CNH CAPITAL CANADA RECEIVABLES TRUST

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

GENERAL

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

BUSINESS OF THE TRUST

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

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

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

The Trust has been structured to provide investors in the Class A and B Notes with bullet payments on their respective maturity dates, while investors in the variable loans will receive payments that amortize on a monthly basis concurrent with the principal collections activity on the underlying Secured Assets.

In November 2009, the Trust issued Series 2009-1 Receivables-Backed Notes, Class A and B of which the Class A Notes were privately placed with an institutional buyer.

In June 2010, a clean-up call was exercised by CNH Capital Canada whereby $38,068,611 of retail installment contracts were sold at book value to CNH Capital Canada. Also related to this clean-up call, the Series 2006-1 Class B Notes, the Series 2006-1 VPN Notes and the Series 2006-1 subordinated loan were repaid in full.

In November 2010, the Trust issued Series 2010-1 Receivables-Backed Notes, Class A and B Notes, which were publicly placed pursuant to a prospectus.

In November 2011, the Trust issued Series 2011-1 Receivables-Backed Notes, Class A and B Notes, which were publicly placed pursuant to a prospectus.

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RESULTS OF OPERATIONS

The Trust's portfolio of managed receivables increased by $119,701,438 to $690,337,196 as at December 31, 2011 from $570,635,758 as at December 31, 2010. This increase is attributable to $466,839,398 of new retail notes and finance leases being managed offset by $347,137,960 of cash collections. Further, no clean-up call was exercised by CNH Capital Canada during the year ended December 31, 2011.

Interest income for the year ended December 31, 2011 totaled $27,391,739 compared to $24,549,169 reported for the years ended December 31, 2011 and 2010, respectively.

Interest expense was $27,385,706 and $24,545,169 for the years ended December 31, 2011, and 2010, respectively. The increase in interest expense in the current year is consistent with the timing of the new purchases in 2011.

Total credit losses incurred on the Trust's portfolio in 2011 and 2010 were $474,103 and $862,708, respectively. These credit losses are absorbed by CNH Capital Canada through the residual purchase price payable.

SUMMARY OF QUARTERLY RESULTS

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

	2011			
	Q1	Q2	Q3	Q4
Interest income	$ 6,883,102	$ 6,066,588	$ 4,815,742	$ 9,626,307
	2010			
	Q1	Q2	Q3	Q4
Interest income	$ 7,271,108	$ 5,866,398	$ 4,704,615	$ 6,707,048

TRANSACTIONS WITH RELATED PARTIES

For the years ended December 31, 2011 and 2010, the Trust's interest expense paid to CNH Capital Canada with respect to residual indebtedness was $15,571,876 and 15,156,908, respectively, and the other expenses paid to CNH Capital Canada amounted to $4,333 and $3,000, respectively. The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Total interest expense on the Statements of Operations, Comprehensive Income and Undistributed Income includes amounts paid to related parties for interest on the residual indebtedness.

The amount due to related parties with respect to residual indebtedness is $20,878,763 and $17,094,507 as at December 31, 2011 and 2010, respectively.

ACCOUNTING ESTIMATES

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

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Market Risk

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

Interest rate risk refers to the risk that the fair value or income and future cash flows of a financial instrument will vary as a result of changes in market interest rates. As the Series 2011-1, Series 2010-1 and the Series 2009-1 transactions only include fixed rate notes and loans and receive a fixed rate of interest on the investments in retail note and finance lease contracts, the Trust did not have any interest rate risk during the years ended December 31, 2011 and 2010. The Trust's exposure to interest rate risk on the cash accounts is minor.

As at January 1, 2010, the Trust was exposed to the risk that the market rate of interest it would pay on its Series 2006-1 variable rate notes and loans in the future could be different than the fixed rate of interest it received on its receivable in retail notes and finance lease contracts. To mitigate this risk the Trust had entered into interest rate derivatives. The notional amounts of the swaps were equal to the outstanding principal balance on the Trust's variable rate notes and loans. The Trust was obligated to pay a fixed interest rate per annum on the notional amount and did receive a floating interest rate equal to the Bankers' Acceptance ("BA") rate plus a specified percentage in excess of the BA rate, which was the basis for determining the amount of interest due on the outstanding loans. The amount the Trust was obligated to pay to the counterparties was netted against the amount the counterparties were obligated to pay the Trust. Only the net amount on each contract was due from the Trust or the counterparties.

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

Credit Risk

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

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

(In Canadian Dollars)

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Credit Risk (continued)

The Trust manages this risk through the subordinated loans and the residual purchase price payable, which provide the Trust with overcollateralization designed to minimize its credit risk. The principal balances of accounts greater than 30 days delinquent were $513,751 and $1,368,700, respectively, which represented 0.07% and 0.24% of the Trust's portfolios at December 31, 2011 and 2010.

As at December 31, 2011, the portfolio of the retail note and finance lease contracts by annual yield, which exclude interest waiver periods, and by industry is as follows:

Annual Yield	Agriculture	Construction	Total Portfolio
0.00% – 2.99%	$ 246,007,725	$ 21,386,353	$ 267,394,078
3.00% – 5.99%	251,343,373	9,119,700	260,463,073
6.00% – 8.99%	126,793,974	13,346,858	140,140,832
9.00% – 11.99%	14,676,029	3,229,246	17,905,275
12.00% – 17.99%	3,927,814	506,124	4,433,938
	$ 642,748,915	$ 47,588,281	$ 690,337,196

As at December 31, 2010, the portfolio of the retail note and finance lease contracts by annual yield, which exclude interest waiver periods, and by industry was as follows:

Annual Yield	Agriculture	Construction	Total Portfolio
0.00% – 2.99%	$ 171,230,353	$ 19,111,546	$ 190,341,899
3.00% – 5.99%	147,378,307	11,277,803	158,656,110
6.00% – 8.99%	172,426,432	14,396,448	186,822,880
9.00% – 11.99%	22,064,578	5,078,810	27,143,388
12.00% – 17.99%	6,510,989	1,160,492	7,671,481
	$ 519,610,659	$ 51,025,099	$ 570,635,758

As at December 31, 2011 and 2010, the Trust's maximum credit exposure was $779,593,081 and $648,158,695, respectively, being the total of its assets recorded on the Statements of Net Assets.

Liquidity Risk

Liquidity and funding risk is the risk that the Trust may be unable to generate or obtain sufficient cash or cash equivalents in a timely and cost effective manner to meet its commitments as they come due. The Trust's restricted cash and cash equivalents balance totaled $84,288,089 and $74,249,866 as at December 31, 2011 and 2010, respectively. The Trust's borrowings are comprised of interest-bearing Notes and subordinated loans secured by the underlying Secured Assets. As at December 31, 2011 and 2010, the balance of the outstanding Notes and subordinated loans was $756,432,985 and $629,216,491, respectively. Interest on the Notes and subordinated loans is payable monthly, in arrears on the 15th day of the following month. As at December 31, 2011 and 2010, the cash flows from the Trust's receivable in retail notes and finance lease contracts and cash account were expected to provide sufficient liquidity for the repayment of the Trust's borrowings and the interest expense on those borrowings.

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Derivatives

The Trust enters into interest rate derivatives with approved creditworthy counterparties to manage the Trust's exposure to interest rate risks. The Trust does not enter into interest rate derivatives for trading or speculative purposes. The Trust's interest rate swaps were not designated in effective hedging relationships for accounting purposes and accordingly were recorded at fair value with the changes in fair value recognized in earnings in the period in which they occur.

As the Series 2011-1, Series 2010-1 and Series 2009-1 transactions only include fixed rate notes and loans and the Trust received a fixed rate of interest on the investments in retail note and finance lease contracts, the Trust did not enter into any interest rate derivatives during the years ended December 31, 2011 and 2010. For the Series 2006-1 transaction, the Trust entered into interest rate derivatives with approved creditworthy counterparties to manage the Trust's exposure to interest rate risks.

As at January 1, 2010, the Trust recorded derivative liabilities of $1,044,466, which represented the fair value of the interest rate swaps. The net change in fair value of interest rate swaps during the years ended December 31, 2011 and 2010 was a gain of $Nil and $1,044,466, respectively. Due to the structure of the Trust, any gains or losses relating to interest rate swap agreements are attributable to CNH Capital Canada and, as such, a net offsetting adjustment is made to interest expense and residual purchase price payable for these amounts. The gains and losses arising from the derivative liabilities and the related offsetting adjustment to the residual purchase price payable are recorded in interest expense in the periods in which they arise.

The fair value of interest rate swaps was estimated based on discounted expected cash flows using quoted market interest rates. Considerable judgment was required in interpreting market data to develop estimates of fair value, so the estimates were not necessarily indicative of the amounts that could be realized or would be paid in a current market exchange. The Administrator was not aware of any factors that would significantly affect the fair value estimates contained within these financial statements.

Measurement of Fair Values and Categorization of Financial Instruments

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

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

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

Measurement of Fair Values and Categorization of Financial Instruments (continued)

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

Level 1 Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3 Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

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

As at December 31, 2011 and 2010, the Trust had no financial instruments classified in Level 1, other than restricted cash and cash equivalents. During the years ended December 31, 2011 and 2010, there were no financial instruments classified in Levels 2 or 3, nor were there any transfers between Levels 1, 2 or 3.

DISCLOSURE CONTROLS AND PROCEDURES

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

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

ADDITIONAL INFORMATION

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