the months of May through January, then the Reserve Fund Required Amount for any payment date will equal 2.00% of the initial outstanding principal balance of the Series CW2006-1 Notes. Funds in the Reserve Fund will be invested in Permitted Investments that will mature on or before the next payment date. On each payment date, the servicer will apply any investment earnings, net of losses and investment expenses, on amounts in the Reserve Fund as discussed under *“—Application of Collections to Series CW2006-1—Interest Collections Allocated to Series CW2006-1”* above. After the payment in full of the outstanding principal balance of the Series CW2006-1 Notes, any funds remaining on deposit in the Reserve Fund will be paid to the seller.

If, after giving effect to the allocations, distributions and deposits in the Reserve Fund described under *“—Application of Collections to Series CW2006-1”* above, the amount in the Reserve Fund is less than the Reserve Fund Required Amount for the next payment date, the indenture trustee will deposit any Series CW2006-1 Available

Principal Amounts remaining after application as required under “—*Application of Collections to Series CW2006-1—Principal Collections Allocable to Series CW2006-1*” below, but before applying any of these amounts as Shared Excess Available Principal Amounts as required under that section, for the related Monthly Period into the Reserve Fund until the amount in the Reserve Fund is equal to that Reserve Fund Required Amount.

Principal Collections Allocable to Series CW2006-1

Under “—*Allocation Percentages*” above, we describe how we will allocate principal collections among each series of notes and the Seller’s Indebtedness. On each payment date, the Series CW2006-1 Principal Collections (other than Series CW2006-1 Yield Reserve Collections), together with any amounts on deposit in the Excess Funding Account allocated to Series CW2006-1 on that payment date, and with the amount of any Series CW2006-1 Available Interest Amounts used to fund the Series CW2006-1 share of any charge-offs on Defaulted Receivables and its share of uncovered dilution amounts and any Series CW2006-1 Collateral Amount Deficit and any other amounts deposited into the Principal Funding Account during an Early Amortization Period, as described under “—*Interest Collections Allocated to Series CW2006-1*” above, are referred to collectively as that “**Series CW2006-1 Available Principal Amounts**”, and will be applied by the indenture trustee on each payment date, as follows:

- (a) first, if the Series CW2006-1 Available Interest Amount is not enough to cover the monthly servicing fee to be paid by Series CW2006-1, the Series CW2006-1 Trustee Fees and Expenses and/or the interest on the Class A Notes specified in clauses (a), (b) and (c) under “—*Interest Collections Allocated to Series CW2006-1*” above, for that payment date, the indenture trustee will pay to the servicer, the administrator, the trustee or the indenture trustee as applicable and/or deposit into the Interest Funding Account the amount of that shortfall in the priority set forth under “—*Interest Collections Allocated to Series CW2006-1*” above and in an amount not to exceed the Series CW2006-1 Security Amount reduced by the outstanding principal balance of the Class A Notes, after taking into account any reductions due to charge-offs on Defaulted Receivables and uncovered dilution amounts;
- (b) second, if the Series CW2006-1 Available Interest Amount is not enough to cover the interest on the Class B Notes specified in clause (d) under “—*Interest Collections Allocated to Series CW2006-1*” above, for that payment date, the indenture trustee will deposit into the Interest Funding Account the amount of that shortfall in an amount not to exceed the Series CW2006-1 Available Subordinated Amount, after taking into account any reductions due to charge-offs on Defaulted Receivables and uncovered dilution amounts;
- (c) third, if Series CW2006-1 is in its Accumulation Period, the indenture trustee will deposit the Controlled Deposit Amount, to the extent of any remaining Series CW2006-1 Available Principal Amounts, into the Principal Funding Account;
- (d) fourth, if Series CW2006-1 is in an Early Amortization Period, the indenture trustee will deposit any remaining Series CW2006-1 Available Principal Amounts into the Principal Funding Account for payment to the Series CW2006-1 Noteholders in an amount up to the Series CW2006-1 Collateral Amount (after taking into account any other allocations or deposits on such date);
- (e) fifth, the indenture trustee will make a deposit into the Reserve Fund to the extent that the amount on deposit in the Reserve Fund is less than the Reserve Fund Required Amount after giving effect to any deposits made from the Series CW2006-1 Available Interest Amounts to the Reserve Fund for that payment date, but only to the extent that the Available Subordinated Amount exceeds zero prior to such deposit; and
- (f) sixth, the indenture trustee will treat any remaining Series CW2006-1 Available Principal Amounts as “**Shared Excess Available Principal Amounts**” to be available, first, to be used to satisfy the principal funding requirements of other series of notes, second, to be deposited in the Excess Funding Account, and third, to be paid to the seller.

The use of Series CW2006-1 Available Principal Amounts under clauses (a), (b) and (e) above to pay interest on the Class A Notes, Class B Notes, the monthly servicing fee and/or the Series CW2006-1 Trustee Fees and Expenses to be paid by Series CW2006-1 or to make deposits in the Reserve Fund will result in a reduction in the Series CW2006-1 Security Amount as described under “—*Reduction and Reinstatement of Series CW2006-1 Security Amount*” below.

“**Series CW2006-1 Principal Collections**” means (a) the Series CW2006-1 Principal Allocation Percentage, times (b) principal collections for the related Monthly Period.

If the Series CW2006-1 Noteholders cause us to sell Receivables as described below under “—*Sale of Receivables*”, the Series CW2006-1 Noteholders shall be entitled to receive the lesser of the proceeds of that sale and the outstanding principal amount of and any unpaid interest on the Series CW2006-1 Notes, and the Series CW2006-1 Noteholders will not receive any further collections or other assets from us.

Shared Excess Available Interest Amounts

Any Series CW2006-1 Available Interest Amounts that are not needed to make payments or deposits for Series CW2006-1 on any payment date will be available for allocation to other series of notes. That excess will be treated as Shared Excess Available Interest Amounts and will be allocated to cover shortfalls, if any, in payments or deposits to be covered by interest collections allocated to other series, if any, which have not been covered out of the interest collections allocable to those series. If the shortfalls for all series exceed the Shared Excess Available Interest Amounts for all series for any payment date, Shared Excess Available Interest Amounts will be allocated among the applicable series according to a proportion based on their respective shortfalls in interest collections. Similarly, shared excess available interest amounts of other series, or the Series CW2006-1 *pro rata* portion of such amounts, may be available to cover shortfalls in payments or deposits to be covered by interest collections allocated to Series CW2006-1. To the extent that Shared Excess Available Interest Amounts exceed those shortfalls, the balance will be paid to the seller.

Shared Excess Available Principal Amounts

Any Series CW2006-1 Available Principal Amounts that are not needed to make payments or deposits for Series CW2006-1 on any payment date will be available for allocation to other series of notes. That excess will be treated as Shared Excess Available Principal Amounts and will be allocated to cover shortfalls, if any, in required principal payments to noteholders of a series or deposits to a series’ principal funding account which are to be covered by principal collections for other series, but not to cover charge-offs, uncovered dilution amounts or amounts initially required to be covered by interest collections, and which have not been covered out of the principal collections otherwise allocable to those series. Any reallocation of Series CW2006-1 Available Principal Amounts for this purpose will not reduce the Series CW2006-1 Collateral Amount. If Principal Shortfalls for all series exceed the Shared Excess Available Principal Amounts for all series for any payment date, Shared Excess Available Principal Amounts will be allocated among the applicable series according to a proportion based on their respective shortfalls in principal collections. Similarly, shared excess principal amounts of other series, or the Series CW2006-1 *pro rata* portion of such amounts, may be available to cover shortfalls (but not to cover charge-offs, uncovered dilution amounts or amounts initially required to be covered by interest collections) in required principal payments or deposits to be covered by principal collections allocated to Series CW2006-1. To the extent that Shared Excess Available Principal Amounts exceed Principal Shortfalls, the balance will be deposited into the Excess Funding Account as required in this prospectus, and the remaining balance after any such deposit will be paid to the seller.

Allocation of Excess Principal

The servicer will determine the amount of available principal collections for each series and any Monthly Period remaining after the required payments, if any, to be made from such collections (“**Excess Principal Collections**”). The servicer will allocate Excess Principal Collections to cover any principal distributions to noteholders of any series which are either scheduled or permitted and required deposits to the principal funding account for a series which are to be covered by principal collections for that series (but not to cover charge-offs on Defaulted Receivables, uncovered dilution amounts or amounts initially required to be covered by interest collections) and which have not been covered out of principal collections and other amounts allocated to the series (“**Principal Shortfalls**”). Excess Principal Collections will not be used to cover Investor Default Amounts or

uncovered dilution amounts allocated to any series. If Principal Shortfalls exceed Excess Principal Collections for any Monthly Period, Excess Principal Collections will be allocated *pro rata* among the applicable series based on the relative amounts of Principal Shortfalls, unless otherwise provided in the applicable prospectus.

To the extent that Excess Principal Collections exceed Principal Shortfalls, the indenture trustee will deposit the balance in the Excess Funding Account to the extent necessary so that the Seller Amount would not be less than the sum of the Trust Available Subordinated Amount and the Trust Yield Reserve Amount, and the Adjusted Pool Balance would not be less than the Required Pool Balance, in each case determined after giving effect to any principal Receivables transferred to us on that date. Any remaining amount will be paid to the seller. In addition, on each payment date, if the Adjusted Pool Balance is greater than the Required Pool Balance, funds on deposit in the Excess Funding Account will be withdrawn and transferred to the seller to the extent that the Seller Amount, determined after giving effect to any principal Receivables transferred to the seller during that Monthly Period, exceeds the sum of the Trust Available Subordinated Amount and the Trust Yield Reserve Amount.

Reduction and Reinstatement of Series CW2006-1 Security Amount

The Series CW2006-1 Security Amount will be calculated on each Determination Date for the following payment date. The Series CW2006-1 Security Amount for each Determination Date will be an amount equal to the Series CW2006-1 Security Amount as calculated on the prior Determination Date, decreased by any reductions since that date and increased by any reinstatements since that date. We describe these reductions and reinstatements below.

“Series CW2006-1 Security Amount” means the sum of (a) the Series CW2006-1 Collateral Amount, (b) the Series CW2006-1 Available Subordinated Amount, and (c) the Series CW2006-1 Yield Reserve Amount.

Reductions

The portion of the Series CW2006-1 Security Amount constituting the Series CW2006-1 Collateral Amount will be reduced by the amount of any funds, other than investment earnings, deposited into the Principal Funding Account since the prior date on which the Series CW2006-1 Security Amount was calculated. Deposits into the Principal Funding Account will not reduce the portion of the Series CW2006-1 Security Amount constituting the Series CW2006-1 Available Subordinated Amount.

In addition, the Series CW2006-1 Security Amount will be reduced on any payment date by the following amounts allocated on that payment date:

- (a) the amount, if any, of the Series CW2006-1 Available Principal Amounts used to pay interest on the Class A Notes, Class B Notes and/or the monthly servicing fee and the Series CW2006-1 Trustee Fees and Expenses to be paid by Series CW2006-1 as described above under “—*Application of Collections to Series CW2006-1—Principal Collections Allocable to Series CW2006-1*”;
- (b) the amount of charge-offs on Defaulted Receivables and uncovered dilution amounts in the related Monthly Period that are allocated to Series CW2006-1 to the extent that they are not covered by Series CW2006-1 Available Interest Amounts that are treated as Series CW2006-1 Available Principal Amounts to cover those charge-offs and uncovered dilution amounts as described under “—*Application of Collections to Series CW2006-1—Interest Collections Allocated to Series CW2006-1*”; and
- (c) the amount of Series CW2006-1 Available Principal Amounts deposited into the Reserve Fund as described above under “—*Application of Collections to Series CW2006-1—Principal Collections Allocable to Series CW2006-1*”.

On each payment date, we will allocate the amount of any reduction in the Series CW2006-1 Security Amount due to clause (a), (b) or (c) above as follows:

- (a) first, we will reduce the Series CW2006-1 Available Subordinated Amount by the amount of that reduction until the Series CW2006-1 Available Subordinated Amount reaches zero; and
- (b) second, we will reduce the Series CW2006-1 Collateral Amount by any remaining amount of that reduction until the Series CW2006-1 Collateral Amount reaches zero.

While we will reduce the Series CW2006-1 Collateral Amount as described above, the outstanding principal amount of the Series CW2006-1 Notes will not be similarly reduced. However, the aggregate principal paid on the Series CW2006-1 Notes will not exceed the Series CW2006-1 Collateral Amount. Consequently, Class B Noteholders will incur a loss on the Class B Notes if the Series CW2006-1 Available Subordinated Amount is reduced to zero and the Series CW2006-1 Collateral Amount is thereafter reduced by charge-offs, uncovered dilution amounts or reallocations as described above and not reinstated as described below. In addition, if the total amount of these reductions exceeds the outstanding principal balance of the Class B Notes, then the Class A Notes will incur a loss.

Reinstatements

The Series CW2006-1 Security Amount will be reinstated on any payment date by the amount of the Series CW2006-1 Available Interest Amounts that we apply to cover the Series CW2006-1 Collateral Amount Deficit as required in clause (e) and to increase the Series CW2006-1 Available Subordinated Amount as required in clause (g) under “—Application of Collections to Series CW2006-1—Interest Collections Allocated to Series CW2006-1” above. We will allocate the amount of that reinstatement on that payment date as follows:

- (a) first, if the Series CW2006-1 Collateral Amount has been reduced by charge-offs, uncovered dilution amounts or reallocations as described above and not fully reinstated, we will allocate the reinstatement amount to the Series CW2006-1 Collateral Amount until it equals the initial outstanding principal amount of the Series CW2006-1 Notes less any amounts, other than investment earnings, in the Principal Funding Account, and any principal payments made to the Series CW2006-1 Noteholders; and
- (b) second, we will allocate any remaining reinstatement amount to the Series CW2006-1 Available Subordinated Amount until the Series CW2006-1 Available Subordinated Amount has been fully reinstated.

The series security amounts of other series of notes will be similarly reduced and reinstated.

Series CW2006-1 Available Subordinated Amount

The “**Series CW2006-1 Available Subordinated Amount**” as of the Series CW2006-1 Closing Date will be \$33,567,585, and for each subsequent payment date will be the lesser of:

- (a) the Series CW2006-1 Required Subordinated Amount for that payment date; and
- (b) an amount equal to:
 - (i) the Series CW2006-1 Available Subordinated Amount for the prior payment date (or the Series CW2006-1 Closing Date, in the case of the initial payment date); plus
 - (ii) the amount of all increases to the Series CW2006-1 Available Subordinated Amount that is allocated to the Series CW2006-1 Available Subordinated Amount on the prior payment date; minus
 - (iii) the share of all reallocations of the Series CW2006-1 Available Principal Amount that is allocated to the Series CW2006-1 Available Subordinated Amount on the prior payment date; minus

- (iv) the amount of the reduction of the Series CW2006-1 Available Subordinated Amount resulting from an allocation of Investor Charge-Offs on the prior payment date; minus
- (v) the Series CW2006-1 Incremental Subordinated Amount for the prior payment date; plus
- (vi) the Series CW2006-1 Incremental Subordinated Amount for the current payment date; minus
- (vii) the amount of Series CW2006-1 Available Principal Amount deposited into the Reserve Fund that is allocated to the Series CW2006-1 Available Subordinated Amount on the prior payment date; plus
- (viii) any increases made by us as described in the second following paragraph.

The “**Series CW2006-1 Required Subordinated Amount**” for any payment date is equal to:

- (a) the greater of (i) zero, and (ii) the product of (1) 12.36% (the “**Series CW2006-1 Subordinated Percentage**”) times (2) the Series CW2006-1 Collateral Amount for that payment date, plus
- (b) the Series CW2006-1 Incremental Subordinated Amount for that payment date.

The seller may, in its sole discretion, at any time increase the Series CW2006-1 Available Subordinated Amount so long as the cumulative amount of these increases does not exceed 3.50% of the initial principal balance of the Series CW2006-1 Notes. The seller is not under any obligation to increase the Series CW2006-1 Available Subordinated Amount at any time. The seller may elect to increase the Series CW2006-1 Available Subordinated Amount at the time a Series CW2006-1 Early Amortization Event would otherwise occur, thus preventing or delaying the occurrence of the Series CW2006-1 Early Amortization Event.

“**Investor Dilution Amount**” means the amount by which the servicer adjusts downward any principal Receivable because of any rebate, refund, credit adjustment or billing error credited to a dealer, or because such Receivable which was created in respect of equipment which was refused or returned by a dealer or because of buybacks of Equipment from a dealer upon the termination of a dealer.

“**Investor Charge-Off**” means, with respect to any payment date, the aggregate amount, if any, by which the sum of (i) the Investor Default Amount and the Investor Uncovered Dilution Amount, if any, for the preceding Monthly Period exceeds the Series CW2006-1 Available Interest Amount for such payment date available after giving effect to clauses (a), (b), (c) and (d) as described above in “—*Application of Collections to Series CW2006-1*”.

“**Investor Uncovered Dilution Amount**” means an amount equal to the product of (x) the Series CW2006-1 Floating Allocation Percentage for the related Monthly Period, times (y) the aggregate Investor Dilution Amount occurring during that Monthly Period as to which any deposit is required to be made to the Excess Funding Account pursuant to the Sale and Servicing Agreement but has not been made; provided that, if the Seller Amount is greater than zero at the time the deposit referred to in clause (y) is required to be made, the Investor Uncovered Dilution Amount for such amount to be deposited shall be deemed to be zero.

The “**Series CW2006-1 Incremental Subordinated Amount**” for any payment date will equal the product obtained by multiplying:

- (a) a fraction, the numerator of which is the Series CW2006-1 Security Amount, calculated without including the Series CW2006-1 Incremental Subordinated Amount, and the denominator of which is the greater of (1) the Pool Balance on the last day of the preceding Monthly Period and (2) the sum of the amounts in the numerator for all series, by
- (b) the excess, if any, of
 - (i) the sum of (x) the Dealer Overconcentration Amounts, the Used Equipment Overconcentration Amount, the Rental Overconcentration Amount and the Development Store Overconcentration Amount, and (y) the aggregate amount of Ineligible Receivables and, without duplication, any other Receivables transferred to us that are not Eligible Receivables, on that payment date over,
 - (ii) the aggregate amount of Ineligible Receivables and, without duplication, any other Receivables transferred to us that are not Eligible Receivables, and Receivables in Accounts containing Dealer Overconcentrations, Used Equipment Overconcentration Amounts, Rental Overconcentration Amounts or Development Store Overconcentration Amounts, during the preceding Monthly Period and that are reassigned from us to the seller on the Determination Date preceding such payment date, as further described in the Sale and Servicing Agreement,

provided that, solely for purposes of paragraphs (i) and (ii) above, and notwithstanding paragraph (r) of the term “Eligible Receivable”, a Receivable will only be an Eligible Receivable if the outstanding principal balance of such Receivable, when added to the Pool Balance, does not result in a Dealer Overconcentration.

“**Dealer Overconcentrations**” for any payment date means, with respect to any dealer and its affiliated group of dealers (collectively a “**Main Dealer**”), the excess, if any, of the aggregate principal amount of Receivables due from the Main Dealer on the last day of the Monthly Period immediately preceding that payment date over:

- (a) (i) 4.50% of the Pool Balance, with respect to the Main Dealer that has an Account with the highest outstanding principal balance, (ii) 3.50% of the Pool Balance, with respect to the Main Dealers that have Accounts with the second and third highest outstanding principal balances, or (iii) 2.50% of the Pool Balance, with respect to the Main Dealers that have Accounts with the fourth and fifth highest outstanding principal balances, in each case, as of the last day of the immediately preceding Monthly Period; or
- (b) 1.50% of the Pool Balance as of the last day of the immediately preceding Monthly Period, if the Main Dealer is any other Main Dealer.

“**Dealer Overconcentration Amounts**” means, for any payment date, the aggregate amount of Dealer Overconcentrations on that date.

“**Rental Overconcentration Amount**” for any payment date means the excess, if any, of:

- (a) the aggregate principal amount of Receivables relating to equipment purchased by a dealer for its rental business on the last day of the immediately preceding Monthly Period; over
- (b) 5.00% of the aggregate Pool Balance on the last day of the immediately preceding Monthly Period.

“**Development Store Overconcentration Amount**” for any payment date means the excess, if any, of:

- (a) the aggregate principal amount of Receivables due from dealers in which CNH or any of its affiliates have an equity interest on the last day of the immediately preceding Monthly Period; over
- (b) 2.00% of the aggregate Pool Balance on the last day of the immediately preceding Monthly Period.

“Used Equipment Overconcentration Amount” for any payment date means the excess, if any, of:

- (a) the aggregate principal amount of Receivables relating to used equipment on the last day of the immediately preceding Monthly Period; over
- (b) 40.00% of the aggregate Pool Balance on the last day of the immediately preceding Monthly Period.

“Ineligible Receivable” means any Receivable that arises in an Eligible Account and was not an Eligible Receivable at the time of its sale to us by the seller.

The Series CW2006-1 Available Subordinated Amount will vary from time to time as the amounts in clause (b) of the definition of “Series CW2006-1 Incremental Subordinated Amount” vary from time to time. Also, we will reduce or reinstate the Series CW2006-1 Available Subordinated Amount as described above under “—*Reduction and Reinstatement of Series CW2006-1 Security Amount*”.

As of the Series CW2006-1 Closing Date, the Series CW2006-1 Available Subordinated Amount will be \$33,567,585.

Series CW2006-1 Yield Reserve Amount

Some Receivables originated under the Accounts are not subject to a monthly finance charge payable by the dealer for a designated period of time after their creation. During such time, CNH Canada or any other applicable manufacturer is responsible for making those interest subsidy payments. If CNH Canada or any other applicable manufacturer does not make the required interest subsidy payments, there will be a decrease in interest collections. In order to augment the interest collections available to Series CW2006-1 should CNH Canada or any other applicable manufacturer fail to pay any required interest subsidy payments, an additional amount of Receivables (the “**Series CW2006-1 Yield Reserve Amount**”) will be included in the Series CW2006-1 Security Amount as a reserve for the purposes of generating additional collections to be included in the Series CW2006-1 Available Interest Amount and used to fund the payment of the amounts payable or distributable by us on each payment date as discussed under “—*Application of Collections to Series CW2006-1—Interest Collections Allocated to Series CW2006-1*” above.

The Series CW2006-1 Yield Reserve Amount will initially be \$3,800,000 (2.00% of the initial Series CW2006-1 Collateral Amount) and will be subject to increase or decrease as described below.

For each Monthly Period, a portion of the principal collections allocable to Series CW2006-1 (“**Series CW2006-1 Yield Reserve Collections**”) equal to the product of such principal collections and a fraction, the numerator of which is the Series CW2006-1 Yield Reserve Amount and the denominator of which is the Series CW2006-1 Security Amount, will be included in the Series CW2006-1 Available Interest Amount for that Monthly Period.

We have the option to:

- (a) increase the Series CW2006-1 Yield Reserve Amount (and therefore the amount of the principal collections allocable to Series CW2006-1 that will be treated as interest collections and included in the Series CW2006-1 Available Interest Amount) up to an amount not exceeding 9.00% of the initial Series CW2006-1 Collateral Amount; or
- (b) decrease the Series CW2006-1 Yield Reserve Amount (and therefore the amount of principal collections allocable to Series CW2006-1 that will be treated as interest collections and included in the Series CW2006-1 Available Interest Amount), but not to an amount less than 2.00% of the initial Series CW2006-1 Collateral Amount, unless each rating agency has confirmed that a decrease in the Series CW2006-1 Yield Reserve Amount to a lesser amount will not result in the reduction or withdrawal of the ratings of any outstanding series or class of notes which it has rated.

Any initial increase and any additional increases in the Series CW2006-1 Yield Reserve Amount would result in a larger Series CW2006-1 Security Amount and a larger allocation of principal Receivables and related non-principal Receivables to Series CW2006-1. This will result in a larger Series CW2006-1 Floating Allocation Percentage and larger allocations of principal collections and interest collections to Series CW2006-1. Any increase in the Series CW2006-1 Yield Reserve Amount would reduce the likelihood that a Series CW2006-1 Early Amortization Event would occur as a result of a decreased portfolio yield but, at the same time, would increase the likelihood that the seller will be required to add Receivables to the Trust because the Required Pool Balance would become larger as the Series CW2006-1 Security Amount becomes larger. In addition, it is expected that other series of notes will have yield reserve amounts similar to the Series CW2006-1 Yield Reserve Amount and the operation of these yield reserve amounts will have similar effects on the allocations of Receivables and collections to these series as well as on the Required Pool Balance, which effects will impact all series of notes, including Series CW2006-1.

Sale of Receivables

Receivables may be sold upon an acceleration of the Series CW2006-1 Notes after a Series CW2006-1 Event of Default and will be sold on or after the Series Final Maturity Date of the Series CW2006-1 Notes if they are not paid in full by that date. The Series Final Maturity Date of the Series CW2006-1 Notes is August 15, 2012, which is the date on which the Series CW2006-1 Notes are required to be paid in full.

If an event of default occurs and the Series CW2006-1 Notes are accelerated, each holder of Series CW2006-1 Notes may notify the indenture trustee that it desires to cause us to sell principal Receivables and the related non-principal Receivables, or interests in the principal Receivables and the related non-principal Receivables, in the amount described below. The sale can only occur if at least one of the following conditions is met:

- (a) the holders of at least 90% of the outstanding principal amount of the Series CW2006-1 Notes have notified the indenture trustee in writing that they desire to cause us to sell principal Receivables and the related non-principal Receivables for their Series CW2006-1 Notes; or
- (b) the holders of a majority of the outstanding principal amount of the Series CW2006-1 Notes have notified the indenture trustee in writing that they desire to cause us to sell principal Receivables and the related non-principal Receivables for their Series CW2006-1 Notes and the net proceeds of the sale of Receivables, as described below, plus amounts on deposit in the Principal Funding Account would be sufficient to pay all amounts due on the Series CW2006-1 Notes.

If any of the conditions in either of (a) or (b) above is met, the indenture trustee will sell or will cause us to sell principal Receivables and the related non-principal Receivables, or interests in principal Receivables and the related non-principal Receivables, on behalf of all holders of the Series CW2006-1 Notes, whether or not they have actually requested that we sell principal Receivables and the related non-principal Receivables, or interests in principal Receivables and the related non-principal Receivables, in the amount described below.

If principal on the Series CW2006-1 Notes has not been paid in full on the Series Final Maturity Date, after giving effect to any adjustments, deposits and payments to be made on that date, we will automatically become obligated to sell, and the indenture trustee will sell or will cause us to sell, principal Receivables and the related non-principal Receivables, or interests therein, on or after such date. We will apply proceeds from the sale to the payment of the amounts due on the Series CW2006-1 Notes. We will pay any excess to the seller.

In the case of any sale as described in this section, the amount of Receivables sold will be in an amount not exceeding the Series CW2006-1 Security Amount (minus the Series CW2006-1 Yield Reserve Amount) and the Series CW2006-1 Noteholders shall be entitled to receive the lesser of the proceeds of that sale and the outstanding principal amount of and any unpaid interest on the Series CW2006-1 Notes. The Series CW2006-1 Collateral Amount will be automatically reduced to zero upon the sale. After the sale, we will not allocate any further principal collections or interest collections to the Series CW2006-1 Notes.

The amount of proceeds from the sale of Receivables for the Series CW2006-1 Notes may be less than the outstanding principal amount of the Series CW2006-1 Notes plus accrued and unpaid interest on the Series CW2006-1 Notes. This deficiency can arise if the Series CW2006-1 Collateral Amount was reduced below the outstanding principal amount of the Series CW2006-1 Notes before the sale of Receivables and the sale price for the Receivables was less than the outstanding principal amount of the Series CW2006-1 Notes plus accrued and unpaid interest on the Series CW2006-1 Notes. These types of deficiencies will not be reimbursed.

Any amount remaining on deposit in the Interest Funding Account when the Series CW2006-1 Notes have received final payment as described below in “—Final Payment of the Series CW2006-1 Notes” after a sale of Receivables will be treated as interest collections and be allocated as described above in “—Application of Collections to Series CW2006-1”.

The holders of the Series CW2006-1 Notes will maintain their rights in their Series CW2006-1 Notes until the holders deliver their Series CW2006-1 Notes to us as required in connection with the application of the sale proceeds to payment of the amounts due on the Series CW2006-1 Notes.

For additional terms and provisions of the indenture and the indenture supplement applicable to all series of notes (including Series CW2006-1) and to the sale of Receivables and the rights and remedies of the holders of the Series CW2006-1 Notes after default and acceleration of those notes, see the sections of this prospectus entitled “The Indenture; Master Trust Provisions Applicable to All Series—Events of Default”, “—Sale of Receivables Securing Other Series” and “—Sale of Receivables and Remedies—Terms Applicable to All Series” below.

Final Payment of the Series CW2006-1 Notes

Series CW2006-1 Noteholders will be entitled to payment of principal in an amount equal to the outstanding principal amount of the Series CW2006-1 Notes. However, Series CW2006-1 Available Principal Amounts will be available to pay principal on the Series CW2006-1 Notes only up to the Series CW2006-1 Collateral Amount, which may be reduced for uncovered dilution amounts and charge-offs due to uncovered defaults on principal Receivables and reallocations of Series CW2006-1 Available Principal Amounts to pay interest on the notes, to make required deposits to the Reserve Fund and/or the monthly servicing fee and the Series CW2006-1 Trustee Fees and Expenses to be paid by Series CW2006-1. In addition, if a sale of Receivables to pay outstanding amounts on the Series CW2006-1 Notes occurs as described above in “—Sale of Receivables”, the amount of Receivables sold will be limited to the Series CW2006-1 Security Amount (minus the Series CW2006-1 Yield Reserve Amount) and the Series CW2006-1 Noteholders shall be entitled to receive the lesser of the proceeds of that sale and the outstanding principal amount of and any unpaid interest on the Series CW2006-1 Notes. If the Series CW2006-1 Collateral Amount has been reduced below the outstanding principal amount of the Series CW2006-1 Notes and not reinstated to that amount as described in this prospectus, Class B Noteholders will not receive full payment of the outstanding principal amount of their notes. In addition, if the total amount of these reductions exceeds the initial principal balance of the Class B Notes, then the Class A Noteholders will not receive full payment of the outstanding principal amount of their notes.

The Series CW2006-1 Notes will be considered to be paid in full, the holders of the Series CW2006-1 Notes will have no further right or claim, and we will have no further obligation or liability for principal or interest, on the earliest to occur of:

- (a) the date of the payment in full of the outstanding principal amount of and all accrued interest on the Series CW2006-1 Notes; or
- (b) the date on which a sale of Receivables has taken place, as described in “—*Sale of Receivables*” above.

Collateral For the Series CW2006-1 Notes

We have granted to the indenture trustee for the benefit and security of each noteholder, certain enhancement providers, the servicer, the seller and the indenture trustee, a security interest in all of our property, including the Receivables and the Collateral Security, collections and recoveries related to the Receivables, all permitted investments, all rights under contracts to which we are a party, all insurance proceeds, all proceeds of any derivative agreement and any proceeds of the foregoing. The security interest is granted to secure certain of our obligations to such parties equally and rateably without prejudice, priority or distinction. However, particular notes and enhancement agreements, including the Series CW2006-1 Notes, benefit from this security interest only to the extent collections on and proceeds of the collateral securing the security interest are allocated for their benefit pursuant to the indenture and the related indenture supplement. In the case of the Series CW2006-1 Notes, the benefit of the security interest is limited to the following:

- (a) a shared security interest in the Receivables and the Collateral Security securing an amount equal to the Series CW2006-1 Security Amount;
- (b) a share of the principal collections, interest collections and other funds and proceeds collected or to be collected in respect of the Receivables and Collateral Security, after giving effect to all allocations and reallocations of such funds as provided for in the indenture and the indenture supplement;
- (c) a shared security interest in all our rights, remedies, powers and claims under the Sale and Servicing Agreement;
- (d) a share of the funds or permitted investments on deposit in the Collection Account and the Excess Funding Account and all funds or permitted investments on deposit in the Reserve Fund, the Interest Funding Account and the Principal Funding Account; and
- (e) all proceeds of the foregoing.

The Series CW2006-1 Security Amount is an amount equal to the Series CW2006-1 Collateral Amount (which is equal initially to the principal amount of the Series CW2006-1 Notes), the Series CW2006-1 Available Subordinated Amount (which is the credit enhancement provided by the seller subordinating the amount or portion of the Seller Indebtedness owing by us to the seller on account of the unpaid purchase price of the Receivables and Collateral Security to the prior payment of the Series CW2006-1 Notes) and the Series CW2006-1 Yield Reserve Amount (which is a yield reserve established to generate additional principal collections for Series CW2006-1 that will be treated as interest collections allocable to Series CW2006-1 and applied to make payment of the monthly servicing fee, if any, the Series CW2006-1 Trustee Fees and Expenses, interest on the Class A Notes and the Class B Notes and required deposits to the Reserve Fund in the event that CNH Canada fails to pay to CNH Capital any required interest payments to be paid in reimbursement of interest subsidies or interest-free periods extended by CNH Capital to dealers at the request of CNH Canada). Each of the Series CW2006-1 Collateral Amount, the Series CW2006-1 Available Subordinated Amount and the Series CW2006-1 Yield Reserve Amount is subject to increase and reduction as described in this prospectus. See “—*Reduction and Reinstatement of Series CW2006-1 Security Amount*”, “—*Series CW2006-1 Available Subordinated Amount*” and “—*Series CW2006-1 Yield Reserve Amount*” above.

The “**Seller’s Indebtedness**” at any time represents the unpaid purchase price of the Receivables and Collateral Security payable by us to the seller pursuant to the Sale and Servicing Agreement.

Holders of Series CW2006-1 Notes must rely only on the collateral designated as security for the Series CW2006-1 Notes for repayment of the principal of and interest and will not have recourse to any other assets of the

Trust or any other person for payment of their Series CW2006-1 Notes. See “*Description of the Notes*” and “*Sources of Funds to Pay the Notes; Deposit and Application of Funds*”.

**THE INDENTURE;
MASTER TRUST PROVISIONS APPLICABLE TO ALL SERIES**

The Series CW2006-1 Notes will be issued pursuant to the terms of the indenture and the related indenture supplement. The discussion under this heading and the discussions under “*Description of the Notes*” above summarize the material terms of the Series CW2006-1 Notes, the indenture and the related indenture supplement. These summaries do not claim to be complete and are qualified in their entirety by reference to the provisions of the Series CW2006-1 Notes, the indenture and the related indenture supplement.

Issuer Covenants

Pursuant to the indenture, we have agreed that we will not, among other things:

- (a) claim any credit on or make any deduction from the principal and interest payable on the notes, other than amounts withheld in good faith from those payments under the *Income Tax Act* (Canada) or other applicable tax law;
- (b) voluntarily dissolve or liquidate; or
- (c) permit:
 - (i) the validity or effectiveness of the indenture to be impaired, or permit the lien created by the indenture to be amended, hypothecated, subordinated, terminated or discharged, or permit any person to be released from any covenants or obligations with respect to the notes under the indenture except as may be expressly permitted by the indenture;
 - (ii) any lien, charge, excise, claim, security interest, mortgage or other encumbrance, other than the lien created by the indenture, to be created on or extend to or otherwise arise upon or burden the collateral for the notes or proceeds of that collateral; or
 - (iii) the lien of the indenture not to constitute a valid first priority security interest in our assets.

Furthermore, we may not engage in any activity other than the activities described in “*Information About the Trust*” above. We will not incur, assume, guarantee or otherwise become liable, directly or indirectly, for any indebtedness except for or pursuant to the Series CW2006-1 Notes, any enhancement agreement, the Sale and Servicing Agreement and any other notes issued by us.

We also covenant in the indenture that if:

- (a) we default in the payment of interest on any series or class of notes when that interest becomes due and payable; or
- (b) we default in the payment of the principal of any series or class of notes on its series final maturity date;

and any of these defaults continues beyond any specified period of grace for that series or class of notes, we will, upon demand of the indenture trustee, pay to the indenture trustee, for the benefit of the holders of the notes of the affected series or class, the whole amount then due and payable on those notes for principal and interest (after giving effect to any allocation requirements), with interest, to the extent that payment of that interest will be legally enforceable, upon the overdue instalments of interest, at the rate or rates prescribed in the indenture. In addition, we will pay an amount sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the indenture trustee, its agents and counsel and all other compensation

due to the indenture trustee. If we fail to pay those amounts upon demand, the indenture trustee may institute a judicial proceeding for the collection of those unpaid amounts.

Events of Default

Each series or class of notes other than Series CW2006-1 will have events of default that are similar to those described above with respect to Series CW2006-1 and may have additional events of default specified in the indenture supplement relating to such other series or class.

Failure to pay the full stated principal amount of another series or class of notes on its scheduled final payment date will not constitute an event of default for Series CW2006-1 or any other series or class. An event of default with respect to another series or class will not necessarily be an event of default with respect to any other series or class.

The notes of each other series and class will generally be subject to default and acceleration provisions similar to those described above with respect to Series CW2006-1 and any such declaration and acceleration may be rescinded, annulled or waived by the holders of the other series or other class, or by the holders of all series or classes together with Series CW2006-1, as applicable, in the same manner.

Sale of Receivables Securing Other Series

If an event of default occurs with respect to a series or class of notes other than Series CW2006-1 and payment of those other notes is accelerated before its series final maturity date or if those other notes are not paid in full on the series final maturity date, the indenture trustee may sell or may cause us to sell Receivables, or interests in Receivables, securing those notes on substantially the same basis as described above under “*Description of the Notes—Events of Default*” and “*Sources of Funds to Pay the Notes; Deposit and Application of Funds—Sale of Receivables*”.

Proceeds from that sale will be immediately paid toward payment of those other notes. Such a sale may affect your notes adversely.

As described above with respect to the Series CW2006-1 Notes, if a sale of Receivables occurs with respect to another series, the amount of Receivables sold will be up to the security amount of the series (minus the yield reserve amount for such series). The collateral amount of a series in respect of which a sale is made will be automatically reduced to zero upon that sale. No more principal collections or interest collections will be allocated to those notes after the sale. Noteholders will receive the proceeds of that sale in an amount not to exceed the outstanding principal amount of those notes, plus unpaid interest on those notes, and any excess shall be paid to the seller.

Notes of a series (including Series CW2006-1) for which Receivables are sold after the series final maturity date for such series or for which the required percentage of noteholders have caused any sale of Receivables will cease to be outstanding under the indenture once the sale occurs.

Unless we specify otherwise in the related indenture supplement for another series of notes, the security amount of that series will be the sum of the collateral amount of that series plus an available subordinated amount equal to the portion, if any, of the Seller’s Indebtedness subordinated to the notes of that series plus a yield reserve amount. A portion of the Seller’s Indebtedness will be subordinated to the notes of another series to the extent described in the related indenture supplement.

Sale of Receivables and Remedies—Terms Applicable to All Series

After giving effect to a sale of Receivables for a series or class of notes (including the Series CW2006-1 Notes), the amount of proceeds on deposit in a principal funding account for the series or class may be less than the outstanding principal amount of that series or class. This deficiency can arise because the collateral amount of that series was reduced before the sale of Receivables and the sale price for the Receivables was less than the outstanding principal amount. These types of deficiencies will not be reimbursed for Series CW2006-1 and will not

be reimbursed for any other series or class of notes unless specified otherwise in the related indenture supplement. See “*Sources of Funds to Pay the Notes; Deposit and Application of Funds—Sale of Receivables*” above.

If a sale of Receivables does not take place following an acceleration of a series or class of notes (including the Series CW2006-1 Notes), then:

- (a) the indenture trustee may elect to continue to hold the collateral securing the security interest under the indenture and continue to make distributions as required under the distribution provisions of the indenture and the related indenture supplement;
- (b) principal will be paid on the accelerated series or class of notes to the extent funds are available to the accelerated series or class after giving effect to all allocations and reallocations and payment is permitted by the subordination provisions of the senior notes, if any, of the same series; and
- (c) on the series final maturity date of the accelerated notes, if the notes have not been paid in full, the indenture trustee will, or will direct us to, sell Receivables or interests therein as provided in the applicable indenture supplement.

The holders of a majority in outstanding principal amount of any accelerated series or class of notes have the right to direct the time, method and place of conducting any proceeding for any remedy available to the indenture trustee, or exercising any trust or power conferred on the indenture trustee. However, this right may be exercised only if the direction provided by the noteholders does not conflict with applicable law or the indenture or the related indenture supplement or have a substantial likelihood of involving the indenture trustee in personal liability. The holder of any note will have the right to institute suit for the enforcement of payment of principal of and interest on its note on its series final maturity date.

Generally, if an event of default occurs and any notes are accelerated, the indenture trustee is not obligated to exercise any of its rights or powers under the indenture unless the holders of affected notes offer the indenture trustee reasonable indemnity. Upon acceleration of the maturity of a series or class of notes following an event of default, the indenture trustee will have a lien on the collateral for those notes ranking senior to the lien of those notes for its unpaid fees and expenses.

The indenture trustee has agreed, and, by their acceptance of notes, the noteholders of each series and class will agree, that they will not at any time institute against us any bankruptcy, insolvency, reorganization or other proceeding under any federal or provincial bankruptcy, insolvency or similar law.

Meetings

The indenture trustee may call a meeting of the holders of notes of a series or class at any time. The indenture trustee will call a meeting upon our request or the request of holders of at least 10% in aggregate outstanding principal amount of the outstanding notes of the series or class.

The quorum for a meeting is a majority of the holders of the outstanding principal amount of the related series or class of notes, as the case may be, unless a higher percentage is specified for approving any action taken at the meeting, in which case the quorum is the higher percentage.

Voting

Any action or vote to be taken by the holders of a majority, or other specified percentage, of any series or class of notes may be adopted by the affirmative vote of the holders of a majority, or the applicable other specified percentage, of the aggregate outstanding principal amount of the outstanding notes of that series or class, as the case may be.

Any action or vote taken at any meeting of holders of notes duly held as required in the indenture will be binding on all holders of the affected notes or the affected series or class of notes, as the case may be.

Notes held by CNH Capital or any of its affiliates will not be deemed outstanding for purposes of voting or calculating a quorum at any meeting of noteholders.

Amendments to the Indenture and Indenture Supplements

Upon delivery by us to the indenture trustee of an officer's certificate stating that we reasonably believe that the amendment will not and is not reasonably expected to (a) result in the occurrence of an early amortization event or event of default, (b) adversely affect the amount of funds available to be distributed to the noteholders of any series or class of notes or the timing of those distributions, or (c) adversely affect the security interest of the indenture trustee in the collateral securing the notes, the indenture or any indenture supplement may, at the request of the seller, be amended, supplemented or otherwise modified without the consent of any noteholders to:

- (a) add to our covenants, or have us surrender any of our rights or powers under the indenture, for the benefit of the noteholders of any or all series or classes;
- (b) cure any ambiguity, to correct or supplement any provision that may be inconsistent with any other provision or to make any other provisions with respect to matters or questions arising under the indenture;
- (c) establish any form of note under the indenture, and to provide for the issuance of any series or class of notes, and to specify the terms of those notes, or to add to the rights of the noteholders of any series or class;
- (d) provide for the acceptance of a successor indenture trustee under the indenture with respect to one or more series or classes of notes and to add to or change any of the provisions of this indenture as will be necessary to provide for or facilitate the administration of the trusts under the indenture by more than one indenture trustee;
- (e) if one or more additional sellers or originators are added to, or replaced under, the Sale and Servicing Agreement, or if one or more additional beneficiaries are added to, or replaced under, the trust declaration, make any necessary changes to the indenture or any other related document;
- (f) provide for the addition of collateral securing the notes and the issuance of notes backed by that additional collateral; or
- (g) provide for additional or alternative credit enhancement for any notes.

The indenture or any indenture supplement may also be amended at the request of the seller without the consent of the indenture trustee or any noteholders for the purpose of adding provisions to, or changing in any manner or eliminating any of the provisions of, the indenture or any indenture supplement or of modifying in any manner the rights of the holders of the notes under the indenture or any indenture supplement, provided, however, that we will:

- (a) deliver to the indenture trustee an officer's certificate stating that we reasonably believe that the amendment will not and is not reasonably expected to:
 - (i) result in the occurrence of an Early Amortization Event or event of default;
 - (ii) adversely affect the amount of funds available to be distributed to the noteholders or any series or class of notes or the timing of those distributions; or
 - (iii) adversely affect the security interest of the indenture trustee in the collateral securing the notes; and
- (b) receive written confirmation from each rating agency that the amendment will not result in the reduction or withdrawal of the ratings of any outstanding notes which it has rated.

We and the indenture trustee may modify and amend the indenture or any indenture supplement, with prior notice to each rating agency and the consent of the holders of not less than 66 2/3% in aggregate dollar principal amount of the outstanding notes of each series or class affected by that modification or amendment. However, if the modification or amendment would result in any of the following events occurring, it may be made only with the consent of the holder of each note affected by the modification or amendment:

- (a) a change in any date scheduled for the payment of interest on any note, the scheduled final payment date or series final maturity date of any note;
- (b) a reduction of the stated principal amount of, or interest rate on, any note, or a change in the method of computing the outstanding principal amount, the adjusted outstanding principal amount, or the collateral amount in a manner that is adverse to any noteholder;
- (c) a reduction of the amount of a discount note payable upon the occurrence of an Early Amortization Event or other optional or mandatory redemption or upon the acceleration of its series final maturity date;
- (d) an impairment of the right to institute suit for the enforcement of any payment on any note;
- (e) a reduction of the percentage in outstanding principal amount of notes of any series or class, the consent of whose holders is required for modification or amendment of the indenture or any indenture supplement or for waiver of compliance with provisions of the indenture or indenture supplement or for waiver of defaults and their consequences;
- (f) a modification of any of the provisions governing the amendment of the indenture, any indenture supplement or our agreement not to claim rights under any law which would affect the covenants or the performance of the indenture or any indenture supplement, except to increase any percentage or to provide that other specified provisions of the indenture cannot be modified or waived without the consent of the holder of each outstanding note affected by that modification;
- (g) permission being given to create any lien or other encumbrance on the collateral ranking senior to the lien of the indenture;
- (h) a change in the city or political subdivision so designated with respect to any series or class of notes where any principal of, or interest on, any note is payable;
- (i) a change in the method of computing the amount of principal of, or interest on, any note on any date; or
- (j) make any other amendment not permitted by the first paragraph of this section.

The holders of a majority in aggregate outstanding principal amount of the notes of a series or class may waive, on behalf of the holders of all the notes of that series or class, compliance by us with specified restrictive provisions of the indenture or the indenture supplement.

The holders of a majority in aggregate outstanding principal amount of the notes of an affected series or class may, on behalf of all holders of notes of that series or class, waive any past default under the indenture or the indenture supplement with respect to notes of that series or class. However, the consent of the holders of all outstanding notes of a series or class is required to waive any past default in the payment of principal of, or interest on, any note of that series or class or in respect of a covenant or provision of the indenture that cannot be modified or amended without the consent of the holders of each outstanding note of that series or class.

Addresses for Notices

Notices to holders of notes will be given by mail sent to the addresses of the holders as they appear in the note register.

Issuer's Annual Compliance Statement

We are required to furnish annually to the indenture trustee a statement concerning our performance or fulfillment of covenants, agreements or conditions in the indenture as well as the presence or absence of defaults under the indenture.

Satisfaction and Discharge of Indenture

The indenture will be discharged with respect to the notes upon:

- (a) the delivery to the indenture trustee for cancellation of all the notes or, with specific limitations, deposit with the indenture trustee of funds sufficient for the payment in full of all the notes;
- (b) payment of all other amounts payable by us under the indenture; and
- (c) delivery by us to the indenture trustee of required certificates and an opinion of counsel confirming compliance with the indenture conditions for discharge.

Exemptive Relief

Pursuant to an exemptive relief decision document dated November 26, 2004 under the mutual reliance review system, the Trust is exempt from the requirements to file and deliver quarterly financial statements provided that the Trust (i) within 60 days after the end of each fiscal year of the Trust, provides to noteholders who so request and contemporaneously file on SEDAR modified management's discussion and analysis concerning the Receivables, and (ii) within 140 days after the end of each fiscal year of the Trust, provides to noteholders who so request and contemporaneously file on SEDAR management's discussion and analysis of financial condition and results of operations of the Trust for such fiscal year, the annual servicer's compliance certificate required by the Sale and Servicing Agreement and the annual accountant's servicing report required by the Sale and Servicing Agreement. These reports are available to Series CW2006-1 Noteholders upon request from the indenture trustee, on the Internet at www.cnh.com or on SEDAR at www.sedar.com. See "*The Sale and Servicing Agreement – Evidence as to Compliance*".

Pursuant to the exemptive relief decision document, the Trust also provides a notice to noteholders on an annual basis that the monthly servicer reports, the annual and interim modified MD&A, the annual servicer's compliance certificate and the annual accountants servicing report are available to noteholders upon request from the indenture trustee, on the Internet at www.cnh.com or on SEDAR at www.sedar.com. The notice itself is also available on www.cnh.com.

Reports

Monthly reports containing information on the notes and the collateral securing the notes will be prepared by us and the servicer and be delivered to any enhancement providers, the rating agencies rating our notes and the indenture trustee. Such monthly reports are available to Series CW2006-1 Noteholders upon request to the indenture trustee, on the Internet at www.cnh.com or on SEDAR at www.sedar.com.

Additional Series of Notes

On July 22, 2004, the Trust issued (i) \$150,000,000 aggregate principal amount of Floating Rate Class A Wholesale Receivables-Backed Notes, Series CW2004-1 (the "**CW2004-1 Class A Notes**") and \$12,303,000 aggregate principal amount of Floating Rate Class B Wholesale Receivables-Backed Notes, Series CW2004-1 (the "**CW2004-1 Class B Notes**") and together with the CW2004-1 Class A Notes, the "**Series CW2004-1 Notes**") pursuant to a short-form prospectus dated July 14, 2004, (ii) \$175,000,000 aggregate principal amount of Floating Rate Class A Wholesale Receivables-Backed Notes, Series CW2004-2 (the "**CW2004-2 Class A Notes**") and \$14,353,000 aggregate principal amount of Floating Rate Class B Wholesale Receivables-Backed Notes, Series CW2004-2 (the "**CW2004-2 Class B Notes**") and together with the CW2004-2 Class A Notes, the "**Series CW2004-2 Notes**") to the public pursuant to a short-form prospectus dated July 14, 2004 and (iii) \$160,000,000 aggregate principal amount of Variable Funding Wholesale Receivables-Backed Notes, Series CW2004-3 (the "**Series**

CW2004-3 Notes”) on a private placement basis in reliance upon exemptions from the prospectus and dealer requirements of applicable securities laws in Canada pursuant to a note purchase agreement dated July 22, 2004. It is expected that the Series CW2004-1 Notes will be redeemed in full on August 15, 2006 which is their scheduled final payment date.

On August 15, 2005, the Trust issued \$146,000,000 aggregate principal amount of Variable Funding Wholesale Receivables-Backed Notes, Series CW2004-4 Notes (the “**Series CW2004-4 Notes**”) on a private placement basis in reliance upon exemptions from the prospectus and dealer requirements of applicable securities laws in Canada pursuant to a note purchase agreement dated August 15, 2005. The Series CW2004-4 facility limit is \$250,000,000. The proceeds received upon the issuance of the Series CW2004-4 Notes on August 15, 2005 were applied by the Trust to redeem the issued and outstanding Series CW2004-3 Notes on August 15, 2005.

Prior to issuing any series of notes, we will be required to obtain written confirmation from each rating agency that the issuance of such notes shall not cause the rating agency’s rating of any outstanding series or class of notes (including Series CW2006-1) to be reduced or withdrawn.

THE SALE AND SERVICING AGREEMENT

We have entered into the sale and servicing agreement between us and the seller dated July 1, 2004 (the “**Sale and Servicing Agreement**”) to provide for the sale of the Receivables and the related Collateral Security on the Initial Cut-Off Date and any Additional Cut-Off Date.

In the following summary, we describe the terms of the Sale and Servicing Agreement. This summary, however, is qualified in its entirety by reference to the Sale and Servicing Agreement.

Conveyance of Receivables and Collateral Security

Pursuant to the Sale and Servicing Agreement, the seller has sold and assigned to us:

- (a) all of its right, title and interest in and to Receivables in the Initial Accounts and the related Collateral Security as of the Initial Cut-Off Date;
- (b) all Receivables and the related Collateral Security created in the Initial Accounts after the Initial Cut-Off Date;
- (c) all of its right, title and interest in and to Receivables in the Automatic Additional Accounts and the related Collateral Security as of the date the Automatic Additional Accounts are created (the “**Additional Cut-Off Date**” for such Automatic Additional Accounts);
- (d) all Receivables and the related Collateral Security created in the Automatic Additional Accounts after the applicable Additional Cut-Off Date;
- (e) the amounts paid or payable by CNH Canada to CNH Capital in reimbursement or subvention of the interest subsidies or interest waivers granted by CNH Canada to the dealers under or in respect of the credit sales of equipment to the dealers that give rise to or constitute the Receivable; and
- (f) the proceeds of all of the foregoing.

The “**Collateral Security**” in respect of the Receivables is:

- (a) the lien in or reservation of title or ownership with respect to the related financed equipment or parts; and

- (b) an undivided participation interest together with CNH Capital in and to:
 - (i) any other collateral or assets provided by the related dealer or any third party to secure such Receivable;
 - (ii) any personal or corporate collateral guarantees supporting the Receivables, which may also support other obligations to other parties and/or unrelated to the Receivables; and
 - (iii) the rights, benefits and remedies of CNH Capital under or in respect of the revolving credit wholesale account agreement between CNH Capital and the dealer,

but, in the case of (i) to (iii) above, only with respect to and to the extent necessary to enforce the Receivables and other Collateral Security sold, transferred or assigned to us. The seller will agree to subordinate its undivided participation interest in the foregoing Collateral Security to that granted to us by the seller.

CNH Capital must indicate in its computer records that the Receivables conveyed to us in CNH Capital's Accounts have been so conveyed to us. In addition, on or within 10 days following the designation of an Account to us, in the case of Initial Accounts and Additional Accounts, and upon request, in the case of the Automatic Additional Accounts, the seller has, in the case of the Initial Accounts, or will, in the case of Additional Accounts or Automatic Additional Accounts, provide to the indenture trustee a computer file or microfiche or written list containing a true and complete list showing for each Account, as of such date:

- (a) its account number;
- (b) the outstanding balance of the Receivables in the designated Account that are being sold to us on such date; and
- (c) the outstanding balance of principal Receivables in the designated Account that are being sold to us on such date.

CNH Capital will retain and will not deliver to the trustee or indenture trustee any other records or agreements relating to the Receivables. Except as stated above, CNH Capital has not segregated nor will segregate the records and agreements relating to our Receivables from those relating to other accounts of CNH Capital. CNH Capital has not stamped or marked nor will stamp or mark the physical documentation relating to the Receivables to reflect the sale of the Receivables to us. We and CNH Capital, as seller, have filed one or more financing statements as required under applicable provincial law to perfect our respective interests in the Receivables, the Collateral Security under the Sale and Servicing Agreement and the proceeds of those items. See "*Risk Factors*" and "*Legal Aspects of the Receivables*".

Representations and Warranties

The seller has represented and warranted to us, among other things, that:

- (a) as of the Initial Cut-Off Date or, in the case of the Automatic Additional Accounts and the Additional Accounts, as of the Additional Cut-Off Date and the date the related Receivables are transferred to us (an "**Addition Date**"), each Account, Automatic Additional Account or Additional Account was an Eligible Account;
- (b) as of the Initial Cut-Off Date, or as of the Additional Cut-Off Date, in the case of any Additional Accounts, or as of the date any future Receivable is generated (a "**Receivables Transfer Date**"), each Receivable was or is an Eligible Receivable or, if the Receivable was not or is not an Eligible Receivable, the Receivable is conveyed to us as described below;
- (c) each Receivable and all Collateral Security conveyed to us on the Receivables Transfer Date or, in the case of Additional Accounts, on the Addition Date, have been conveyed to us free and clear of any liens; and

- (d) all appropriate consents and governmental authorizations required to be obtained by the seller in connection with the conveyance of each Receivable or Collateral Security have been duly obtained.

If the seller breaches any representation or warranty described in the preceding paragraphs the related Receivables will be reassigned to the seller in the manner described in the following paragraph. However, we will be entitled to make that reassignment only if:

- (a) the breach remains uncured for 60 days or such longer period as may be agreed to by the indenture trustee, after the earlier to occur of the discovery of the breach by the seller or the servicer or receipt of written notice of the breach by the seller or the servicer; and
- (b) the breach has a materially adverse effect on the noteholders' interests in the related Receivable or, in the case of a breach relating to an Account, all Receivables in the related Account (**“Warranty Breach Receivables”**).

We will reassign each Warranty Breach Receivable to the seller on or before the end of the Monthly Period in which the reassignment obligation arises by deducting the principal balance of the Warranty Breach Receivables from the aggregate amount of the principal balances of the Receivables (the **“Pool Balance”**). A deduction may cause (a) the Adjusted Pool Balance on the last day of a Monthly Period to be less than the Required Pool Balance on the following payment date or (b) the Adjusted Pool Balance minus the aggregate collateral amounts for all outstanding series (the **“Seller Amount”**) to be less than the sum of the aggregate available subordinated amounts for all outstanding series (the **“Trust Available Subordinated Amount”**) and the Trust Yield Reserve Amount, in each case on the related Determination Date after giving effect to the allocations, distributions, withdrawals and deposits to be made on the following payment date. If either of these events happens, the seller must make a deposit into the Excess Funding Account in immediately available funds in an amount equal to the amount necessary to cure the deficit (that amount, a **“Seller Deposit Amount”**). If any required Seller Deposit Amount is not so deposited, the principal balance of the related Warranty Breach Receivables will not be deducted from the Pool Balance. Any principal balance not so deducted will not be reassigned. The reassignment of any Receivable to the seller and the payment of any related Seller Deposit Amount will be the sole remedy available against the seller for any breach of the representations and warranties described above in this section with respect to the Receivables.

“Monthly Period” means a calendar month and, with respect to any payment date, the calendar month preceding the month in which that payment date occurs.

“Adjusted Pool Balance” means, as of any date, the sum of:

- (a) the Pool Balance as of that date, plus
- (b) the amount then on deposit in the Excess Funding Account, excluding amounts on deposit in the Excess Funding Account relating to investment earnings.

The seller has also represented and warranted to us that, among other things, as of the date of issuance of each series (each, a **“Series Closing Date”**):

- (a) the seller is duly formed as a corporation and in good standing under the laws of its jurisdiction of incorporation, it has the authority to carry out the transactions contemplated by the Sale and Servicing Agreement and the Sale and Servicing Agreement constitutes a valid, binding and enforceable agreement of the seller; and
- (b) the Sale and Servicing Agreement and the assignment of Receivables from the seller to us on such Series Closing Date, or in the case of any Additional Accounts, the assignment of Receivables on any Addition Date constitute a valid sale, transfer and assignment in favour of us in all of the seller's right, title and interest in the Receivables and the Collateral Security and the proceeds thereof and, upon the filing of any financing statements with the applicable governmental authority, and, in the case of the Receivables created afterwards and the proceeds thereof, upon the creation thereof, we shall have a first priority perfected ownership interest in such property.

Except as otherwise provided in the Sale and Servicing Agreement, neither the seller nor any person claiming through or under the seller has any claim to or interest in such property.

If a breach of any of the representations and warranties described in the preceding paragraph has a materially adverse effect on the interests of Series CW2006-1 Noteholders in the Receivables, either the indenture trustee or the holders of notes of all outstanding series evidencing not less than a majority of the aggregate unpaid principal amount of all outstanding series, by written notice to us, the seller and the servicer, and to the indenture trustee if given by Series CW2006-1 Noteholders, may direct the seller to accept the reassignment of all Receivables within 60 days of the notice, or within a longer period specified in the notice. The seller must accept the reassignment of those Receivables on a payment date occurring within the 60-day period or the longer period specified in the notice, as applicable. However, the reassignment need not be made if at the end of the applicable period, the representations and warranties are then true and correct in all material respects and any materially adverse effects caused by the breach have been cured. The price for the reassignment will typically be equal to the sum of:

- (a) the aggregate outstanding principal amounts of the notes of all series on the Determination Date preceding the payment date on which the purchase is scheduled to be made;
- (b) accrued and unpaid interest on the unpaid principal amount of the notes at the applicable note rate, together with interest on overdue interest; and
- (c) with respect to any particular series of notes, any other amounts stated in its indenture supplement.

The payment of the reassignment price for all outstanding series to the noteholders of those series will be considered a payment in full of the related notes. The indenture trustee will distribute the relevant portion of those funds to the applicable Series CW2006-1 Noteholders upon presentation and surrender of the related notes. If the indenture trustee or the Series CW2006-1 Noteholders give a notice as provided in the preceding paragraph, the seller's obligation to pay the purchase price for the reassigned Receivables will be the sole remedy respecting a breach of the representations and warranties available to noteholders or the indenture trustee on behalf of the noteholders.

Eligible Accounts and Eligible Receivables

As discussed under “—*Representations and Warranties*” above, the seller has represented that, as of specified times, the Accounts are Eligible Accounts and the Receivables are Eligible Receivables.

An “**Eligible Account**” is the group of wholesale financing line or lines of credit extended by CNH Capital to a dealer, which, as of its date of determination:

- (a) is established by CNH Capital in the ordinary course of business under a floorplan financing agreement;
- (b) is in favour of an Eligible Dealer; and
- (c) is in existence and maintained and serviced by the seller.

An “**Eligible Dealer**” is a dealer, as of the date of determination:

- (a) which is located in one of the provinces of Canada;
- (b) which has not been identified by the servicer as being the subject of any voluntary or involuntary bankruptcy or insolvency proceeding or voluntary or involuntary liquidation;
- (c) which is not classified as being a terminated dealer; and
- (d) which is:

- (i) licensed or appointed by CNH or its affiliates to distribute or sell equipment manufactured or distributed by CNH and its affiliates; or
- (ii) licensed or appointed by a manufacturer (other than CNH or its affiliates) to distribute or sell equipment (other than equipment manufactured or distributed by CNH and its affiliates) provided the each rating agency has confirmed that (A) the dealer being included as an Eligible Dealer or (B) a class of dealers that includes the dealer being included as an Eligible Dealer, will not, in either case, result in the reduction or withdrawal of the ratings of any outstanding series or class of notes which it has rated.

An **“Eligible Receivable”** is a Receivable:

- (a) which was originated by CNH Capital in the ordinary course of business;
- (b) which has arisen under an Eligible Account and is payable in Canadian dollars;
- (c) which is owned by CNH Capital at the time of sale to us;
- (d) which represents the obligation of a dealer to repay an advance or credit sale made to the dealer to finance the acquisition of agricultural or construction equipment or parts for:
 - (i) its floorplan or parts inventory;
 - (ii) its rental business; or
 - (iii) its rent-to-own program;
- (e) which at the time of creation and at the time of transfer to us is secured by a perfected first priority security interest in the related equipment or part;
- (f) which was created in compliance in all respects with all requirements of law applicable to the Receivable and under a floorplan financing agreement which complies in all respects with all requirements of law applicable to any party to such floorplan financing agreement;
- (g) with respect to which all consents, licenses, approvals or authorizations of, or registrations or declarations with, any governmental authority required to be obtained, effected or given by CNH Capital in connection with the creation of the Receivable or the transfer of the Receivable to us or the execution, delivery and performance by CNH Capital of the floorplan financing agreement under which the Receivable was created, have been duly obtained, effected or given and are in full force and effect;
- (h) as to which at all times following the transfer of the Receivable to us, we will have good and marketable title to the Receivable free and clear of all liens arising before the transfer or arising at any time, other than liens permitted under the Sale and Servicing Agreement;
- (i) which has been the subject of a valid sale and assignment from the seller to us of all of the seller’s right, title and interest in the Receivable, including any proceeds of the Receivable;
- (j) which will at all times be the legal, valid, binding and assignable payment obligation of the related dealer, enforceable against the dealer in accordance with its terms, except as enforceability may be limited by applicable bankruptcy or other similar laws and general principles of equity;
- (k) which at the time of transfer to us is not subject to any right of rescission, set-off, counterclaim or any other defense of the dealer;
- (l) as to which, at the time of transfer of the Receivable to us, CNH Capital has satisfied all of its obligations with respect to the Receivable required to be satisfied at that time;

- (m) as to which, at the time of transfer of the Receivable to us, CNH Capital has not taken nor failed to take any action which would impair our rights or the rights of the noteholders;
- (n) which constitutes a “claim”, “account”, “chattel paper”, “intangible” or “instrument” as defined in the applicable personal property security legislation;
- (o) which, at the time of transfer of the Receivable to us, is not more than 90 days past due;
- (p) which was transferred to us with all applicable governmental authorization and free and clear of any liens;
- (q) the outstanding principal balance of which, when added to the Pool Balance, does not cause the aggregate principal balance of all Receivables relating to equipment purchased by a dealer for its rental business, to exceed 5.00% of the Pool Balance;
- (r) the outstanding principal balance of which, when added to the Pool Balance, does not cause the aggregate principal balance of all Receivables relating to:
 - (i) any of the three Main Dealers that have Accounts with the highest outstanding principal balances to exceed 3.50% of the Pool Balance; or
 - (ii) any other single Main Dealer to exceed 2.50% of the Pool Balance;
- (s) the outstanding principal balance of which, when added to the Pool Balance, does not cause the aggregate principal balance of all Receivables relating to used equipment to exceed 40.00% of the Pool Balance; and
- (t) the outstanding principal balance of which, when added to the Pool Balance, does not cause the aggregate principal balance of all Receivables relating to any dealers in which CNH or any of its affiliates has an equity interest to exceed 2.00% of the Pool Balance.

Neither the trustee nor the indenture trustee has made or will make any initial or periodic general examination of the Receivables or any records relating to the Receivables for the purpose of establishing the presence or absence of defects, compliance with the seller’s representations and warranties or for any other purpose. Also, neither the trustee nor the indenture trustee will make any initial or periodic general examination of the servicer for the purpose of establishing the compliance by the servicer with its representations or warranties, the observation of its obligations under the Sale and Servicing Agreement or for any other purpose. The servicer, however, will deliver to the indenture trustee on or before March 31 of each calendar year, an opinion of counsel with respect to the validity of our interest in and to the Receivables and other Collateral Security.

Ineligible Receivables

To facilitate the administration and reporting requirements of the servicer under the Sale and Servicing Agreement, the seller will transfer all Receivables arising in an Eligible Account to us, including Ineligible Receivables and, without duplication, any other Receivables that are not Eligible Receivables that are conveyed to us.

Addition of Accounts

The Sale and Servicing Agreement provides that there will automatically be included as Accounts to be included in the Trust all Eligible Accounts created by CNH Capital after the Initial Cut-Off Date (the “**Automatic Additional Accounts**”). However, in the event that the addition of such Automatic Additional Accounts exceeds certain limitations, the seller may be required to remove such Accounts from the Trust as described below under “*Removal of Accounts*”.

The seller has the right, with some limitations and conditions, and in some circumstances is obligated, to designate from time to time additional accounts to be included as Accounts that are included in the Trust

(“**Additional Accounts**”) and to convey the related Receivables and Collateral Security to us. For any conveyance of Receivables in Additional Accounts, the procedures specified in this paragraph will be followed and the information for the Additional Accounts and the related Receivables will be as of a cut-off date for the Additional Accounts determined by the seller (the “**Additional Cut-Off Date**”).

Any designation of Additional Accounts is subject to the following conditions, among others:

- (a) each Additional Account must be an Eligible Account;
- (b) the seller will represent and warrant that the addition of the Additional Accounts will not, in its reasonable belief, cause an Early Amortization Event to occur with respect to any series of notes;
- (c) the seller may not select the Additional Accounts in a manner that is adverse to the interests of the noteholders or any enhancement provider;
- (d) if the addition is not required, the seller will deliver an opinion of counsel with respect to the addition of the Additional Accounts to us, the indenture trustee, the rating agencies and any enhancement provider; and
- (e) the applicable rating agencies will have provided written confirmation that the addition will not cause the rating of any outstanding series or class of notes to be reduced or withdrawn.

In addition, the seller must designate Additional Accounts and convey the related Receivables and Collateral Security of those Additional Accounts to us if, after giving effect to the allocations, distributions, withdrawals and deposits to be made on the payment date:

- (a) the Adjusted Pool Balance on the last day of any Monthly Period is less than the Required Pool Balance as of the following payment date; or
- (b) the Seller Amount is less than the sum of the Trust Available Subordinated Amount and the Trust Yield Reserve Amount.

In that case, unless bankruptcy or insolvency events have occurred with respect to us or the seller, then the seller is obligated to sell, transfer and assign to us, within 10 business days after the end of the Collection Period, interests in Receivables arising in the Additional Accounts in an amount sufficient to cure that deficit. However, since all of the Eligible Accounts created after the Initial Cut-Off Date will be Automatic Additional Accounts and therefore automatically included as Accounts, it is unlikely that the seller will have additional accounts available to designate if such a deficit ever arises. If the seller is unable to designate Additional Accounts and add the Receivables of those Additional Accounts, an Early Amortization Period will occur with respect to the Series CW2006-1 Notes and may occur with respect to other series of notes. To date the seller has not been obligated to sell, transfer and assign Receivables to the Trust pursuant to the above.

The “**Required Pool Balance**” for any date is an amount equal to the sum of (x) the sum of the amounts for each series of notes obtained by multiplying the required pool percentage for that series by the collateral amount of that series of notes and (y) the sum of the required subordinated amounts for all series of notes and the Trust Yield Reserve Amount on the preceding payment date, after giving effect to the allocations, deposits and payments made on that payment date.

The “**Required Pool Percentage**” for the Series CW2006-1 Notes is 107.00%.

Each Additional Account must be an Eligible Account at the time of its addition. However, since Additional Accounts may not have been a part of the initial portfolio of CNH Capital, they may not be of the same credit quality as the Initial Accounts. Additional Accounts may have been originated by CNH Capital at a later date using credit criteria different from those which were applied to the Initial Accounts.

Removal of Accounts

The seller will have the right at any time, but not more than once each month, to remove accounts from the list of Accounts and, in connection with the removal, repurchase the then existing Receivables in such Accounts. To remove Accounts from the accounts designated to us and repurchase the then existing Receivables in those Accounts, the seller, or the servicer on its behalf, will, among other things:

- (a) represent and warrant that the removal of any Eligible Account and the repurchase of the Receivables then existing in the Account on any Determination Date on which the removal of the Accounts to be removed from designation to us (the “**Removed Accounts**”) and the purchase of the Receivables then existing in the Removed Accounts (the “**Removed Receivables**”) will occur (the “**Removal Date**”), will not, in the seller’s reasonable belief, cause:
 - (i) an Early Amortization Event to occur with respect to any series of notes;
 - (ii) the Adjusted Pool Balance to be less than the Required Pool Balance; or
 - (iii) the Seller Amount to be less than the sum of the Trust Available Subordinated Amount and the Trust Yield Reserve Amount; and
- (b) represent and warrant that Accounts, or administratively convenient groups of Accounts, were chosen for removal randomly or otherwise not on a basis intended to select particular Accounts or groups of Accounts for any reason other than administrative convenience and no selection procedure believed by the seller to be adverse to the interests of the noteholders of any series of notes were used in selecting the Removed Accounts.

The seller may not remove Removed Accounts or repurchase the related Receivables unless each rating agency has notified us, the servicer and the indenture trustee in writing that the removal and repurchase will not cause the rating agency’s rating of any outstanding series or class of notes to be reduced or withdrawn.

Upon satisfaction of the above conditions, on the Removal Date with respect to any Removed Account and Removed Receivables, the Removed Account will be deemed removed from accounts designated to us, and the Removed Receivables will be deemed repurchased, from us for all purposes.

However, the condition specified in the second preceding paragraph above that relates to rating agencies and the conditions specified in clauses (a) and (b) above will not be required if all of the Accounts to be removed have liquidated and have zero balances.

In addition to the foregoing, the seller will be required to remove Accounts from the Trust if:

- (a) the number of, or the aggregate balance of Receivables in, Automatic Additional Accounts included as Accounts in the Trust during any of the three consecutive calendar months beginning in January, April, July and October of each calendar year exceeds 5.00% of the number of, or the aggregate balance of Receivables in, Accounts in the Trust as of (i) the Initial Cut-Off Date with respect to the periods commencing in July and October of 2004, and (ii) the first day of the calendar year during which such periods commence, in all other cases; or
- (b) the number of, or the aggregate balance of Receivables in, Automatic Additional Accounts created and included as Accounts in the Trust during any such calendar year exceeds 20.00% of the number of, or the aggregate balance of Receivables in, Accounts in the Trust as of (i) the Initial Cut-Off Date with respect to 2004, and (ii) the first day of the calendar year during which such periods commence, in all other cases; and

in either case, upon written notification from the servicer of the inclusion of Automatic Additional Accounts in the Trust in excess of the thresholds in clause (a) and/or (b) above and certain prescribed information regarding such Automatic Additional Accounts, a rating agency informs the servicer within 30 days of such notice that the inclusion of such Automatic Additional Accounts will result in the reduction or withdrawal of the ratings of any outstanding series or class of notes which it has rated.

To date, the seller has not been obligated to remove any Accounts or repurchase the related Receivables.

Purchase Termination Event

If an event of insolvency, bankruptcy or receivership occurs with respect to the seller or us, we will immediately cease to purchase Receivables from the seller.

Collection Account

In general, either the servicer, with some limitations, will hold our funds or the indenture trustee will keep those funds in accounts that must be Qualified Deposit Accounts.

The servicer has established and will maintain a Qualified Deposit Account for the benefit of the noteholders of all series in the name of the indenture trustee, on our behalf (the “**Collection Account**”). “**Qualified Deposit Account**” means a segregated account with a Qualified Institution. A “**Qualified Institution**” means:

- (a) the corporate trust department of the indenture trustee;
- (b) a depository institution organized under the laws of Canada or any one of the provinces of Canada (or any domestic branch of an authorized foreign bank) which at all times, (i) has either (A) a long-term unsecured debt rating of “A2” or better by Moody’s and of “AA-” or better by S&P and of “AA-” if rated by DBRS, or (B) a certificate of deposit rating of “P-1” by Moody’s or “A-1+” by S&P or “R-1 (middle)” by DBRS, and (ii) whose deposits are insured by the Canada Deposit Insurance Corporation; or
- (c) a bank, trust company or other depository institution acceptable to the rating agencies rating the notes.

Funds in the Collection Account generally will be invested in Permitted Investments. “**Permitted Investments**” means:

- (a) direct obligations of, or obligations fully guaranteed as to timely payment by, the Government of Canada or any agency or instrumentality thereof, the obligations of which are backed by the full faith and credit of the Government of Canada;
- (b) demand deposits, time deposits or certificates of deposit of any bank, trust company or other depository institution incorporated under the laws of Canada or any one of the provinces thereof (or any domestic branch of a foreign bank) and subject to supervision and examination by federal banking institution authorities; provided, however, that at the time of the investment or contractual commitment to invest therein, the certificates of deposit or short-term deposits or the commercial paper or other short-term senior unsecured debt obligations of such bank, trust company or other depository institution shall have a credit rating of “R-1 (middle)” or higher from DBRS, “A-1+” from S&P, and “P-1” from Moody’s;
- (c) commercial paper (including but not limited to asset-backed commercial paper) having, at the time of the investment or contractual commitment to invest, a short-term credit rating of “R-1 (high)” from DBRS, “A-1+” from S&P, and “P-1” from Moody’s;
- (d) investments in money market funds having a rating from each of the rating agencies in its highest investment category, including funds for which the indenture trustee or the trustee or any of their

respective affiliates is an investment manager, controlling party or advisor having a rating of (i) “AAA-m” or “AAA-mG” from S&P, (ii) “AAA” from DBRS and (iii) “Aaa” from Moody’s;

- (e) call loans and notes or bankers’ acceptances issued or accepted by any bank, trust company or other depository institution referred to in clause (b) above;
- (f) securities subject to repurchase obligations (including any tri-party repurchase obligations) where the security is a direct obligation of, or fully guaranteed by, the Government of Canada or any agency or instrumentality thereof the obligations of which are backed by the full faith and credit of the Government of Canada, in either case entered into with a bank or trust company (acting as principal) described in clause (b) above;
- (g) demand deposits in the name of the indenture trustee in any depository institution or trust company referred to in clause (b) above; and
- (h) any other investments permitted by each of the rating agencies as set forth in writing delivered to the indenture trustee;

provided, in each case, that such investments shall have original or remaining maturities of 30 days or less, but in no event occurring later than the payment date next succeeding the indenture trustee’s acquisition of Permitted Investments.

Any earnings, net of losses and investment expenses, on funds in the Collection Account will be credited to the Collection Account. The servicer will have the revocable power to instruct the indenture trustee to make withdrawals and payments from the Collection Account for the purpose of making payments under the indenture and any indenture supplement. The servicer may select an agent as representative of the servicer for the purpose of choosing the investments.

Allocation of Collections; Deposits in Collection Account

On each Determination Date, the servicer will calculate the amounts to be allocated in respect of collections on Receivables received during the related Monthly Period to the Noteholders of each outstanding series or class or to the seller.

The servicer, no later than two business days after the processing date, will deposit all collections received with respect to the Receivables, excluding, with exceptions, portions allocable to the seller, in each Monthly Period into the Collection Account. However, the servicer need not make daily deposits if:

- (a) CNH Capital remains the servicer under the Sale and Servicing Agreement;
- (b) no Servicer Default has occurred and is continuing; and
- (c) (i) CNH Capital maintains a long-term rating of at least “A” (low) by DBRS and CNH maintains a short-term rating of at least “A-1” from S&P (and for five business days following any reduction of either such rating); (ii) CNH Capital arranges for and maintains a letter of credit or other form of enhancement in respect of the servicer’s obligations to make deposits of collections on the Receivables into the Collection Account that is acceptable in form and substance to each rating agency and any agents; or (iii) CNH Capital otherwise obtains the rating agency confirmations described below.

In that case, subject to any limitations in the confirmations referred to below, CNH Capital may use for its own benefit all collections until the related transfer deposit date. At that time, CNH Capital will make the deposits in an amount equal to the net amount of the deposits and withdrawals which would have been made if deposits were made on a daily basis. However, before ceasing daily deposits as described above, CNH Capital must deliver to the indenture trustee written confirmation from the applicable rating agencies that the failure by CNH Capital to make daily deposits will not result in the rating agencies reducing or withdrawing the rating of any outstanding series or class of notes issued by us.

In addition, during each Monthly Period, the servicer will be required to deposit interest collections and principal collections into the Collection Account only to the extent of:

- (a) the distributions we must make to noteholders;
- (b) the amounts we must deposit into any account maintained for the benefit of Noteholders of any series and other parties; and
- (c) amounts we must pay to any enhancement provider on the payment date relating to the Monthly Period.

Also, if, at any time before that payment date, the amount of collections deposited in the Collection Account exceeds the amount the servicer is required to deposit, the servicer will be permitted to withdraw the excess from the Collection Account and pay such amount to the seller.

Pending any deposit into the Collection Account by the servicer, the servicer may invest collections at its own risk and for its own benefit, and the collections will not be segregated from its own funds. If the servicer were unable to remit those funds, Noteholders might incur a loss.

On any date on which the servicer deposits collections in the Collection Account, the servicer will distribute directly to the seller the amount of the interest and principal collections allocable to the seller. However, the servicer will make that distribution only if the Seller Amount exceeds the sum of the Trust Available Subordinated Amount and the Trust Yield Reserve Amount, and the Adjusted Pool Balance is greater than the Required Pool Balance, in each case determined after giving effect to any principal Receivables transferred to us and any deposit to the Excess Funding Account on that date. Any amounts not distributed to the seller because the condition in the preceding sentence was not satisfied will be deposited into the Excess Funding Account.

Defaulted Receivables and Recoveries; Dilutions

“Defaulted Receivables” on any payment date are all Receivables that the servicer charged-off as uncollectible in respect of the immediately preceding Monthly Period.

The **“Defaulted Amount”** for any Monthly Period will be an amount, which may not be less than zero, equal to the principal amount of Receivables that became Defaulted Receivables during the preceding Monthly Period, excluding any Defaulted Receivables subject to reassignment to the seller or purchase by the servicer for the Monthly Period unless events of bankruptcy, insolvency or receivership have occurred with respect to either the seller or the servicer, in which event the Defaulted Amount will not be reduced for those Defaulted Receivables.

The servicer will charge off Receivables as uncollectible in accordance with the servicer’s usual and customary policies and procedures for servicing its own comparable revolving dealer wholesale loan accounts. The servicer will allocate a portion of the Defaulted Amounts for each Monthly Period between the Noteholders of each series and the Seller’s Indebtedness. The portion of the Defaulted Amount allocated to the Noteholders of a series will be the **“Investor Default Amount”** for the series. The Investor Default Amount is also referred to as a charge-off of Defaulted Receivables.

Dilution includes reductions in principal Receivables:

- (a) because of rebates, billing errors or other non-cash items to a dealer;
- (b) because the Receivables were created in respect of inventory which was refused or returned by a dealer; or
- (c) because of buybacks of equipment and/or parts from a dealer upon dealer termination.

Unlike Defaulted Receivables, dilution is not intended to be allocated to noteholders. Instead, we will reduce the principal amount of each of the Seller Amount and the Pool Balance by the amount of dilution. Further, to the extent that the reduction in the Seller Amount would reduce the Seller Amount below the sum of the Trust

Available Subordinated Amount and the Yield Reserve Amount, the seller will deposit a cash amount equal to the deficiency into the Excess Funding Account in immediately available funds on the day on which the servicer makes the adjustment.

Indemnification

The Sale and Servicing Agreement states that the servicer will indemnify us, the trustee, and the indenture trustee from and against any loss, liability, expense, damage or injury suffered or sustained arising out of any acts, omissions or alleged acts or omissions arising out of activities of the servicer under the Sale and Servicing Agreement. The servicer will not so indemnify us, the trustee or the indenture trustee, however, if the loss, liability, expenses, damages or injury is as a result of fraud, gross negligence, breach of fiduciary duty or wilful misconduct by us, the trustee or the indenture trustee. Also, the servicer will not indemnify us, the trustee, the indenture trustee or the noteholders for any tax which we, the trustee, the indenture trustee or the noteholders are required to pay.

The Sale and Servicing Agreement states that the seller will indemnify us, the trustee, and the indenture trustee from and against any loss, liability, expense, damage or injury suffered or sustained arising out of any acts, omissions or alleged acts or omissions arising out of activities of us, the trustee, the indenture trustee or the seller under the Sale and Servicing Agreement. The seller will not so indemnify us, the trustee or the indenture trustee, however, if the loss, liability, expenses, damages or injury is as a result of fraud, gross negligence, breach of fiduciary duty or wilful misconduct by us, the trustee or the indenture trustee. Also, the seller will not indemnify us, the trustee, the indenture trustee or the noteholders for any tax which we, the trustee, the indenture trustee or the noteholders are required to pay, except that the seller will indemnify us for any transfer taxes asserted with respect to the sale of the Receivables to us or the issuance and sale of any notes by us, and costs and expense in defending against such taxes.

The Sale and Servicing Agreement states that, except as we describe above and with other exceptions, neither the seller nor the servicer nor any of their respective directors, officers, employees or agents will be under any liability to us, the trustee, the indenture trustee, the noteholders or any other person for taking any action, or for refraining from taking any action, under the Sale and Servicing Agreement. However, neither the seller nor the servicer nor any of their respective directors, officers, employees or agents will be protected against any liability which would otherwise be imposed by reason of wilful misfeasance, bad faith or gross negligence of any of those persons in the performance of their duties or by reason of reckless disregard of their obligations and duties under the Sale and Servicing Agreement.

Also, the Sale and Servicing Agreement states that the servicer is not under any obligation to appear in, prosecute or defend any legal action which is not incidental to its servicing responsibilities under the Sale and Servicing Agreement. The servicer may, in its sole discretion, undertake any legal action which it may deem necessary or desirable for the benefit of the noteholders with respect to the Sale and Servicing Agreement and the rights and duties of the parties to that agreement and the interest of the noteholders under that agreement.

Collection and Other Servicing Procedures

Under the Sale and Servicing Agreement, the servicer is responsible for servicing, collecting, enforcing and administering the Receivables. The servicer must do so in a manner consistent with its usual and customary procedures for servicing its own revolving credit line dealer wholesale loans, except where the failure to so act would not materially and adversely affect our rights.

CNH Capital, in its capacity as servicer, covenants that it may only change the terms relating to the Accounts if in its reasonable judgment, the change will not cause any Early Amortization Event to occur with respect to any series.

When acting as a servicer, the servicer will, among other things:

- (a) collect and record payments;
- (b) communicate with dealers;
- (c) investigate payment delinquencies;
- (d) evaluate the increase of credit limits; and
- (e) maintain internal records with respect to each Account.

Managerial and custodial services performed by the servicer on our behalf include:

- (a) providing assistance in any inspections of the documents and records relating to the Accounts and Receivables by the indenture trustee under the indenture;
- (b) maintaining the agreements, documents and files relating to the Accounts and Receivables as our custodian; and
- (c) providing related data processing and reporting services for Series CW2006-1 Noteholders and on behalf of the indenture trustee.

Servicer Covenants

In the Sale and Servicing Agreement, the servicer covenants, among other things, that:

- (a) it will duly satisfy all obligations on its part to be fulfilled under or relating to the Receivables and the Accounts, will maintain in effect all qualifications required in order to service the Receivables and the Accounts and will comply in all material respects with all requirements of law in connection with servicing the Receivables and the Accounts, the failure to comply with which would have a materially adverse effect on the noteholders of any outstanding series;
- (b) it will not permit any rescission or cancellation of a Receivable except as ordered by a court of competent jurisdiction or other government authority;
- (c) it will do nothing to impair the rights of the noteholders in the Receivables or the Accounts; and
- (d) it will not reschedule, revise or defer payments due on any Receivable except:
 - (i) in accordance with its then existing guidelines for servicing revolving credit line dealer wholesale loans;
 - (ii) when converting the existing payment schedule to a rent-to-own payment schedule or a payment schedule applicable to a dealer purchase for its rental business; and
 - (iii) when a dealer extends an unsold equipment payment schedule pursuant to a CNH Capital policy or program.

Under the Sale and Servicing Agreement, if we or the servicer discover, or receive written notice, that any covenant of the servicer stated above has not been complied with in all material respects and the non-compliance has not been cured within 60 days of that discovery or notice, or a longer period as the indenture trustee may agree to, and has a materially adverse effect on the interests of all Series CW2006-1 Noteholders in any Receivable or Account, the servicer will purchase the Receivable or all Receivables in the Account, as applicable. Such purchase will occur on the Determination Date following the expiration of the 60-day cure period and the servicer will be obligated to deposit into the Collection Account an amount equal to the amount of the Receivable or Receivables plus accrued and unpaid interest on that amount. We will deem the amount of the deposit to be a Seller Deposit

Amount. The purchase of such Receivables by the servicer constitutes the sole remedy available to the noteholders if the covenant or warranty of the servicer is not satisfied and our interest in any purchased Receivables will be automatically assigned to the servicer.

Servicing Compensation and Payment of Expenses

The servicer's compensation for its servicing activities and reimbursement for its expenses will be a monthly servicing fee equal to one-twelfth of the product of:

- (a) 1.00%; and
- (b) the collateral amount of the Series CW2006-1 Notes as of the last day of the preceding Monthly Period.

The servicer will be paid the monthly servicing fee above to the extent amounts are available for distribution of the monthly servicing fee under the Sale and Servicing Agreement, the indenture and the indenture supplement for the Series CW2006-1 Notes.

Notwithstanding the foregoing, for so long as CNH Capital or any of its affiliates is the servicer, the monthly servicing fee shall be zero.

The servicer will pay the expenses it incurs when servicing the Accounts and the Receivables including, without limitation, payment of fees and disbursements of the indenture trustee and independent accountants and all fees and expenses which are not expressly stated in the Sale and Servicing Agreement, the indenture or an indenture supplement to be payable by us or the Series CW2006-1 Noteholders other than federal, provincial or territorial and income, capital and franchise taxes, if any, payable by us or the Series CW2006-1 Noteholders.

Matters Regarding the Servicer

The servicer may not resign from its obligations and duties under the Sale and Servicing Agreement, except upon determination that those duties are no longer permissible under applicable law. No resignation will become effective until the indenture trustee or a successor to the servicer has assumed the servicer's responsibilities and obligations under the Sale and Servicing Agreement (CNH Capital or any successor servicer, the "**servicer**"). The servicer may delegate any of its duties as servicer to any person who agrees to perform such duties in accordance with CNH Capital's floorplan financing guidelines and the Sale and Servicing Agreement, but any delegation will not relieve the servicer of its obligations under the Sale and Servicing Agreement. In certain circumstances, such delegation may not occur unless each rating agency has notified us, the servicer and the indenture trustee in writing that such delegation will not cause the rating agency's rating of any outstanding series or class of notes to be reduced or withdrawn.

Servicer Default

If any Servicer Default occurs, the indenture trustee, by written notice to the servicer, may terminate all of the rights and obligations of the servicer, as servicer, under the Sale and Servicing Agreement and in and to the Receivables and the proceeds of the Receivables and appoint a new servicer (a "**Service Transfer**"). The seller's rights and interest in the Seller's Indebtedness under the Sale and Servicing Agreement and the indenture will not be affected by any Service Transfer. The indenture trustee will as promptly as possible appoint a successor servicer and if no successor servicer has been appointed by the indenture trustee and has accepted the appointment by the time the servicer ceases to act as servicer, all rights, authority, power and obligations of the servicer under the Sale and Servicing Agreement will pass to and be vested in the indenture trustee. Before any Service Transfer, the indenture trustee will review any bids obtained from potential servicers meeting eligibility requirements included in the Sale and Servicing Agreement to serve as successor servicer for servicing compensation not in excess of the aggregate monthly servicing fees.

Upon a Service Transfer, the successor servicer, and not the previous servicer, will indemnify us, the indenture trustee and the trustee against acts, omissions and alleged acts or omissions, as described in “*The Sale and Servicing Agreement—Indemnification*”, arising from the date of that Service Transfer and thereafter, up until, but not including the date of the next Service Transfer, if any. The successor servicer will not so indemnify for periods preceding the Service Transfer date on which it became servicer.

A “**Servicer Default**” refers to any of the following events:

- (a) failure by the servicer to make any payment, transfer or deposit, or to give instructions to the indenture trustee to make any payment, transfer or deposit, on the date the Sale and Servicing Agreement requires the servicer to do so, which is not cured within a five-day grace period;
- (b) failure by the servicer to duly observe or perform any other covenants or agreements of the servicer in the Sale and Servicing Agreement which failure has a materially adverse effect on the Noteholders of any outstanding series and which continues unremedied for a period of 60 days after the date the indenture trustee has given written notice of the failure to the servicer with a demand for the servicer to cure that failure;
- (c) the servicer delegates its duties under the Sale and Servicing Agreement, except as specifically permitted under that agreement;
- (d) any representation, warranty or certification made by the servicer in the Sale and Servicing Agreement or in any certificate delivered under the Sale and Servicing Agreement proves to have been incorrect in any material respect when made, has a materially adverse effect on the rights of the Noteholders of any outstanding series, and such materially adverse effect continues unremedied for a period of 60 days after the indenture trustee has given written notice of that fact to the servicer;
- (e) the servicer does not obtain a back-up servicer within 180 days of July 22, 2004 (which condition has been satisfied); or
- (f) events of bankruptcy, insolvency or receivership occur with respect to the servicer.

However, a delay in or failure of performance referred to under clause (a) for a period of five business days, referred to under clause (b) for a period of 60 days, or referred to under clause (d) for a period of 60 days, will not constitute a Servicer Default if the delay or failure was caused by an act of God or other similar occurrence. If any of those events occurs, the servicer will not be relieved from using its best efforts to perform its obligations in a timely manner as required under the Sale and Servicing Agreement and the servicer will provide us, the indenture trustee, any enhancement provider and the noteholders prompt notice of the failure or delay by it, together with a description of its efforts to so perform its obligations. The servicer will immediately notify the indenture trustee in writing of any Servicer Default.

Any Servicer Default or any default by the seller in the performance of its obligations under the Sale and Servicing Agreement may be waived by Noteholders holding not less than 66 2/3% of the then outstanding principal balance of the notes of each series adversely affected by that default, unless that default relates to a failure to make any required payments to be made to Noteholders, in which case that default may be waived only by all Noteholders of the notes of each series adversely affected by that default or Servicer Default. Waiver by the enhancement providers for one or more series, or a specified percentage of one or more classes of notes in one or more series, may also be required.

Backup Servicer

The Sale and Servicing Agreement required the servicer to obtain, and the servicer did obtain, a backup servicer within 180 days of the closing date for the Series CW2004-1 Notes. If the servicer had failed to obtain a backup servicer within that timeframe, a Servicer Default would have occurred.

The backup servicer is Systems & Services Technologies, Inc., a Delaware corporation and an affiliate of JPMorgan Chase Bank, and their office is located at 4315 Pickett Road, St. Joseph, Missouri 64503.

The backup servicing fee payable to the backup servicer each month is an amount in U.S. dollars which is equal to the greater of (a) 1/12 of 0.02% of the Pool Balance as of the first day of the Monthly Period, or (b) \$4,000, plus any applicable taxes.

Backup Servicer Account

The servicer has established and maintains the backup servicer account as an account in the name of the indenture trustee (the “**Backup Servicer Account**”). On the closing date for the Series CW2004-1 Notes, the seller made a deposit into the Backup Servicer Account in the amount of \$500,000.

Upon appointment of the backup servicer as discussed above, we made the amounts on deposit in the Backup Servicer Account available to the servicer or the indenture trustee for expenses and fees associated with obtaining the backup servicer and with paying the ongoing fees and expenses of the backup servicer. Any amounts remaining in the Backup Servicer Account after the notes of all series have been fully satisfied to the extent required will be withdrawn and paid to the seller. If the \$500,000 on deposit in the Backup Servicer Account is insufficient to cover all expenses and fees associated with obtaining and maintaining the backup servicer, we will have no obligation to deposit additional amounts into the Backup Servicer Account or to otherwise pay for any such fees or expenses. However, the seller is obligated to pay any remaining fees and expenses of obtaining and maintaining the backup servicer if the amounts on deposit in the Backup Servicer Account are insufficient. A failure by the seller to pay any such remaining fees and expenses of obtaining or maintaining the backup servicer may constitute a Series CW2006-1 Early Amortization Event. See “*Description of the Notes—Early Amortization Period*”.

If the amount on deposit in the Backup Servicer Account on any payment date (after giving effect to all deposits or withdrawals therefrom on that payment date) is greater than \$500,000, the excess will be withdrawn and paid to the seller. We will be entitled to reduce the amount required to be on deposit in the Backup Servicer Account or eliminate the Backup Servicer Account entirely if the rating agencies affirm that such action will not result in the downgrade or withdrawal of its ratings on the notes. Any requirements to obtain or maintain a backup servicer or the Backup Servicer Account will be eliminated entirely if CNH’s long-term unsecured debt credit rating by Moody’s Investors Service, Inc. shall be “Ba2” or higher.

Funds held in the Backup Servicer Account are invested in Permitted Investments. The investments made in the Backup Servicer Account are limited to obligations or securities that mature on or before the business day preceding the next payment date.

In the event of defaults on investments made in the Backup Servicer Account, there could be losses on amounts deposited in the Backup Servicer Account. Earnings from these investments, net of losses and investment expenses, will be deposited in the Backup Servicer Account on each payment date and available for withdrawal by us and available for our general corporate purposes.

The Backup Servicer Account was initially established and is maintained with the indenture trustee and will always be maintained with a Qualified Institution.

We have granted a security interest in the funds on deposit in the Backup Servicer Account to the indenture trustee on behalf of the noteholders to secure only our obligation to make the funds in the Backup Servicer Account available to the indenture trustee for payment of fees and expenses of obtaining the backup servicer and the ongoing fees and expenses of the backup servicer.

Funds on deposit in the Backup Servicer Account are not collateral for the notes and will not be used to cover shortfalls in any distributions to the noteholders.

Any amounts in the Backup Servicer Account (i) in excess of the amounts required to be on deposit therein by the rating agencies, (ii) after the Series CW2006-1 Notes have been paid in full, or (iii) after the termination of the requirement to obtain a back-up servicer account, as described above, will be paid to the seller.

Reports

On or before January 31 of each calendar year, the indenture trustee will furnish, or cause to be furnished, to each person who at any time during the preceding calendar year was a noteholder of record a statement containing the information required to be provided by an issuer of indebtedness under the Tax Act (as defined below) for the preceding calendar year or the applicable portion of that year during which the person was a noteholder, together with other information which the Canada Revenue Agency requires issuers of indebtedness to provide and other customary information which Noteholders need to prepare their tax returns. See “*Canadian Federal Income Tax Considerations*”.

Evidence as to Compliance

The Sale and Servicing Agreement states that on or before April 30 of each calendar year, the servicer will cause a firm of nationally recognized independent public accountants, which may also render other services to us or the servicer, to furnish an opinion regarding matters relating to the servicing of our portfolio of wholesale Receivables (the “**annual accountant’s servicing report**”).

The Sale and Servicing Agreement states that on or before April 30 of each calendar year, the servicer will deliver to the indenture trustee a statement (the “**annual servicer’s compliance certificate**”), signed by an officer of the servicer. The statement will state that the servicer has fully performed, or caused to be fully performed, its obligations in all material respects under the Sale and Servicing Agreement throughout the preceding year or, if there has been a default in the performance of any obligation, will state the nature and status of the default.

A Series CW2006-1 Noteholder may obtain copies of all statements, certificates and reports furnished to the indenture trustee by delivering a written request to the indenture trustee.

Amendments

We, the servicer and the seller may amend the Sale and Servicing Agreement, without noteholder consent, so long as any amendment will not, as evidenced by an opinion of counsel, adversely affect in any material respect the interests of the Noteholders.

We, the servicer and the seller may amend the Sale and Servicing Agreement with prior written notice to each rating agency and the consent of the holders of notes evidencing not less than 66 2/3% of the aggregate unpaid principal amount of the notes of all adversely affected series for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Sale and Servicing Agreement or of modifying in any manner the rights of Noteholders. No amendment, however, may:

- (a) reduce in any manner the amount of or delay the timing of distributions the servicer is required to make to noteholders or deposits of amounts to be so distributed without the consent of each affected noteholder;
- (b) change the definition or the manner of calculating the interest rate without the consent of each affected noteholder;
- (c) reduce the aforesaid percentage required to consent to any such amendment without the consent of each noteholder;

- (d) adversely affect the rating of any series or class by any rating agency without the consent of the holders of notes of the series or class evidencing not less than 66 2/3% of the aggregate unpaid principal amount of the notes of the series or class; or
- (e) reduce that percentage of the outstanding principal amount of notes the holders of which are required to consent to any amendment without the consent of each noteholder.

Promptly following the execution of any amendment to the Sale and Servicing Agreement other than an amendment described in the first paragraph in this section, the indenture trustee will notify each noteholder in writing of the substance of the amendment.

However, we and the seller will deem each holder of a note offered by this prospectus, by its acceptance of the note, to have consented to an amendment to the Sale and Servicing Agreement that:

- (a) provides that funds in the Collection Account may be invested in any Permitted Investments;
- (b) provides that we need not make any deposit to the Collection Account in respect of the repurchased Receivables price of any Removed Receivables repurchased from us so long as the Seller Amount exceeds the sum of the Trust Available Subordinated Amount and the Trust Yield Reserve Amount, and the Adjusted Pool Balance exceeds the Required Pool Balance on the date of the repurchase;
- (c) otherwise changes the procedures for removing Receivables from us as described under “—*Removal of Accounts*” above;
- (d) provides that, subject to the limitations we describe in this prospectus, CNH Capital, in its capacity as servicer, need not deposit collections with respect to any Monthly Period in the Collection Account until the related payment date;
- (e) permits the designation of Automatic Additional Accounts; or
- (f) provides for the conveyance to us of undivided interests in the Receivables rather than the Receivables themselves.

The Sale and Servicing Agreement may not be amended in any manner which materially adversely affects the interests of any enhancement provider without its prior consent.

If the Sale and Servicing Agreement is amended so that we receive undivided interests in Receivables rather than the Receivables themselves, all references in this prospectus to the Receivables transferred to us would then be references to undivided interests in Receivables instead.

LEGAL ASPECTS OF THE RECEIVABLES

Transfer of Receivables

In the Sale and Servicing Agreement, CNH Capital has represented and warranted to us that the transfer of the Receivables to us constitutes a valid sale and assignment to us of all of CNH Capital’s right, title and interest in and to the Receivables. For a discussion of our rights arising from these representations and warranties not being satisfied, see “*The Sale and Servicing Agreement—Representations and Warranties*”.

CNH Capital has represented that the Receivables are “chattel paper”, “accounts”, “intangibles”, “instruments” or “claims” for purposes of the personal property security laws as in effect in each of the provinces of Canada. With respect to such collateral, the transferee must either take possession of the collateral (in the case of chattel paper or instruments) or file an appropriate financing statement or statements in order to perfect its interest in the collateral. CNH Capital, we, the trustee and the indenture trustee have filed financing statements or similar documents covering the Receivables under all applicable personal property security laws, to perfect our or their respective interests in the Receivables and financing change statements or similar documents will be filed as

required to continue the perfection of these interests. The Receivables have not and will not be stamped to indicate our interest or the interest of the indenture trustee.

There are circumstances under applicable provincial personal property security laws in which prior or subsequent transferees of Receivables could have an interest in the Receivables with priority over our interest and that of the indenture trustee. A purchaser of the Receivables who gives new value and takes possession of the documents which evidence the Receivables, i.e., the chattel paper or instruments, in the ordinary course of the purchaser's business or otherwise may, under some circumstances, have priority over our interest in the Receivables. A tax or other government lien or deemed trust on our property or the property of CNH Capital arising before the time a Receivable is transferred to us may also have priority over our interest in the Receivable. Under the Sale and Servicing Agreement CNH Capital has warranted to us that the Receivables have been transferred free and clear of the lien of any third party, other than exceptions permitted in that document. CNH Capital has also covenanted that it will not sell, pledge, assign, transfer or grant any lien on any Receivable, other than to us and the indenture trustee, in each case, other than permitted exceptions specified in the Sale and Servicing Agreement, the indenture or an indenture supplement, as applicable. Also, while CNH Capital is the servicer, cash collections on the Receivables may, in some cases, be commingled with the funds of CNH Capital before each payment date and, if there is a bankruptcy or insolvency of CNH Capital, we and the indenture trustee may not have a perfected interest in those collections.

Matters Relating to Bankruptcy

CNH Capital has agreed to treat the transactions described in this prospectus as sales of the Receivables, and CNH Capital has taken all actions that are required under applicable provincial law to perfect our ownership interest in the Receivables. However, CNH Capital could become a debtor in a bankruptcy or insolvency case and a creditor or trustee-in-bankruptcy of the debtor or the debtor itself could take the position that the sale of Receivables from CNH Capital to us should be re-characterized as a pledge of the Receivables to secure a borrowing by CNH Capital. In either event, payments of collections of Receivables to us could be delayed, or, if the court should rule in favour of any trustee, debtor in possession or creditor, reduced in amount. See *“Risk Factors—Various legal aspects may cause delays in your receiving payments or may result in reduced payments or losses on your notes”*.

In addition, CNH Capital could become a debtor in a bankruptcy or insolvency case and a creditor or trustee-in-bankruptcy of such debtor or the debtor itself could request a court to order that we should be substantively consolidated with CNH Capital. In that event, payments on the notes could be delayed, or, if a bankruptcy court should rule in favour of any creditor, trustee-in-bankruptcy or the debtor, reduced in amount.

If we or CNH Capital were to become a debtor in a bankruptcy or insolvency case, an Early Amortization Event would occur with respect to the notes of each series. In that event, under the Sale and Servicing Agreement, new Receivables would no longer be transferred by CNH Capital to us, and only collections on Receivables already sold to us would be available to be applied to pay interest accruing on the notes and to pay the principal amount of the notes. If that happens, the servicer must allocate all collections on principal Receivables to the oldest principal balance first. If the bankruptcy court were to alter the allocation method, the rate of payment on the notes might be adversely affected. In addition, distributions in respect of principal on each note would not be subject to any applicable Controlled Deposit Amount.

The occurrence of events of bankruptcy, insolvency or receivership with respect to the servicer will result in a Servicer Default. The Servicer Default, in turn, may result in an Early Amortization Event with respect to a series. If no other Servicer Default other than the commencement of the bankruptcy, insolvency or similar event exists, the trustee or the Noteholders may be prevented from appointing a successor servicer.

Payments made in respect of repurchases of Receivables by CNH Capital under the Sale and Servicing Agreement may be recoverable by CNH Capital, as debtor in possession, or by a creditor or a trustee-in-bankruptcy of CNH Capital as a preferential transfer from CNH Capital if the payments are made within one year preceding the filing of a bankruptcy or insolvency case in respect of CNH Capital.

ADMINISTRATIVE INFORMATION ABOUT THE SERIES CW2006-1 NOTES

Each class of CW2006-1 Notes will initially be represented by one fully registered book-entry only Note (each, a **“Book-Entry Note”** and collectively, the **“Book-Entry Notes”**) held by, or on behalf of, The Canadian Depository for Securities Limited or its nominee (collectively, **“CDS”**), or a successor thereof, as custodian of the Book-Entry Notes and registered in the name of CDS or its nominee, except in the circumstances described herein. Registration of ownership and transfers of the Series CW2006-1 Notes will be made only through the depository service of CDS. Except as described herein, no purchaser of a Series CW2006-1 Note will be entitled to a definitive note or other instrument from us or CDS evidencing that purchaser’s ownership thereof, and no holder of an interest in a Book-Entry Note (a **“Book-Entry Note Owner”**) will be shown on the records maintained by CDS, except through book-entry accounts of a participant in the depository system of CDS (a **“Participant”**) acting on behalf of the Book-Entry Note Owner.

Transfers of ownership of Series CW2006-1 Notes represented by Book-Entry Notes will be effected through records maintained by CDS for such Book-Entry Notes (with respect to interests of Participants) and on the records of Participants (with respect to persons other than Participants). Noteholders are not Participants. Noteholders who desire to purchase, sell or otherwise transfer beneficial ownership of, or any other interest in, Book-Entry Notes may do so only through Participants.

The ability of a Book-Entry Note Owner to pledge its Series CW2006-1 Notes or otherwise take action with respect to such owner’s interest in the Series CW2006-1 Note (other than through a Participant) may be limited due to lack of a physical note.

Unless and until Definitive Notes are issued, Book-Entry Note Owners will not be recognized by us as Noteholders. All references herein or in the indenture or the Sale and Servicing Agreement to payments, notices, reports and statements to, or actions by, Noteholders will refer to the same made with respect to or by CDS or its nominee, as the case may be, as the registered holder of the Series CW2006-1 Notes upon instructions of a requisite number of Book-Entry Note Owners acting through Participants.

Notes will be issued in fully registered noted form (**“Definitive Notes”**) to Book-Entry Note Owners or their nominees other than to CDS only if (a) CDS is no longer willing or able to properly discharge its responsibilities as depository with respect to any series of notes and CDS is unable to locate a qualified successor depository, or (b) we elect to terminate the use of the CDS depository system with respect to the notes or (c) if an event of default has occurred with respect to a class of the Series CW2006-1 Notes and holders of notes evidencing not less than 50.00% of the unpaid outstanding principal amount of the Book-Entry Notes of that class advise the indenture trustee and CDS that such Book-Entry Note is no longer in the best interests of such noteholders.

Upon the occurrence of any of the events described in the immediately preceding paragraph, we are obliged to notify all Book-Entry Note Owners, through the CDS depository system, of the availability of Definitive Notes for such series. Upon surrender by CDS of the relevant Book-Entry Note and instructions from CDS for re-registration, we will issue Definitive Notes for the applicable class and thereafter we will recognize the registered noteholders of such Definitive Notes as the noteholders. All distributions on the notes will thereafter, in accordance with the procedures set out in the indenture, be made directly to noteholders in whose names the Definitive Notes were registered at the close of business on the applicable record date. Such distribution will be made by cheque mailed to the address of such holder as it appears on the register maintained by us or our agent. The final payment on any note, however, will be made only upon presentation and surrender of such Definitive Note at the office or agency specified in the indenture.

MATURITY AND PRINCIPAL PAYMENT CONSIDERATIONS

If an Early Amortization Period commences and is not terminated, you will begin receiving payments of principal on the Series CW2006-1 Notes. Full payment of the Series CW2006-1 Notes by the Series CW2006-1 Scheduled Final Payment Date depends on, among other things, repayment by dealers of the Receivables and may not occur if dealer payments are insufficient. Because the Receivables that arise with respect to the financing of equipment are either paid (a) according to a payment schedule, which may be revised upon the sale of the equipment to the dealer for its rental business or the placement by the dealer of equipment in a rent-to-own program or (b) in full upon the retail sale of the underlying equipment, the timing of these payments is uncertain. If a dealer purchases

equipment for its rental business or places the equipment in a rent-to-own program, the total principal on the Receivable will not be due upon that purchase or placement into a rent-to-own program, but instead a payment schedule will then be arranged. There is no assurance that CNH Capital will generate additional Receivables under the Accounts or that any particular pattern of dealer payments will occur.

Also, the shorter the Accumulation Period Length, the greater the likelihood that payment of the Series CW2006-1 Notes in full by the Series CW2006-1 Scheduled Final Payment Date will be dependent on the reallocation to Series CW2006-1 of principal collections which are initially allocated to other outstanding series of notes issued by us. If one or more other series of notes from which principal collections are expected to be available to be reallocated to the payment of the Series CW2006-1 Notes enters into an early amortization period before the Series CW2006-1 Scheduled Final Payment Date, principal collections allocated to those series of notes will not be available to be reallocated to make payments of principal on the Series CW2006-1 Notes and you may receive your final payment of principal later than the Series CW2006-1 Scheduled Final Payment Date.

Because a Series CW2006-1 Early Amortization Event may occur and would initiate an Early Amortization Period, you may receive the final payment of principal on your Series CW2006-1 Notes before or after the scheduled termination of the Revolving Period or before or after the Series CW2006-1 Scheduled Final Payment Date.

The amount of new Receivables generated in any month and portfolio monthly payment rates on the Receivables may vary because of seasonal variations in equipment or parts sales and inventory levels, retail incentive programs provided by equipment or parts manufacturers and/or CNH Capital or CNH Canada and various economic factors affecting agricultural and construction equipment and parts sales generally. See *“The Receivables Pool—Portfolio Monthly Payment Rates”*.

RATINGS

We will not issue the Class A Notes offered hereby unless they are rated “AAA” by DBRS and S&P and “Aaa” by Moody’s. In addition, we will not issue any Series CW2006-1 Notes unless the Class B Notes offered hereby are rated “A” by DBRS, “A-” by S&P and “A2” by Moody’s.

We cannot assure you that a rating agency will maintain its rating if circumstances change. If a rating agency changes its rating, no one has an obligation to provide additional credit enhancement or restore the original rating.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by either of the rating agencies. The ratings assigned to each class of Series CW2006-1 Notes on the date of their issuance are set out on the cover page of this prospectus. The ratings on the Series CW2006-1 Notes address the likelihood of the receipt by the Series CW2006-1 Noteholders of their entitlement to principal and interest under various scenarios. However, the rating agencies do not evaluate and the ratings do not address the likelihood that the outstanding principal amounts of the Series CW2006-1 Notes will be paid by the Series CW2006-1 Scheduled Final Payment Date. A rating is based primarily on the credit underlying the Receivables, the level of credit enhancement provided by the Reserve Fund and through the subordination of a portion of the Seller’s Indebtedness in an amount equal to the Series CW2006-1 Available Subordinated Amount and the subordination of the payments on the Class B Notes to the prior payment of amounts payable on the Class A Notes in the manner described in this prospectus. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by a rating agency if in its judgment circumstances so warrant. A revision or withdrawal of such rating may have an adverse effect on the market price of the affected Series CW2006-1 Notes. The rating of the Series CW2006-1 Notes is not a recommendation to buy, sell or hold such Series CW2006-1 Notes, inasmuch as such ratings do not comment as to market price or suitability for a particular investor. The ratings also do not address the possibility of the occurrence of an Early Amortization Period or an event of default, either of which events could result in the partial or complete payment of the outstanding principal amount of the Series CW2006-1 Notes prior to the Series CW2006-1 Scheduled Final Payment Date. In addition, the ratings take into consideration the capacity of those parties in a key support relationship to us and the degree of covenant protection available to investors as contained in the material contracts listed in this prospectus.

There can be no assurance that any rating agency not requested to rate the Series CW2006-1 Notes will nonetheless assign a rating to any or all classes thereof and, if so, what such rating or ratings would be. A rating assigned to any class of Series CW2006-1 Notes by a rating agency that has not been requested by us to do so may be lower than the rating assigned thereto by either of the rating agencies.

DBRS Ratings. Descriptions of the “AAA”, “AA” and “A” rating categories of DBRS are set forth below:

AAA

Obligations rated “AAA” are of the highest credit quality, with exceptionally strong protection for the timely repayment of principal and interest. “AAA” is the highest rating assigned to long-term obligations.

AA

A long-term obligation rated “AA” is of superior credit quality, and protection of interest and principal is considered high. “AA” is the second-highest rating assigned to long-term obligations.

A

A long-term obligation rated “A” is of satisfactory credit quality. Protection of interest and principal is still substantial, but the degree of strength is less than with “AA” rated securities. While a respectable rating, obligations in the “A” category are considered to be more susceptible to adverse economic conditions and have greater cyclical tendencies than higher rated securities. “A” is the third-highest rating assigned to long-term obligations.

DBRS has seven ratings categories, ranging from “BBB” to “D” that rank below the rating category on the Class B Notes. Obligations rated “BBB” are of adequate credit quality. Five of the lower ranking ratings categories, ranging from “BB” to “C”, are assigned to obligations which are regarded as having significant speculative characteristics. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions. An obligation rated “D” is in payment default. The ratings from “A” to “C” may be modified by the addition of the word “High” or “Low” which indicates the relative standing within the particular rating category. If a rating has not been modified, this indicates that the rating ranks in the middle range of the particular rating category.

S&P Ratings. Descriptions of the “AAA”, “AA” and “A” rating categories of S&P are set out below:

AAA

An obligation rated “AAA” has the highest rating assigned by S&P. The obligor’s capacity to meet its financial commitment on the obligation is extremely strong. “AAA” is the highest rating assigned to long-term obligations.

AA

An obligation rated “AA” differs from the highest-rated obligations only to a small degree. The obligor’s capacity to meet its financial commitment on the obligation is very strong. “AA” is the second-highest rating assigned to long-term obligations.

A

A long-term obligation rated “A” is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rated categories. However, the obligor’s capacity to meet its financial commitment on the obligation is still strong. “A” is the third-highest rating assigned to long-term obligations.

S&P has seven ratings categories that rank below the rating category on the Class B Notes. An obligation rated “BBB” exhibits adequate protection parameters. Obligations rated “BB”, “B”, “CCC”, “CC” and “C” are regarded as having significant speculative characteristics. Of these, “BB” indicates the least degree of speculation

and “C” the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions. An obligation rated “D” is in payment default. The ratings from “A” to “CCC” may be modified by the addition of a plus sign or a minus sign which indicates the relative standing within the major rating category. If a rating has not been modified, this indicates that the rating ranks in the middle range of the particular rating category.

Moody’s Ratings. Definitions of the “Aaa”, “Aa” and “A” ratings categories of Moody’s are set out below:

Aaa

Obligations that are rated “Aaa” are judged to be of the highest quality, with minimal credit risk.

Aa

Obligations which are rated “Aa” are judged to be of high quality and are subject to very low credit risk.

A

Obligations which are rated “A” are considered upper-medium grade and are subject to low credit risk.

Moody’s has six (6) ratings categories that rank below the ratings categories on the Class B Notes. These lower ranking ratings categories range from “Baa” to “C” and are assigned to obligations that have significant speculative characteristics. The ratings from “Aa” through “Caa” may have the numerical modifiers 1, 2 and 3 applied to them. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category, the modifier 2 indicates a mid-range ranking and the modifier 3 indicates a ranking in the lower end of the generic rating category.

RISK FACTORS

The lack of a secondary market may limit your ability to resell the Series CW2006-1 Notes.

There is currently no secondary market for the Series CW2006-1 Notes and it is uncertain whether such a market will develop. The Underwriters currently intend to make a secondary market in the Series CW2006-1 Notes, but are under no obligation to do so. We cannot assure you that a secondary market will develop. If a secondary market does develop, we cannot assure you that it will continue or that you will be able to resell your Series CW2006-1 Notes. As a result, you may not be able to sell your Series CW2006-1 Notes when you want to do so or you may not be able to obtain the price that you wish to receive. Also, your Series CW2006-1 Notes will not be listed on any securities exchange or quoted in the automated quotation system of any registered securities association. As a result, you will not have the liquidity that might be provided by that kind of listing or quotation.

Our bankruptcy or the bankruptcy of CNH Capital may cause payment delays or losses.

If CNH Capital or we were to enter bankruptcy or insolvency proceedings, and the applicable court concluded that any of the sales of Receivables referred to above were not “true sales” or that the bankrupt or insolvent party and the owner of the Receivables should be treated as the same person for bankruptcy or insolvency purposes, then you could also experience delays or reductions in payments as a result of:

- the automatic stay which prevents secured creditors from exercising remedies against a debtor in bankruptcy or insolvency without permission from the court;
- tax or governmental lien on our property that arose prior to the transfer of a receivable to us having a right to be paid from collections before the collections are used to make payments on the note; or
- the fact that we might not have a perfected interest in any cash collections on the Receivables held by the servicer at the time that a bankruptcy or insolvency proceeding begins. See “*The Sale and*

Servicing Agreement—Allocation of Collections; Deposits in Collection Accounts” for a description of the time the servicer is allowed to commingle collections with its funds.

The timing of payments on the Receivables will determine whether we will pay principal on the notes when intended.

Dealers pay Receivables, with some exceptions, (a) according to a payment schedule, which may be revised upon the sale of the equipment to the dealer for its rental business or the placement by a dealer of equipment in a rent-to-own program and (b) in full upon the retail sale of the underlying equipment. With respect to parts, the dealers will be required to pay for Receivables according to an agreed upon payment schedule. The timing of sales of equipment is uncertain. Also, we cannot assure you that there will be additional Receivables created under the accounts or that any particular pattern of dealer repayments will occur. The payment of principal on the Series CW2006-1 Notes depends on dealer repayments. As a result, you may not receive your principal when you expected because:

- the Series CW2006-1 Notes may not be fully amortized by the Series CW2006-1 Notes Scheduled Final Payment Date; or
- the payment of principal to Series CW2006-1 Noteholders or the deposit of principal in the Principal Funding Account during the Accumulation Period may not equal the Controlled Amortization Amount or the Controlled Deposit Amount.

Social, public health, economic and other factors will affect the level of the collections on the Receivables and may affect the payments on the notes.

Payments of the Receivables are largely dependent upon (a) the retail sale of the related agricultural and construction equipment and parts, (b) the purchase by dealers of equipment for their rental businesses, and (c) the rent-to-own program sales by dealers. The level of those sales and purchases of agricultural and construction equipment and parts may change as the result of a variety of social, public health and economic factors. Economic factors include:

- interest rates;
- unemployment levels;
- the rate of inflation; and
- consumer perception of economic conditions generally.

The use of incentive programs, e.g., manufacturers’ rebate programs, may affect those sales and purchases. However, we cannot predict whether or to what extent economic or social factors will affect the level of those sales or purchases of agricultural and construction equipment and parts.

Our ability to make payments on the Series CW2006-1 Notes depends in part on CNH, CNH Canada and CNH Capital.

CNH Capital is not obligated to make any payments in respect of the Receivables or any notes. However, we depend completely upon CNH Capital to generate new Receivables. The ability of CNH Capital to generate Receivables depends in turn to a large extent on the sales of agricultural and construction equipment and parts manufactured or distributed by CNH Canada. We cannot assure you that CNH Capital will continue to generate Receivables at the same rate as receivables were generated in prior years. If CNH Capital does not generate sufficient Receivables, an Early Amortization Event may occur. The following events could negatively impact CNH Capital’s ability to generate new Receivables:

- a decline in the manufacture and sale of agricultural and/or construction equipment and/or parts due to an economic downturn, a labour disruption, competitive pressure, weather conditions or other factors;

- a change in agricultural and/or construction equipment and/or parts distribution practices;
- a change in dealer inventory management practices;
- a change in the interest rates charged by CNH Capital to dealers;
- a change in the amounts of the credit lines or other terms offered by CNH Capital to dealers;
- defaults on accounts by dealers;
- termination of dealer agreements;
- dealers becoming insolvent or filing for bankruptcy; and
- seasonal fluctuations in the sale and leasing of agriculture and/or construction equipment.

Also, if CNH Capital were to cease acting as servicer, delays in processing payments on the Receivables and information relating to the Receivables could occur and result in delays in payments to you.

The seller has made certain representations and warranties with respect to the characteristics of the Receivables. In some cases, the seller would be required to repurchase Receivables with respect to which the representations and warranties have been breached. If the seller fails to make a required repurchase, we may have less funds. In addition, with some limitations, CNH Capital has the ability to change the terms of its accounts, including the rates and the credit lines, as well as change its underwriting procedures. These changes could reduce the amount of collections received on the Receivables and therefore reduce the amount of funds received by us.

Under applicable dealer agreements and some provincial laws, CNH Canada is required to repurchase new, unused, resaleable equipment and new, unused, resaleable parts from a dealer if the dealer agreement is terminated. If CNH Canada is not able to repurchase the new equipment or parts, the dealer will most likely have less funds with which to repay the Receivables and therefore losses with respect to the Receivables may increase. See *“The Dealer Floorplan Financing Business— Relationship With CNH Capital and CNH Canada”*.

Also, because a substantial amount of the agricultural and construction equipment and parts to be sold by the dealers or, with respect to equipment, to be put in a rent-to-own sale program or purchased by the dealers for their rental business, are manufactured by CNH and distributed by CNH Canada, if CNH or CNH Canada were temporarily or permanently no longer manufacturing or distributing agricultural or construction equipment or parts, respectively, the rate of sales by dealers of CNH-manufactured agricultural or construction equipment or parts or the purchases by dealers of equipment for their rental business or the placement by dealers of equipment in rent-to-own programs, as applicable, would decrease. In that case, payment rates and the loss experience with respect to the Receivables will be adversely affected. See *“The Dealer Floorplan Financing Business”*.

In addition, if CNH Canada was unable, due to its bankruptcy or insolvency or otherwise, to make the required repurchases from dealers upon the termination of the dealer agreement as discussed above or to continue to make interest subsidy payments during any interest-free periods for the dealer, then these events may result in delays or reductions in the payment of principal and could result in a loss on your Series CW2006-1 Notes.

Credit enhancement for the Series CW2006-1 Notes is limited. If the credit enhancement is exhausted, you may incur a loss.

Credit enhancement for the Series CW2006-1 Notes will be provided in part by the subordination of a portion of the Seller’s Indebtedness as described in this prospectus. The amount of the credit enhancement is limited and will be reduced from time to time as described herein. If the credit enhancement is exhausted, you are much more likely to incur a loss.

Credit ratings of the Series CW2006-1 Notes reflect the rating agency’s assessment of the likelihood that you will receive your payments of interest and principal.

It will be a condition to the issuance of the Series CW2006-1 Notes that the Class A Notes be rated in the “AAA” rating category by DBRS and S&P and in the “Aaa” rating category by Moody’s and the Class B Notes be rated in the “A” rating category by DBRS, in the “A-” rating category by S&P and in the “A2” rating category by Moody’s. Any rating assigned to the Series CW2006-1 Notes by a rating agency:

- will reflect the rating agency’s assessment of the likelihood that Series CW2006-1 Noteholders will receive the payments of interest and principal required to be made under the indenture; and
- will be based primarily on the credit underlying the Receivables, the level of credit enhancement provided by the Reserve Fund and through the subordination of a portion of the Seller’s Indebtedness in an amount equal to the Series CW2006-1 Available Subordinated Amount and the subordination of payments on the Class B Notes to the prior payment of amounts payable on the Class A Notes.

The rating will not be a recommendation to buy, hold or sell Series CW2006-1 Notes and the rating will not comment as to the market price or suitability for a particular investor. We cannot assure you that a rating will remain for any given period of time or that a rating agency will not reduce or withdraw a rating in the future if in its judgment circumstances in the future so warrant. A reduction in the rating of your Series CW2006-1 Notes may reduce the market value of your Series CW2006-1 Notes. See “*Ratings*”.

Book-entry registration may limit your ability to resell or pledge your Series CW2006-1 Notes.

The Series CW2006-1 Notes will initially be Book-Entry Notes and will not be registered in your name or your nominee’s name. Accordingly, you will not be recognized by the indenture trustee as a “noteholder” as such term is used in the transaction documents. As a result, you will only be able to exercise the rights of a noteholder indirectly through CDS. Holding the Series CW2006-1 Notes in book-entry form could also limit your ability to pledge your Series CW2006-1 Notes to persons or entities that do not participate in CDS and to take actions that require a physical certificate representing a note. Definitive Notes will only be issued in the limited circumstances described in this prospectus. Interest and principal on the notes will be paid by us to CDS or its nominee as the record holder of the Series CW2006-1 Notes while they are held in book-entry form. CDS will credit payments received from us to the accounts of its participants which, in turn, will credit those amounts to Series CW2006-1 Noteholders either directly or indirectly through indirect participants. This process may delay your receipt of principal and interest payments from us. See “*Administrative Information About the Series CW2006-1 Notes*”.

Only some of our assets are available for payments on Series CW2006-1 Notes.

The primary source of payment of principal or interest on the Series CW2006-1 Notes is provided by:

- the portion of the principal collections and interest collections received by us and available to the Series CW2006-1 Notes after giving effect to all allocations and reallocations; and
- the applicable issuer accounts for the Series CW2006-1 Notes.

As a result, you must rely only on the particular assets allocated to the Series CW2006-1 Notes as security for repayment of the principal of and interest on your Series CW2006-1 Notes. You will not have recourse to any of our other assets or any other person for payment of your Series CW2006-1 Notes. See “*Sources of Funds to Pay the Notes; Deposit and Application of Funds*”.

Factors affecting the servicer’s information management systems may increase the risk of loss on your investment.

Repayment of your Series CW2006-1 Notes depends, among other things, upon the ability of the servicer, CNH Capital, to store, retrieve, process and manage substantial amounts of information. If the servicer experiences

any interruption or loss in its information processing capabilities, its business, financial condition, results of operations and ultimately, your Series CW2006-1 Notes, may suffer.

Receivables may be unsecured due to sales out of trust.

Dealers give CNH Capital a security interest in the equipment and parts they purchase to secure their obligations under the Receivables. If a dealer sells the equipment or parts but fails to pay the amount owed on the Receivable, the Receivable will become unsecured because the buyer generally takes the equipment or parts free of the security interest. If the financed equipment or part is sold “out of trust”, *i.e.*, sold without the dealer applying the proceeds of the sale to repay the Receivable, neither we nor the servicer on our behalf will be able to foreclose on the financed equipment or part and we may not be able to trace or collect our interest in the proceeds of the sale of the equipment or part. This may result in delays or reductions in payments on the Series CW2006-1 Notes.

Allocations of charged-off Receivables and uncovered dilution amounts could reduce payments to you.

The servicer will charge-off the Receivables arising in the Accounts in our portfolio if the Receivables become uncollectible. If the amount of charged-off Receivables exceeds the amount of funds available for reimbursement of those charge-offs, the funds available to us may not be sufficient to pay the full outstanding principal amount of your Series CW2006-1 Notes.

Although dilution is not intended to be allocated to Series CW2006-1 Noteholders, if the Seller’s Indebtedness is not sufficient to absorb dilution and we do not make required deposits into the Excess Funding Account, a portion of this uncovered dilution amount will be allocated to the Series CW2006-1 Notes. Dilution includes reductions in principal Receivables (a) because of rebates, billing errors or other non-cash items to a dealer, (b) because the Receivables were created in respect of inventory which was refused or returned by a dealer, or (c) because of buybacks of equipment and/or parts from a dealer upon dealership agreement termination.

You will not receive full payment of your Series CW2006-1 Notes if the Series CW2006-1 Collateral Amount has been reduced (a) by charge-offs of Receivables, or (b) by uncovered dilution amounts, and those amounts have not been reimbursed from excess interest collections.

You may receive principal payments earlier or later than the Series CW2006-1 Scheduled Final Payment Date.

We cannot assure that you will receive the principal amount of your Series CW2006-1 Notes on the Series CW2006-1 Scheduled Final Payment Date. An Early Amortization Event is an event that indicates that we may not be able to make payments on your Series CW2006-1 Notes as we had intended. See “*Description of the Notes—Principal—Early Amortization Period*”. If a Series CW2006-1 Early Amortization Event or an event of default for the Series CW2006-1 Notes occurs, we will apply all distributions of principal allocated to the Series CW2006-1 Notes to the repayment of the principal of the Series CW2006-1 Notes. The occurrence of a Series CW2006-1 Early Amortization Event or an event of default will likely cause us to begin payment of principal earlier or later than the Series CW2006-1 Scheduled Final Payment Date. However, those events may result in delays or reductions in the payment of principal and could result in a loss on your Series CW2006-1 Notes.

Class B Notes bear losses before Class A Notes bear any losses.

The Class B Notes will be subordinated in right of payment of principal to the Class A Notes. Principal collections that are allocable to the Class B Notes may be reallocated to pay interest on the Class A Notes and/or to pay the monthly servicing fee payable by such collections. Also, losses on charged-off Receivables and uncovered dilution amounts are allocated first to the Class B Notes. If these reallocations and losses are not reimbursed from excess interest collections, the full stated principal amount of the Class B Notes may not be repaid.

If there is a sale of the Receivables owned by us, the proceeds of the sale allocable to the Series CW2006-1 Notes will generally be used first to pay amounts due to Class A Noteholders and then for amounts due to Class B Noteholders. This could cause a loss to Class B Noteholders.

Payment of Class B Notes may be delayed or reduced due to the subordination provisions.

In general, no payment of principal of Class B Notes will be made until all principal of Class A Notes has been paid, even if the Class B Notes have reached their scheduled final payment date, or have had an Early Amortization Event, event of default or other optional or mandatory redemption. See “*Description of the Notes—Principal*”.

You may not be able to reinvest any early amortization proceeds in a comparable security.

If your Series CW2006-1 Notes are repaid prior to the Series CW2006-1 Scheduled Final Payment Date, you may not be able to reinvest the proceeds in a comparable security with an effective interest rate as high as that of your Series CW2006-1 Notes.

Issuance of additional notes may affect the timing and amount of payments to you.

We expect to issue notes from time to time. New notes may be issued without notice to existing Noteholders and without their consent, and may have different terms from outstanding notes.

The issuance of a new series of notes could adversely affect the timing and amount of payments on outstanding notes. For example, if notes issued after your Series CW2006-1 Notes have a higher interest rate than your Series CW2006-1 Notes, the result could be that there is a smaller amount of shared excess interest collections available to pay interest on your Series CW2006-1 Notes. Also, when new notes are issued, the voting rights of your Series CW2006-1 Notes may be diluted. See “—*You may have limited control of actions under the indenture*” below.

You may have limited control of actions under the indenture.

Under the indenture, some actions require the vote of noteholders holding a specified percentage of the aggregate outstanding principal amount of notes of a series, class or subclass or all the notes. These actions include accelerating the payment of principal of the notes. In the case of votes by the Series CW2006-1 Noteholders, the Class A outstanding principal amount generally will be substantially greater than the Class B outstanding principal amounts. Consequently, the Class A Noteholders generally will have the ability to determine whether and what actions should be taken and may be expected to act solely in their interest. The Class B Noteholders generally will need the concurrence of the Class A Noteholders to cause actions to be taken.

Addition of Accounts may decrease the credit quality of the assets securing the repayment of your Series CW2006-1 Notes. If this occurs, your receipt of payments of principal and interest may be reduced, delayed or accelerated.

Our assets change every day. Besides transferring new Receivables in Automatic Additional Accounts, the seller may choose, or may be required, to transfer Receivables in Additional Accounts to us. The Accounts from which these Receivables arise may have different terms and conditions from the Initial Accounts or any other Accounts already designated. For example, the new Accounts may have higher or lower fees or interest rates, or different payment terms. We cannot guarantee that new Accounts will be of the same credit quality as the Initial Accounts. If the credit quality of our assets were to deteriorate, our ability to make payments on the Series CW2006-1 Notes could be adversely affected. See “*The Sale and Servicing Agreement—Addition of Accounts*”.

CNH Capital may change the terms of the accounts or Receivables in a way that reduces or slows collections. These changes may result in reduced, accelerated or delayed payments to you.

CNH Capital continues to own the Accounts in which the Receivables arise. As the owner of the Accounts, CNH Capital retains the right to change various account terms, including finance charges and other fees it charges and the required principal payment schedule. An Early Amortization Event could occur if CNH Capital reduces the finance charges and other fees it charges and this resulted in a corresponding decrease in the collection of finance charges and fees. In addition, changes in the account terms may alter payment patterns. If payment rates decrease significantly at a time when you are scheduled to receive principal, you might receive principal more slowly than planned.

CNH Capital has agreed to not reduce the interest rates it charges on the Receivables and to not reduce other fees if that action would cause an Early Amortization Event with respect to the notes unless CNH Capital is required by law or determines it is necessary to maintain its dealer floorplan financing business, based on its good faith assessment of its business competition.

CNH Capital has agreed to not change the terms of the Accounts and the servicer has agreed to not change the terms of its servicing practices, including the reduction of the required principal payment schedule and the calculation of the amount or the timing of finance charges, other fees and charge-offs, unless CNH Capital or servicer reasonably believes an Early Amortization Event would not occur for any series or class of notes.

In addition, CNH Capital may permit a dealer to extend its payment schedule with respect to a Receivable for up to a year in most cases, which would delay principal payments to us with respect to the related Receivable. If principal payment schedules were extended at a time when you are scheduled to receive principal, you might receive principal more slowly than planned.

CNH Capital has no restrictions on its ability to change the terms of the Accounts except as described above. Changes in relevant law, changes in the marketplace or prudent business practices could cause CNH Capital to change its Account terms.

Various legal aspects may cause delays in your receiving payments or may result in reduced payments or losses on your Series CW2006-1 Notes.

There are various ways in which a third party may become entitled to receive collections on the Receivables instead of us or become entitled to parts or equipment free of CNH Capital's security interest. If that happens, you will experience delays in payments on your Series CW2006-1 Notes and ultimately may incur a loss on your Series CW2006-1 Notes.

There are limited circumstances under provincial personal property security legislation and applicable federal law in which prior or subsequent transferees of Receivables could have an interest in the Receivables with priority over our interest. The seller has filed financing statements covering the sale of the Receivables made in connection with the issuance of the Series CW2006-1 Notes. The financing statements will perfect the security interests of each buyer in those sales. However, CNH Capital will serve as the custodian of the Receivables and will not physically segregate or mark the Receivables to reflect the various sales. See "*The Sale and Servicing Agreement—Conveyance of Receivables and Collateral Security*". If the Receivables are "chattel paper" under applicable personal property security legislation and another party purchases or takes a security interest in the Receivables for value, in the ordinary course of business and without actual knowledge of the applicable buyers' interest, that purchaser or secured party will acquire an interest in the Receivables superior to our interest. We will not be able to collect on the Receivables if there is a superior interest. This may result in delays or reductions in payments on your Series CW2006-1 Notes. See "*Legal Aspects of the Receivables—Transfer of Receivables*".

Also, a tax or government lien or deemed trust on the property of the related seller arising before any Receivables come into existence may have priority over our interest in the Receivables. See "*Legal Aspects of the Receivables—Matters Relating to Bankruptcy*".

At the time a piece of agriculture or construction equipment or a part is sold, CNH Capital's security interest in the equipment or part, as applicable, will terminate. Therefore, if a dealer fails to remit to CNH Capital amounts owed with respect to the equipment or part, as applicable, that has been sold, the related Receivable will no longer be secured by the related equipment or part.

High concentrations in a geographic area could affect the delinquency, credit loss or repossession experience of the issuer.

The portfolio of Accounts designated to us contains a high concentration of Receivables in Accounts in which the related dealer is located in a particular province. See "*The Receivables Pool—Geographic Distribution*". Economic conditions, weather conditions or other factors affecting those provinces in particular could adversely affect our delinquency, credit loss or repossession experience.

Dealer concentrations may result in larger losses from a single dealer default.

As of May 31, 2006, CNH Capital provided new and used agricultural and construction equipment and parts wholesale floorplan financing for approximately 443 Main Dealers. As of May 31, 2006, approximately 5.95%, 4.75% and 3.22% of the aggregate principal amount of the Receivables in the Accounts as of that date were generated by the three largest Main Dealers, respectively. A default by one or more of these Main Dealers could result in delays or reductions in payments on your Series CW2006-1 Notes.

The interest rates payable on the Series CW2006-1 Notes and on the Receivables may re-set at different times or fluctuate differently, resulting in a delay or reduction in payments on your Series CW2006-1 Notes.

The Accounts generally have finance charges set at a variable rate based on the prime rate. The Series CW2006-1 Notes bear interest at a floating rate based on a different index. If the rate charged on the Accounts declines, collections of Receivables allocated to us may be reduced without a corresponding reduction in the amounts payable as interest on the Series CW2006-1 Notes and other amounts paid from collections of Receivables. This could result in delayed or reduced principal and interest payments to you.

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement between us, the trustee, CNH Capital and the Class A Underwriters (the “**Class A Underwriting Agreement**”), we have agreed to issue and sell, and the Class A Underwriters will agree to purchase, on the Series CW2006-1 Closing Date, all of the Class A Notes for an aggregate purchase price of \$175,598,000 payable by wire transfer. The Class A Underwriting Agreement provides that CNH Capital will pay to the Class A Underwriters an aggregate fee of \$526,794 (\$3.00 per \$1,000 principal amount of Class A Notes) in consideration for their services in connection with the offering. Our obligations to issue and sell, and of the Class A Underwriters to purchase, the Class A Notes, are subject to compliance with all necessary legal requirements and to the terms and conditions contained in the Class A Underwriting Agreement.

Pursuant to an underwriting agreement between us, the trustee, CNH Capital and the Class B Underwriter (the “**Class B Underwriting Agreement**”, and together with the Class A Underwriting Agreement, the “**Underwriting Agreements**”), we have agreed to issue and sell, and the Class B Underwriter will agree to purchase, on the Series CW2006-1 Closing Date, all of the Class B Notes for an aggregate purchase price of \$14,402,000 payable by wire transfer. The Class B Underwriting Agreement provides that CNH Capital will pay to the Class B Underwriter an aggregate fee of \$93,613 (\$6.50 per \$1,000 principal amount of Class B Notes) in consideration for its services in connection with the offering. Our obligations to issue and sell, and of the Class B Underwriter to purchase, the Class B Notes, are subject to compliance with all necessary legal requirements and to the terms and conditions contained in the Class B Underwriting Agreement.

The Series CW2006-1 Notes are being offered at prices to be negotiated by the Class A Underwriters or Class B Underwriter, as applicable, with purchasers. Accordingly, the price at which the Series CW2006-1 Notes will be offered and sold to the public may vary as between purchasers and during the period of distribution of the Series CW2006-1 Notes. The Underwriters’ overall compensation will increase or decrease by the amount by which the aggregate price paid for the Series CW2006-1 Notes by the purchasers exceeds or is less than the aggregate price paid by the Underwriters to us.

The offering of Series CW2006-1 Notes is being made concurrently in all the provinces of Canada.

The Series CW2006-1 Notes will not be listed on any securities or stock exchange. The issue of Series CW2006-1 Notes is a new issue of securities with no established trading market. The Series CW2006-1 Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) and, except pursuant to an exemption from registration under the U.S. Securities Act, may not be offered or sold in the United States, or to, or for the account or benefit of United States persons. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy Series CW2006-1 Notes in the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act). Offers and sales of any of the Series CW2006-1 Notes within the United States, its territories, its possessions and other areas subject to its jurisdiction or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S.

Securities Act), would constitute a violation of the U.S. Securities Act unless made in compliance with the registration requirements of the U.S. Securities Act or an exemption therefrom.

Subscriptions for the Series CW2006-1 Notes will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books for the Series CW2006-1 Notes at any time without notice. It is intended that the closing of the offering will take place on or about July 28, 2006 or such other date as we and the Underwriters may agree, but not later than August 4, 2006.

The obligations of the Underwriters under the Underwriting Agreements are several and not joint and may be terminated in the Underwriters' discretion based on their assessment of the state of the financial markets and upon the occurrence of certain stated events. If any Series CW2006-1 Notes are purchased under an Underwriting Agreement, the relevant Underwriters will be obliged to take up and pay for all of the Series CW2006-1 Notes being offered. We will agree to indemnify each Underwriter against certain liabilities, including liabilities under applicable securities laws, or to contribute with respect to any payment which such Underwriter may be required to make in respect thereof. The Underwriters may effect transactions which stabilize or maintain the price of the Series CW2006-1 Notes to be offered at a level different than that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Neither we nor any of the Underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the prices of the Series CW2006-1 Notes. In addition, neither we nor any of the Underwriters makes any representation that the Underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations generally applicable to a holder of Series CW2006-1 Notes in respect of the acquisition, holding and disposition of Series CW2006-1 Notes purchased pursuant to this prospectus who, for the purposes of the *Income Tax Act* (Canada) (the "**Tax Act**") and at all relevant times, is, or is deemed to be, resident in Canada, deals at arm's length and is not affiliated with us or the Underwriters, is not a "financial institution" (as defined in subsection 142.2(1) of the Tax Act), is not a person an interest in which would be a "tax shelter investment" (as defined in the Tax Act) and holds Series CW2006-1 Notes as capital property (a "**Noteholder**"). Series CW2006-1 Notes will generally be considered to be capital property to a Noteholder unless such Series CW2006-1 Notes are held or are deemed to be held in the course of carrying on a business of trading or dealing in securities or as part of an adventure in the nature of trade. Noteholders whose Series CW2006-1 Notes might not otherwise qualify as capital property may be entitled to elect to have such Series CW2006-1 Notes and all other "Canadian securities", as defined in the Tax Act, treated as capital property by making the irrevocable election provided by subsection 39(4) of the Tax Act.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**"), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, and counsel's understanding of the published administrative and assessing practices of the Canada Revenue Agency (the "**CRA**"). This summary does not otherwise take into account or anticipate any changes in law, whether by judicial, governmental or legislative decision or action, or changes in the administrative or assessing practices of the CRA, nor does it take into account provincial, territorial or foreign income tax considerations, which may vary from the Canadian federal income tax considerations described herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular holder of Series CW2006-1 Notes, and no representation with respect to the income tax consequences to any particular Noteholder is made. Accordingly, you should consult your own tax advisors with respect to your individual circumstances.

Interest

A Noteholder that is a corporation, partnership, unit trust or a trust of which a corporation or partnership is a beneficiary will be required to include in computing its income for a taxation year all interest that accrues to that Noteholder on the Series CW2006-1 Notes to the end of that taxation year or that becomes receivable or is received

by it before the end of that year, except to the extent that such interest was included in the Noteholder's income for a preceding taxation year.

Any other Noteholder, including an individual, will generally be required to include in computing its income for a taxation year all interest on the Series CW2006-1 Notes that is received or receivable by such Noteholder in that year (depending upon the method regularly followed by the Noteholder in computing income) to the extent that such interest was not included in computing the Noteholder's income for a preceding taxation year.

Refundable Tax

A Noteholder that is throughout the year a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable for a refundable tax of 6 2/3% on certain investment income, including interest and taxable capital gains earned or realized in respect of the Series CW2006-1 Notes.

Disposition

On a disposition or a deemed disposition (which will include a redemption or repayment) of the Series CW2006-1 Notes in whole or in part, a Noteholder will generally be required to include in computing its income for the taxation year in which the disposition occurs all interest that has been received, has become receivable, or has accrued on the Series CW2006-1 Notes to the date of disposition to the extent that such interest has not otherwise been included in the Noteholder's income for the taxation year or a previous taxation year.

In general, a disposition or a deemed disposition of a Series CW2006-1 Note will result in a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any amount included in the Noteholder's income as interest and any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Series CW2006-1 Note to the Noteholder immediately before the disposition or deemed disposition. Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Noteholder will be included in the Noteholder's income in the year of disposition. Subject to the detailed rules in the Tax Act, a Noteholder is required to deduct one-half of any capital loss (an "**allowable capital loss**") realized by the Noteholder in a taxation year from taxable capital gains realized by the Noteholder in the year. Allowable capital losses in excess of taxable capital gains may be carried back up to three taxation years or forward indefinitely and deducted against net taxable capital gains in those other years.

Capital gains realized by an individual or by most trusts may give rise to alternative minimum tax under the Tax Act.

MATERIAL CONTRACTS

In addition to the contracts referred to under "Material Contracts" in our annual information form dated May 11, 2006, the following are the contracts which can reasonably be regarded as material to you and which, other than the Underwriting Agreements and the backup servicing agreement, will be entered into on the Series CW2006-1 Closing Date:

- (a) the Series CW2006-1 indenture supplement between us and BNY Trust Company of Canada;
- (b) the Underwriting Agreements; and
- (c) the backup servicing agreement between us, CNH Capital and the backup servicer made as of January 14, 2005.

These agreements and the “Material Contracts” referred to above may be inspected during business hours at the offices of the trustee located at 79 Wellington Street West, 8th Floor, TD Waterhouse Tower, Toronto, Ontario. For further information regarding CNH Capital or the transactions described in this prospectus, contact our administrator after the Series CW2006-1 Closing Date at (847) 735-9200.

AUDITORS

The auditors of the Trust are Deloitte & Touche LLP, BCE Place, 181 Bay Street, Suite 1400, Toronto, Ontario M5J 2V1.

PROMOTER

CNH Capital has taken the initiative in organizing our business and as such may be considered our “promoter” within the meaning of the securities legislation of certain provinces of Canada. CNH Capital has agreed to pay the expenses of this offering and the Underwriters’ fees. Accordingly, we will receive the gross proceeds of this offering. We will apply such proceeds (i) to reduce the amount outstanding under the Series CW2004-4 Notes, (ii) to make the initial deposit to the Reserve Fund, and (iii) to pay the remainder to the seller in partial payment of the purchase price of the Receivables and related Collateral Security pursuant to the Sale and Servicing Agreement. CNH Capital is entitled to a fee for administrative services it provides to us in its capacity as our Administrator. CNH Capital will act as the servicer of the Receivables. See “*Information About the Trust*”, “*Important Parties*”, “*Use of Proceeds*” and “*Plan of Distribution*”.

LEGAL MATTERS

Certain legal matters in connection with this offering will be passed upon for us by Osler, Hoskin & Harcourt LLP, and for the Underwriters by Davies Ward Philips & Vineberg LLP. The partners and associates of Osler, Hoskin & Harcourt LLP and the partners and associates of Davies Ward Philips & Vineberg LLP, in each case as a group, beneficially own, directly or indirectly, less than 1.00% of our securities as of the date of this prospectus.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may only be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment, irrespective of the determination at a later date of the purchase price of the securities distributed. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal advisor.

AUDITORS' CONSENT

We have read the short form prospectus of CNH Capital Canada Wholesale Trust (the "Trust") dated July 21, 2006 relating to the distribution of Series CW2006-1 wholesale receivables-backed notes of the Trust. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use, through incorporation by reference in the above-mentioned short form prospectus, of our report to the Trustee of the Trust on the statements of net assets of the Trust as at December 31, 2005 and 2004 and the statements of operations and undistributed income and of cash flows for the year ended December 31, 2005 and the period ended December 31, 2004. Our report is dated April 24, 2006.

Toronto, Ontario
July 21, 2006

(Signed) Deloitte & Touche LLP
Chartered Accountants

CERTIFICATE OF THE TRUST AND THE PROMOTER

Dated: July 21, 2006

This short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces of Canada. For the purpose of the Province of Québec, this simplified prospectus, together with the documents incorporated herein by reference and as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.

CNH CAPITAL CANADA WHOLESAL TRUST,
by its Administrator,
CNH CAPITAL CANADA LTD.

(Signed) MICHEL J. LECOMTE
Chairman

(Signed) BRIAN J. O'KEANE
Treasurer

CNH CAPITAL CANADA LTD.
(as Promoter)

(Signed) BRIAN J. O'KEANE
Treasurer

CERTIFICATE OF THE UNDERWRITERS

Dated: July 21, 2006

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada. For the purpose of the Province of Québec, to our knowledge, this simplified prospectus, together with the documents incorporated herein by reference and as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.

CIBC WORLD MARKETS INC.

By: (Signed) DAVID C. ALLAN

RBC DOMINION SECURITIES INC.

By: (Signed) NUR KHAN

TD SECURITIES INC.

By: (Signed) MAHARUKH HILLOOWALA

**APPENDIX A
INDEX OF DEFINED TERMS**

A		Eligible Account	57
Accounts	19	Eligible Dealer	57
Accumulation Period	27	Eligible Receivable	58
Accumulation Period Commencement Date	27	Excess Funding Account	32
Accumulation Period Length.....	28	Excess Funding Amount	32
Addition Date	55	Excess Principal Collections	39
Additional Accounts	19, 60	F	
Additional Cut-Off Date.....	54, 60	financial institution.....	84
Adjusted Pool Balance.....	56	floorplan	14
allowable capital loss	85	I	
annual accountant’s servicing report.....	70	indenture	9
annual servicer’s compliance certificate.....	70	indenture supplement.....	9
Automatic Additional Accounts	19, 59	indenture trustee.....	4
B		Ineligible Receivable.....	44
Backup Servicer Account.....	69	Initial Accounts	19
Book-Entry Note	73	Initial Cut-Off Date	19
Book-Entry Note Owner	73	Interest Funding Account	36
Book-Entry Notes	73	Interest Period	26
C		Investor Charge-Off	42
Calculation Agent	26	Investor Default Amount	64
Case Credit.....	12	Investor Dilution Amount	42
CDOR	26	Investor Uncovered Dilution Amount.....	42
CDOR Determination Date.....	26	M	
CDS	73	Main Dealer.....	43
Class A Notes.....	i	Monthly Payment Rate	30
Class A Rate	26	Monthly Period	56
Class A Underwriters	ii	Monthly Principal.....	30
Class A Underwriting Agreement	83	Moody’s	9
Class B Notes.....	i	N	
Class B Rate	26	New Holland Credit.....	12
Class B Underwriter	ii	Noteholder	84
Class B Underwriting Agreement	83	P	
CNH	12	Participant.....	73
CNH Canada.....	8, 12	payment date.....	26
CNH Capital.....	4, 12	Permitted Investments	62
Collateral Security.....	54	Pool Balance	56
Collection Account.....	62	prime rate.....	16
Controlled Accumulation Amount	28	Principal Funding Account.....	28
Controlled Deposit Amount.....	28	Principal Shortfalls.....	39
CRA	84	Q	
Credit Watch.....	17	Qualified Deposit Account	62
CW2004-1 Class A Notes.....	8	Qualified Institution	62
CW2004-1 Class B Notes.....	8	R	
CW2004-2 Class A Notes.....	8	Receivables	19
CW2004-2 Class B Notes.....	8	Receivables Transfer Date	55
D		Regulations.....	84
DBRS	9	Removal Date	61
Dealer Overconcentration Amounts	43	Removed Accounts	61
Dealer Overconcentrations	43	Removed Receivables	61
Defaulted Amount.....	64	Rental Overconcentration Amount.....	43
Defaulted Receivables.....	64	Required Pool Balance	60
Definitive Notes	73	Required Pool Percentage.....	60
Determination Date	30	Reserve Fund	37
Development Store Overconcentration Amount.....	43	Reserve Fund Required Amount.....	37
E		Revolving Period.....	27
Early Amortization Period.....	30		

S

S&P	9
Sale and Servicing Agreement.....	54
seller	4, 12
Seller Amount	56
Seller Deposit Amount.....	56
Seller's Indebtedness	47
Seller's Percentage.....	34
Series Closing Date	56
Series CW2004-1 Notes	8
Series CW2004-2 Notes	8
Series CW2004-3 Notes	8
Series CW2004-4 Notes	8
Series CW2006-1 Available Interest Amounts	35
Series CW2006-1 Available Principal Amounts..	38
Series CW2006-1 Available Subordinated Amount	41
Series CW2006-1 Closing Date	9
Series CW2006-1 Collateral Amount	37
Series CW2006-1 Collateral Amount Deficit.....	37
Series CW2006-1 Early Amortization Event.....	29
Series CW2006-1 Event of Default	31
Series CW2006-1 Excess Funding Amount	33
Series CW2006-1 Floating Allocation Percentage	35
Series CW2006-1 Incremental Subordinated Amount	43
Series CW2006-1 Interest Collections.....	35
Series CW2006-1 Majority Noteholders	30
Series CW2006-1 Noteholders	25
Series CW2006-1 Notes	i

Series CW2006-1 Principal Allocation Percentage	35
Series CW2006-1 Principal Collections	39
Series CW2006-1 Required Subordinated Amount	42
Series CW2006-1 Scheduled Final Payment Date.	6
Series CW2006-1 Security Amount.....	40
Series CW2006-1 Subordinated Percentage.....	42
Series CW2006-1 Trustee Fees and Expenses	37
Series CW2006-1 Yield Reserve Amount	44
Series CW2006-1 Yield Reserve Collections.....	44
Series Final Maturity Date.....	6
Service Transfer.....	67
servicer.....	67
Servicer Default	68
Shared Excess Available Interest Amounts	36
Shared Excess Available Principal Amounts	38
T	
Tax Act	1, 84
taxable capital gain	85
Trust	i, 4
Trust Available Subordinated Amount	56
Trust Yield Reserve Amount	33
Trustee Fees and Expenses	37
U	
Underwriters	ii
Underwriting Agreements.....	83
Used Equipment Overconcentration Amount.....	44
W	
Warranty Breach Receivables	56
wholesale.....	14