

BASE PROSPECTUS



CNH Industrial N.V.

(Incorporated as a public limited liability company (*naamloze vennootschap*) under the laws of The Netherlands No. 56532474)

*as Issuer and as Guarantor, in respect of Notes issued by
CNH Industrial Finance Europe S.A.*

and

CNH Industrial Finance Europe S.A.

(Incorporated with limited liability under the laws of the Grand-Duchy of Luxembourg;
Registre de Commerce et des Sociétés de Luxembourg No. B-155849)

as Issuer

€10,000,000,000

Global Medium Term Note Programme

Under the €10,000,000,000 Global Medium Term Note Programme (the “Programme”) described in this base prospectus (the “Base Prospectus”), CNH Industrial N.V. (“CNH Industrial”) and CNH Industrial Finance Europe S.A. (“CIFE”) (each an “Issuer” and together, the “Issuers”) may from time to time issue notes (the “Notes”) denominated in any currency agreed between the relevant Issuer and the relevant Dealer (as defined below). The payments of all amounts due in respect of Notes issued by CIFE (the “Guaranteed Notes”) will be unconditionally and irrevocably guaranteed by CNH Industrial (in such capacity, the “Guarantor”).

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks, see “*Risk Factors*” herein.

The Base Prospectus has been approved by the Central Bank of Ireland (the “Central Bank”) as competent authority under Directive 2003/71/EC, as amended (the “Prospectus Directive”). The Central Bank only approves this Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC, as amended, and/or which are to be offered to the public in any member state of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the official list (the “Official List”) and trading on its regulated market. References in the Base Prospectus to the “Irish Stock Exchange” (and all related references) shall mean the regulated market of the Irish Stock Exchange. In addition, references in the Base Prospectus to the Notes being “*listed*” (and all related references) shall mean that such Notes have been admitted to listing on the Official List of the Irish Stock Exchange and admitted to trading on its regulated market or, as the case may be, a MiFID Regulated Market (as defined below). The regulated market of the Irish Stock Exchange is a regulated market for the purposes of Directive 2004/39/EC, as amended (each such regulated market being a “MiFID Regulated Market”). This document may be used to list Notes on the regulated market of the Irish Stock Exchange pursuant to the Programme. The Programme provides for Notes to be listed on such other or further stock exchange(s) as may be agreed between the relevant Issuer, the Guarantor and the relevant Dealer. Each Issuer may also issue unlisted Notes. The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €10,000,000,000 (or its equivalent in other currencies, subject to increase as provided herein). The Notes will be issued in such denominations (each, a “Specified Denomination”) as may be agreed between the relevant Issuer and the relevant Dealer and as specified in the applicable Final Terms, save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant specified currency indicated in the applicable Final Terms (as defined below) (the “Specified Currency”) and save that the minimum denomination of each Note admitted to trading on a regulated market situated or operating within the European Economic Area (the “EEA”) and/or offered to the public in an EEA state in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will be set out in final terms (the “Final Terms”) which, with respect to Notes to be listed on the Irish Stock Exchange, will be delivered to the Central Bank on or before the date of issue of the Notes of such Tranche. Copies of the Final Terms relating to Notes which are listed on the Irish Stock Exchange or offered in circumstances which require a prospectus to be published under the Prospectus Directive will be available free of charge, at the registered office of CIFE, at the principal office of CNH Industrial and at the specified office of each of the Paying Agents (as defined under “*Terms and Conditions of the Notes*”), as well as on CNH Industrial’s website at <http://www.cnhindustrial.com/en-US/Pages/HomePage.aspx>. CNH Industrial’s website and its content (except for any documents available at the links mentioned herein to the extent incorporated by reference herein) do not form part of the Base Prospectus.

Arrangers

BNP PARIBAS

Citigroup

Dealers

Banca IMI

Barclays

Banco Bilbao Vizcaya Argentaria, S.A.

BNP PARIBAS

BofA Merrill Lynch

Citigroup

Commerzbank

Crédit Agricole CIB

Credit Suisse

Deutsche Bank

Goldman Sachs International

J.P. Morgan

Mediobanca

Morgan Stanley

Natixis

Rabobank

Santander Global Banking & Markets

Société Générale Corporate & Investment Banking

The Royal Bank of Scotland

UBS Investment Bank

UniCredit Bank

The date of the Base Prospectus is April 28, 2015

The Base Prospectus is a base prospectus for the purposes of Article 5.4 of the Prospectus Directive in relation to each Issuer.

CNH Industrial, in its capacity as an Issuer, accepts responsibility for the information contained in this document, with the exception of any information in respect of CIFE. To the best of the knowledge of CNH Industrial, the information contained in this document in respect of which it accepts responsibility is in accordance with the facts and does not omit anything likely to affect the importance of such information.

CIFE accepts responsibility for the information contained in this document, with the exception of any information in respect of CNH Industrial when CNH Industrial is acting as an Issuer. To the best of the knowledge of CIFE, the information contained in this document in respect of which it accepts responsibility is in accordance with the facts and does not omit anything likely to affect the importance of such information.

CNH Industrial, in its capacity as Guarantor, accepts responsibility only for the information contained in this document relating to itself and to the Guarantee (as defined under “*Terms and Conditions of the Notes*”). To the best of the knowledge of the Guarantor, the information contained in those parts of this document relating to itself and to the Guarantee is in accordance with the facts and does not omit anything likely to affect the importance of such information.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. See “*Form of the Notes*” for a description of the manner in which the Notes will be issued. Registered Notes (as defined under “*Form of the Notes*”) are subject to certain restrictions on transfer, see “*Subscription and Sale, and Selling and Transfer Restrictions*.”

Copies of the Final Terms will be available at the registered office of CIFE, at the principal office of CNH Industrial, and the specified office set out below of each of the Paying Agents.

Each of the Issuers and the Guarantor has confirmed to the Dealers that the statements contained in the Base Prospectus (including all documents that are incorporated by reference herein – see “*Documents Incorporated by Reference*”) relating (in the case of each Issuer) to such Issuer and (in the case of the Guarantor) to the Guarantor and the Guarantee are in every material respect true and accurate and not misleading; any opinions, predictions or intentions expressed in the Base Prospectus on the part of any Issuer or the Guarantor (as the case may be) are honestly held or made and are not misleading in any material respect; the Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in such context) not misleading in any material respect; and all proper enquiries have been made to ascertain and to verify the foregoing.

The market share, ranking and other industry and market data that is discussed in this Base Prospectus, including in the sections entitled “*The CNH Industrial Group*,” “*Selected Financial and Statistical Information Relating to the CNH Industrial Group*” and “*CNH Industrial Group Financial Review*” beginning, respectively, on pages 90, 97 and 99 hereof, have been extracted from a variety of official, non-official and internal sources believed by each Issuer and the Guarantor to be reliable. In particular, the market estimates are generally based on: retail unit sales data in North America; registrations of equipment in most of Europe, Brazil, and several APAC markets (as defined below); retail and shipment unit data collected by a central information bureau appointed by equipment manufacturers associations, including the Association of Equipment Manufacturers in North America, the Committee for European Construction Equipment in Europe, the *Associação Nacional dos Fabricantes de Veículos Automotores* (ANFAVEA) in Brazil, the Japan Construction Equipment Manufacturers Association, and the Korea Construction Equipment Manufacturers Association, as well as on other shipment data collected by independent service bureaus. Not all agricultural or construction equipment is registered, and registration data may thus underestimate, perhaps substantially, actual retail industry unit sales demand, particularly for local manufacturers in China, Southeast Asia, Eastern Europe, Russia, Turkey, Brazil, and any country where local shipments are not reported. In addition, there may be a period of time between the shipment, delivery, sale and/or registration of a unit, which must be estimated in making any adjustments to the shipment, delivery, sale, or registration data to determine the Group’s (as defined below) estimates of retail unit data in any period.

Each Issuer and the Guarantor confirms that such third-party information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” and any additional Dealer appointed under the Programme from time to time by the Issuers (each a “Dealer” and together the “Dealers”), which appointment may be for a specific issue or on an ongoing basis.

References in the Base Prospectus to the “relevant Dealer” shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Notes. References in the Base Prospectus to the “relevant Issuer” shall, in relation to an issue of Notes, be to the Issuer of such Notes.

The Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*” below). The Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of the Base Prospectus.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained in the Base Prospectus or any other information provided by any Issuer or the Guarantor in connection with the Programme. No Dealer accepts any liability in relation to the information contained in the Base Prospectus or any other information provided by any Issuer or the Guarantor in connection with the Programme.

No person is or has been authorised by any Issuer or by the Guarantor to give any information or to make any representation not contained in or not consistent with the Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any Issuer, the Guarantor or any of the Dealers.

Neither the Base Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by any Issuer, the Guarantor or any of the Dealers that any recipient of the Base Prospectus, or of any other information supplied in connection with the Programme or any Notes, should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer and/or the Guarantor.

In the absence of Final Terms, neither the Base Prospectus, nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of any of the Issuers, the Guarantor or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of the Base Prospectus, nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuers and/or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuers or the Guarantor during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published audited annual financial statements and, if published later, the most recently published interim financial statements (if any) of the relevant Issuer and Guarantor when deciding whether or not to purchase any Notes.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. tax regulations.

The Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The

distribution of the Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuers, the Guarantor and the Dealers do not represent that the Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering.

In particular, no action has, to date, been taken by any Issuer, the Guarantor or the Dealers which would permit a public offering of any Notes or distribution of the Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither the Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession the Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of the Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of the Base Prospectus and the offer or sale of Notes in the United States, Canada, Japan, Hong Kong, Singapore, the PRC (as defined below) and the European Economic Area, including Italy, The Netherlands and the United Kingdom. See *“Subscription and Sale, and Selling and Transfer Restrictions.”*

In making an investment decision, investors must rely on their own examination of the relevant Issuer and the Guarantor and the terms of the Notes being offered, including the merits and risks involved. The Notes have not been approved or disapproved by the United States Securities and Exchange Commission (the “SEC”) or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved the Base Prospectus or confirmed the accuracy or determined the adequacy of the information contained in the Base Prospectus. Any representation to the contrary is unlawful.

None of the Dealers, the Issuers or the Guarantor makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws.

Series of Notes (as defined under *“Terms and Conditions of the Notes”*) issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will not necessarily be the same as the rating assigned to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009/EC, as amended (the “CRA Regulation”), will be disclosed in the Final Terms. In general, and subject to and in accordance with the provisions of the CRA Regulation, European regulated investors are restricted from using a credit rating for regulatory purposes if such credit rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation.

U.S. INFORMATION

The Base Prospectus may be distributed in the United States to QIBs (as defined under *“Form of the Notes”*) in connection with their consideration of the purchase of Notes being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part; nor may it be distributed, or any of its contents disclosed, to anyone other than the prospective investors to whom it is originally submitted.

Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it is being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A under the Securities Act (“Rule 144A”).

Each purchaser or holder of Notes represented by a Rule 144A Global Note (as defined under *“Form of the Notes”*) or any Notes issued in registered form in exchange or substitution therefor (together *“Legended Notes”*) will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in *“Subscription and Sale, and Selling and Transfer Restrictions.”*

NOTICE TO POTENTIAL INVESTORS IN THE UNITED KINGDOM

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER CHAPTER 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are “restricted securities” within the meaning of the Securities Act, the Issuers and the Guarantor have undertaken in a deed poll dated April 28, 2015 (the “Deed Poll”) to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the relevant Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

CIFE and CNH Industrial are corporations incorporated under the laws of the Grand-Duchy of Luxembourg and The Netherlands, respectively. It may not be possible for investors to effect service of process outside the Grand-Duchy of Luxembourg (in the case of CIFE) or The Netherlands (in the case of CNH Industrial) or upon CIFE or CNH Industrial or to enforce judgments against them obtained in courts outside the Grand-Duchy of Luxembourg (in the case of CIFE) or The Netherlands (in the case of CNH Industrial) predicated upon civil liabilities of CIFE or CNH Industrial, as the case may be, under laws other than those of Luxembourg (in the case of CIFE) or The Netherlands (in the case of CNH Industrial), including any judgment predicated upon United States federal securities laws. There are doubts as to the enforceability in the Grand-Duchy of Luxembourg and The Netherlands in original actions or in actions for enforcement of judgments of United States courts of civil liabilities predicated solely upon the federal securities laws of the United States.

As there is no treaty between the United States and The Netherlands providing for the reciprocal recognition and enforcement of judgments (other than arbitration awards in civil and commercial matters), a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon U.S. federal securities laws, would not be enforceable in The Netherlands. However, if the party in whose favour such judgment is rendered brings a new suit in a competent court in The Netherlands, that party may submit to a Dutch court the final judgment that has been rendered in the United States. If the Dutch court finds that the jurisdiction of the federal or state court in the United States has been based on grounds that are internationally acceptable, that proper legal procedures

have been observed, that the judgment is final and does not contravene Dutch concepts of due process, to the extent that the Dutch court is of the opinion that reasonableness and fairness so require, the Dutch court would, in principle, under current practice, recognise the final judgment that has been rendered in the United States and generally grant the same claim without relitigation on the merits, unless the consequences of the recognition of such judgment contravene public policy in The Netherlands. It is not certain, however, that these court practices also apply to default judgments.

A valid judgment against CIFE with respect to the Notes obtained from a court of competent jurisdiction in the United States, which judgment remains in full force and effect after all appeals as may be taken in the relevant U.S. State or federal jurisdiction with respect thereto have been taken, may be entered and enforced through a court of competent jurisdiction of Luxembourg subject to compliance with the enforcement procedures (*exequatur*) set out in Article 678 *et seq.* of the Luxembourg *Nouveau Code de Procédure Civile* under the following conditions:

- the U.S. court awarding the judgment has jurisdiction to adjudicate the respective matter under its applicable laws, and such jurisdiction is recognised by Luxembourg private international and local law;
- the judgment is final and enforceable (*exécutoire*) in the jurisdiction where the decision is rendered;
- the U.S. court has applied the substantive law as designated by the Luxembourg conflict of laws rules;
- the U.S. court has acted in accordance with its own procedural laws;
- the judgment must not have been obtained by fraud (*fraude à la loi*) subsequent to an evasion of Luxembourg law and must have been granted in compliance with the rights of the defendant to appear, and if it appeared, to present a defense;
- the judgment does not contravene public policy as understood under the laws of Luxembourg or has been given in proceedings of a criminal or tax nature; and
- if an original action is brought in Luxembourg, Luxembourg courts may refuse to apply the designated law amongst others and notably if its application contravenes Luxembourg public policy. In an action brought in Luxembourg on the basis of U.S. federal or state securities laws, Luxembourg courts may not have the requisite power to grant the remedies sought.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Defined Terms

The group consisting of CNH Industrial and its direct and indirect subsidiaries (the “CNH Industrial Group” or the “Group”) was formed as a result of the merger of Fiat Industrial S.p.A. (“Fiat Industrial”) and its majority-owned subsidiary, CNH Global N.V. (“CNH Global”), which was completed on September 29, 2013. The Fiat Industrial Group (as defined below) was formed through the demerger of the capital goods activities of Fiat S.p.A. (now FCA (as defined below)). This demerger was completed on January 1, 2011. Accordingly, in this Base Prospectus:

- (a) references to the “Merger” are to the merger of Fiat Industrial and CNH Global into CNH Industrial, pursuant to which CNH Industrial has succeeded to and assumed by operation of law all of the obligations, rights, interests and liabilities of Fiat Industrial and CNH Global, including all of the obligations, rights, interests and liabilities of Fiat Industrial and CNH Global pursuant to the guarantees such companies have issued in the past in the interests of their subsidiaries, as described in more detail under “*The CNH Industrial Group—The Merger of Fiat Industrial and CNH Global*” herein;
- (b) references to the “Demerger” are to the transaction pursuant to which Fiat S.p.A. (now FCA (as defined below)) transferred a portion of its assets and liabilities in its capital goods activities to Fiat Industrial in the form of a *scissione parziale proporzionale* (in accordance with Article 2506 of the Italian Civil Code);
- (c) references to “CNH Industrial” are to CNH Industrial N.V. and, to the extent that such references are made to CNH Industrial prior to the Merger, such references are to Fiat Industrial, unless otherwise specified;
- (d) references to the “CNH Industrial Group” and the “Group” are, as noted above, to the group consisting of CNH Industrial and its direct and indirect subsidiaries, and to the extent that such references are made to the CNH Industrial Group or the Group prior to the Merger, such references are to Fiat Industrial and its direct and indirect subsidiaries, unless otherwise specified;
- (e) references to “FCA” are to Fiat Chrysler Automobiles N.V. and, to the extent that such references are made to FCA prior to the merger of Fiat S.p.A. into Fiat Investments N.V. which was completed on October 12, 2014, such references are to Fiat S.p.A.;
- (f) references to the “FCA Group” are to Fiat Chrysler Automobiles N.V. and its direct and indirect subsidiaries and, to the extent that such references are made to the FCA Group prior to the effective date of the merger mentioned under (e) above, such references are to Fiat S.p.A. and its direct and indirect subsidiaries;
- (g) references to the “Fiat Industrial Group” are to Fiat Industrial and its direct and indirect subsidiaries, prior to the Merger;
- (h) references to “CNH Global” are to CNH Global N.V., a public limited liability company formed on November 12, 1999 under the laws of The Netherlands;
- (i) references to “Industrial Activities” are to the operations carried out by the four industrial segments, Agricultural Equipment, Construction Equipment, Commercial Vehicles and Powertrain, as well as corporate functions;
- (j) references to “Agricultural Equipment” or to the “Agricultural Equipment segment” are to the business segment of the CNH Industrial Group operating in the agricultural equipment business;
- (k) references to “Construction Equipment” or to the “Construction Equipment segment” are to the business segment of the CNH Industrial Group operating in the construction equipment business;
- (l) references to “Commercial Vehicles” or to the “Commercial Vehicles segment” are to the business segment of the CNH Industrial Group operating in the commercial vehicles business;

- (m) references to “Powertrain” or to the “Powertrain segment” are to the business segment of the CNH Industrial Group operating in the powertrain components business and, to the extent that such references are made to Powertrain prior to the Merger, such references are to the business segment of the Fiat Industrial Group that previously operated in the “Industrial & Marine” powertrain components business, unless otherwise specified;
- (n) references to “Financial Services” or to the “Financial Services segment” are to the business segment of the CNH Industrial Group operating in the financial services business, unless otherwise specified;
- (o) references to “Agricultural and Construction Equipment” or to the “Agricultural and Construction Equipment segment” are to the business segment presented under IFRS of the CNH Industrial Group or, prior to the Merger, of the Fiat Industrial Group that, prior to January 1, 2014, operated in the agricultural and construction equipment businesses inclusive of its financial services activities;
- (p) references to “Trucks and Commercial Vehicles” or to the “Trucks and Commercial Vehicles segment” are to the business segment presented under IFRS of the CNH Industrial Group or, prior to the Merger, of the Fiat Industrial Group that, prior to January 1, 2014, operated in the trucks and commercial vehicles business inclusive of its financial services activities;
- (q) references to the “Annual Report 2014” are to the annual report at December 31, 2014 of the CNH Industrial Group prepared in accordance with IFRS as adopted by the European Union;
- (r) references to the “Annual Report 2013” are to the annual report at December 31, 2013 of the CNH Industrial Group prepared in accordance with IFRS as well as IFRS as adopted by the European Union;
- (s) references to (i) “NAFTA” means the United States, Canada and Mexico, (ii) “LATAM” means Central and South America and the Caribbean Islands, (iii) “APAC” means Continental Asia (including Turkey and Russia), Oceania and member countries of the Commonwealth of Independent States (CIS) (excluding Ukraine), and (iv) “EMEA” means the member countries of the European Union, the member countries of the European Free Trade Association (EFTA), Ukraine, Balkans, African continent and the Middle East (excluding Turkey). With regard to the information on market share and total industry volume related to Commercial Vehicles, references to (a) “Europe” means the 27 countries of the European Union, (b) “LATAM” means Brazil, Argentina and Venezuela, and (c) “APAC” means Russia, Turkey, South East Asia, Australia and New Zealand; and
- (t) references to “IFRS” are to the International Financial Reporting Standards as issued by the International Accounting Standards Board, including all interpretations issued by the IFRS Interpretations Committee.

Presentation of Financial Information

The financial information as of and for the financial years ended December 31, 2014 and 2013 included in this Base Prospectus under “*Selected Financial and Statistical Information Relating to the CNH Industrial Group*,” “*CNH Industrial Group Financial Review*” and “*Financial Information Relating to the CNH Industrial Group*” has been extracted from the audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013.

Until December 31, 2013, the CNH Industrial Group’s operations were reported under IFRS in three operating segments: (i) Agricultural and Construction Equipment (including the segment’s financial services activities), (ii) Trucks and Commercial Vehicles (including the segment’s financial services activities), and (iii) Powertrain. In order to enhance its reporting under IFRS, from the first quarter ended March 31, 2014, the CNH Industrial Group expanded its reportable segments from three to five, *i.e.*, Agricultural Equipment, Construction Equipment, Commercial Vehicles, Powertrain and Financial Services. In addition, from the first quarter ended March 31, 2014, to improve comparability with its main peers, the CNH Industrial Group changed its IFRS presentation currency from euros to U.S. dollars. As a result, the audited consolidated financial statements of

the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 reflect the new segmentation of the Group's operations and use U.S. dollars as the presentation currency. The comparative data as of and for the financial year ended December 31, 2013 included in such financial statements have been recast in order to be presented in accordance with the aforementioned changes.

The audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 are incorporated by reference herein, as described under "*Documents Incorporated by Reference*."

The audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 have been prepared in accordance with IFRS as adopted by the European Union. The audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2013 and 2012 have been prepared in accordance with IFRS as well as IFRS as adopted by the European Union.

Under IFRS, the Merger consisted of a reorganisation of existing legal entities that did not give rise to any change of control, and that, therefore, was outside the scope of application of IFRS 3—*Business Combinations*. Accordingly, the assets and liabilities of Fiat Industrial and CNH Global have been recognised by CNH Industrial at the carrying amounts recognised in the consolidated financial statements of Fiat Industrial prior to the completion of the Merger. The principal accounting consequence of the Merger was the acquisition of the non-controlling interests in the profit and loss and shareholder's equity of CNH Global since the Merger's effective date, *i.e.* September 29, 2013, which consequence had an immaterial effect on CNH Industrial's consolidated profit and loss for the year ended December 31, 2013.

The financial information as of and for the financial years ended December 31, 2014 and 2013 included in this Base Prospectus under "*Financial Information Relating to CNH Industrial N.V.*" has been extracted from the audited statutory financial statements of CNH Industrial as of and for the financial years ended December 31, 2014 and 2013.

The audited statutory financial statements of CNH Industrial as of and for the financial years ended December 31, 2014 and 2013 are incorporated by reference herein, as described under "*Documents Incorporated by Reference*" and have been prepared in accordance with the legal requirements set forth in Title 9, Book 2 of the Dutch Civil Code. Section 362(8), Book 2 of the Dutch Civil Code allows companies that apply IFRS as adopted by the European Union in their consolidated financial statements to use the same measurement principles in their statutory financial statements. However, as allowed by applicable law, subsidiaries are accounted for using the net equity value in the statutory financial statements. For additional information on such accounting policies, please see section "*Significant accounting policies*" set forth in the audited statutory financial statements of CNH Industrial as of and for the financial years ended December 31, 2014 and 2013, incorporated by reference in this Base Prospectus.

Potential investors must take into account that the Guaranteed Notes will be guaranteed only by CNH Industrial and that FCA and the FCA Group will have no obligations under any Notes issued by CNH Industrial or CIFE, the Guaranteed Notes or the Guarantee.

The financial information as of and for the financial years ended December 31, 2014 and 2013 included in this Base Prospectus under "*Selected Financial Information Relating to CNH Industrial Finance Europe S.A.*" has been extracted from the audited financial statements for CIFE as of and for the financial years ended December 31, 2014 and 2013, prepared in accordance with the Luxembourg legal and regulatory requirements.

CIFE's sets of financial statements are incorporated by reference herein, as described under "*Documents Incorporated by Reference*".

All references in the Base Prospectus to "U.S. dollars," "U.S.\$" and "\$" refer to the currency of the United States of America, references to "Sterling" and "£" refer to the currency of the United Kingdom, references to "CNY," "RMB" and "Renminbi" refer to the lawful currency of the PRC (as defined below), and references to "euro" and "€" refer to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended.

In this Base Prospectus, references to the “PRC” refer to the People’s Republic of China which, for the purposes of this Base Prospectus, shall exclude the Hong Kong Special Administrative Region of the PRC (“Hong Kong”), the Macau Special Administrative Region of the PRC and Taiwan.

In this Base Prospectus references to “CNY Notes” refer to Notes denominated in CNY or Renminbi deliverable in Hong Kong.

In this Base Prospectus references to “CMU Notes” refer to Notes denominated in any lawful currency which the Central Moneymarkets Unit Service (the “CMU Service”) operated by the Hong Kong Monetary Authority (the “HKMA”) accepts for settlement from time to time that are, or are intended to be, cleared through the CMU Service.

The language of the Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The Base Prospectus contains certain forward-looking statements relating to the CNH Industrial Group and its activities, which do not represent statements of fact but are rather based on current expectations and projections of the CNH Industrial Group in relation to future events, and which, by their nature, are subject to inherent risks and uncertainties. Expectations and projections are based on specific knowledge of the sector, publicly available data, and past experience. Underlying the projections are assumptions concerning future events and trends that are subject to uncertainty and whose actual occurrence or non-occurrence could result in significant variations from the projected results. These forward-looking statements relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Although each Issuer and the Guarantor believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable as of the date of this Base Prospectus, actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: changes in commodity prices, general economic conditions, economic growth, other business conditions, government regulation (whether in The Netherlands, the United Kingdom, Italy, the United States or other jurisdictions), and many other factors, some of which are referred to in this Base Prospectus, and most of which are outside of the control of the Issuers, the Guarantor and/or the CNH Industrial Group.

Any forward-looking statements contained in this Base Prospectus speak only as at the date of this Base Prospectus. Without prejudice to any requirements under applicable laws and regulations, each Issuer and the Guarantor expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations or any change in events, conditions or circumstances on which any such forward-looking statements are based.

STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the “Stabilising Manager(s)” (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment shall be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

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OVERVIEW OF THE PROGRAMME

This general description must be read as an introduction to the Base Prospectus and any decision to invest in any Notes should be based on a consideration of the Base Prospectus as a whole, including the documents incorporated by reference therein. The following general description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The relevant Issuer, the Guarantor (where applicable) and any relevant Dealer may agree that the Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a Base Prospectus supplement will be published.

This general description constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No. 809/2004 implementing the Prospectus Directive.

Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” shall have the same meanings in this general description.

Issuers:	CNH Industrial N.V. CNH Industrial Finance Europe S.A.
Guarantor, in respect of Guaranteed Notes:	CNH Industrial N.V.
Risk Factors:	There are certain factors that may affect the ability of each of the Issuers to fulfil its obligations under the Notes issued under the Programme. There are also certain factors that may affect the Guarantor’s ability to fulfil its obligations under the Guarantee, where applicable. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme, including the risk that the Notes may not be a suitable investment for all investors as well as certain risks relating to the structure of particular Series of Notes and certain other market risks. See “ <i>Risk Factors</i> ” below.
Description:	Global Medium Term Note Programme
Arranger:	BNP PARIBAS Citigroup Global Markets Limited
Dealers:	Banca IMI S.p.A. Banco Bilbao Vizcaya Argentaria, S.A. Banco Santander, S.A. BNP PARIBAS Barclays Bank PLC Citigroup Global Markets Limited Commerzbank Aktiengesellschaft Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank) Crédit Agricole Corporate and Investment Bank Credit Suisse Securities (Europe) Limited Deutsche Bank AG, London Branch Goldman Sachs International J.P. Morgan Securities plc Mediobanca – Banca di Credito Finanziario S.p.A. Merrill Lynch International Morgan Stanley & Co. International plc Natixis Société Générale The Royal Bank of Scotland plc UBS Limited UniCredit Bank AG

and any other Dealers appointed in accordance with the Programme Agreement (as defined in “*Subscription and Sale, and Selling and Transfer Restrictions*”).

Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and Sale, and Selling and Transfer Restrictions</i> ”) including the following restriction applicable at the date of the Base Prospectus: Notes issued on terms such that they must be redeemed before their first anniversary will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent (see “ <i>Subscription and Sale, and Selling and Transfer Restrictions</i> ”).
Issuing and Principal Paying Agent:	Citibank, N.A., London Branch.
Registrar:	Citigroup Global Markets Deutschland AG.
CMU Lodging and Paying Agent:	Citicorp International Limited.
Programme Size:	Up to €10,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuers and the Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, any currency agreed between the relevant Issuer and the relevant Dealer.
Maturities:	Such maturities as may be agreed between the relevant Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued only on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in bearer or registered form as described in “ <i>Form of the Notes.</i> ” Registered Notes will not be exchangeable for Bearer Notes (as defined under “ <i>Form of the Notes</i> ”) or <i>vice versa</i> .
Clearing Systems:	With respect to Notes (other than CMU Notes), Clearstream, Euroclear and/or DTC and any additional or alternative clearing system specified in the applicable Final Terms. With respect to CMU Notes, the CMU Service operated by the HKMA.
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction (as defined in the “ <i>Terms and Conditions of the Notes</i> ”) as may be agreed between the relevant Issuer and the relevant Dealer.

Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or (ii) on the basis of the reference rate set out in the applicable Final Terms. <p>The margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p>
Other provisions in relation to Floating Rate Notes:	<p>Floating Rate Notes may have a maximum interest rate, a minimum interest rate or both.</p> <p>Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the relevant Issuer and the relevant Dealer.</p>
Zero Coupon Notes:	<p>Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.</p>
Redemption:	<p>The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons as described in “<i>Terms and Conditions of the Notes-Redemption for Tax Reasons</i>,” or following an Event of Default) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders (as defined under “<i>Terms and Conditions of the Notes</i>”) upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the relevant Issuer and the relevant Dealer.</p> <p>Notes issued on terms such that they must be redeemed before their first anniversary may be subject to restrictions on their denomination and distribution. See “<i>Certain Restrictions</i>” above.</p>
Denomination of Notes:	<p>Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer, save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Note admitted to trading on a regulated market within the EEA will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).</p>
Taxation:	<p>All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Relevant Tax Jurisdiction, subject to Condition 8. In the event that any such deduction is made, the relevant Issuer or the Guarantor (with respect to the Guaranteed Notes) will, save in certain limited circumstances provided in Condition 8, be required to pay additional amounts to cover the amounts so deducted.</p>
Change of Control:	<p>If a Change of Control occurs, except in certain circumstances, the relevant Issuer will be required to offer to repurchase the Notes at a purchase price equal to 101 percent of their aggregate principal amount, plus accrued and unpaid interest, if any, to the date of purchase.</p>

Negative Pledge:	The terms of the Notes will contain a negative pledge provision as further described in Condition 4.
Cross Default:	The terms of the Notes will contain a cross default provision as further described in Condition 10.
Status of the Notes:	The Notes and any related Coupons (each term as defined under “ <i>Terms and Conditions of the Notes</i> ”) are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the relevant Issuer and (subject as aforesaid) rank and will rank <i>pari passu</i> without any preference among themselves, with all other present and future outstanding unsubordinated and unsecured obligations of the relevant Issuer (subject to mandatorily preferred obligations under applicable laws).
Guarantee:	The payment of principal and interest in respect of the Guaranteed Notes and any related Coupons has been irrevocably and unconditionally guaranteed by the Guarantor pursuant to the Guarantee. The obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and (subject as aforesaid) rank and will rank <i>pari passu</i> (subject to mandatorily preferred obligations under applicable laws) with all other present and future outstanding unsecured and unsubordinated obligations of the Guarantor.
Listing and admission to trading:	<p>Application has been made to the Irish Stock Exchange for the Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the Official List and to trading on its regulated market.</p> <p>Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed or admitted to trading and, if so, on which stock exchange(s).</p>
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Notes in the United States, Canada, Japan, Hong Kong, Singapore, the PRC and the EEA (including the United Kingdom, The Netherlands and Italy) and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See “ <i>Subscription and Sale, and Selling and Transfer Restrictions.</i> ”

RISK FACTORS

Each of the Issuers and the Guarantor believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and none of the Issuers or the Guarantor is in a position to express a view on the likelihood of any contingency occurring.

In addition, factors that are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Each of the Issuers and the Guarantor believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of any Issuer or the Guarantor to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuers and the Guarantor based on information currently available to them or reasons which they may not currently be able to anticipate and none of the Issuers or the Guarantor represents that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in the Base Prospectus and reach their own views prior to making any investment decision.

Risks Concerning the Ability of the Issuers and the Guarantor to Fulfil their Obligations Under the Notes

Global economic conditions impact the Group's business

The Group's earnings and financial position are, and will continue to be, influenced by various macroeconomic factors – including increases or decreases in gross domestic product, the level of consumer and business confidence, changes in interest rates on consumer and business credit, energy prices, and the cost of commodities or other raw materials – which exist in the various countries in which the Group operates. Such macroeconomic factors vary from time to time and their effect on the Group's earnings and financial position cannot be specifically and singularly assessed and/or isolated.

Financial conditions in several regions continue to place significant economic pressures on existing and potential customers, including the Group's dealer networks. As a result, some dealers and customers may delay or cancel plans to purchase the Group's products and services and may not be able to fulfil their obligations to the Group in a timely fashion. Further, the Group's suppliers may be impacted by economic pressures, which may adversely affect their ability to fulfil their obligations to the Group. These factors could result in product delays, increased accounts receivable, defaults and inventory challenges. There is particular concern about economic conditions in Europe (and potentially the long-term viability of the euro currency), which is at risk of being impacted by sovereign debt levels (and government taxing and spending actions to address such issues) and other severe pressures on the banking system in certain European Union countries. It is uncertain whether central bank or governmental measures will reduce or eliminate this risk. In addition, other governments may continue to implement measures designed to slow the economic growth rate in those countries (e.g., higher interest rates, reduced bank lending and other anti-inflation measures). If there is significant deterioration in the global economy or the economies of key countries or regions, the demand for the Group's products and services would likely decrease and the Group's results of operations, financial position and cash flows could be materially and adversely affected.

In addition, the continuation of adverse market conditions in certain businesses in which the Group participates could cause many companies, including the Group, to carefully evaluate whether certain intangible assets have become impaired. The factors that the Group would evaluate to determine whether an impairment charge is necessary require management judgment and estimates. The estimates are impacted by a number of factors, including, but not limited to, worldwide economic factors and technological changes. Any of these factors, or other unexpected factors, may require the Group to consider whether it needs to record an impairment charge. In the event the Group is required to record an impairment charge with respect to certain intangible assets, it would have an adverse impact on the Group's financial position and results of operations.

The Group operates in highly competitive industries

Substantially all of the Group's revenues are generated in highly competitive sectors that include the production and distribution of agricultural and construction equipment, commercial vehicles, and related powertrain systems. The Group faces competition from other international manufacturers and distributors of commercial vehicles in Europe, Asia and Latin America and from global, regional and local agricultural and construction equipment manufacturers, distributors and component suppliers in Europe, Asia, North America and Latin America. Certain of the Group's global competitors have substantial resources and may be able to provide products and services at little or no profit or even at a loss to compete with certain Group product offerings. Aggressive pricing or other strategies pursued by competitors, unanticipated product or manufacturing delays or the Group's failure to price its products competitively could adversely affect its business, results of operations and financial position. Additionally, there has been a trend towards consolidation in the trucks and construction equipment industries that has resulted in larger and potentially stronger competitors in those markets. The markets in which the Group competes are highly competitive in terms of product quality, innovation, pricing, fuel economy, reliability, safety, customer service and financial services offered. Competition, particularly on pricing, has increased significantly in the Group's areas of activity in recent years. Should the Group be unable to adapt effectively to market conditions, this could have an adverse effect on the Group's business prospects, results of operations and/or financial position.

The Group's future performance depends on its ability to innovate and on market acceptance of new or existing products

The success of the Group's businesses depends on their ability to maintain or increase their market share in existing markets and to expand into new markets through the development of innovative, high-quality products that provide adequate profitability. In particular, the failure to develop and offer innovative products that compare favourably to those of the Group's principal competitors in terms of price, quality, functionality and features, or delays in bringing strategic new products to market, or the inability to adequately protect the Group's intellectual property rights, could result in reduced market share, which could have a material adverse effect on the Group's business prospects, results of operations and/or financial position.

The Group is exposed to political, economic and other risks as a result of operating a global business

The Group manufactures and sells products and offers services in several continents and numerous countries around the world, including those experiencing varying degrees of political and economic instability. Given the global nature of the Group's activities, the Group is exposed to risks affecting global business operations, including:

- (i) changes in laws, regulations and policies that affect, among other things:
 - import and export duties and quotas;
 - currency restrictions;
 - the design, manufacture and sale of the Group's products, including, for example, engine emissions regulations;
 - interest rates and the availability of credit to the Group's dealers and customers;
 - property and contractual rights;
 - where and to whom products may be sold such as changing economic sanctions related to Iran, Russia and the crisis in Ukraine; and
 - taxes;
- (ii) regulations from changing world organisation initiatives and agreements;
- (iii) changes in the dynamics of the industries and markets in which the Group operates;
- (iv) varying and unpredictable needs and desires of customers;

- (v) varying and unexpected actions of the Group's competitors;
- (vi) labour disruptions;
- (vii) disruption in the supply of raw materials and components;
- (viii) changes in governmental debt relief and subsidy programme policies in certain significant markets such as Argentina and Brazil; and
- (ix) war, civil unrest and terrorism.

Unfavourable developments in any one of these areas (which vary from country to country) could have a material adverse effect on the Group's business prospects, results of operations and/or financial position.

CNH Industrial is subject to extensive anti-corruption and antitrust laws and regulations

CNH Industrial's global operations are subject to a number of laws and regulations that govern its operations around the world, including the U.S. Foreign Corrupt Practices Act of 1977, as amended and the rules and regulations thereunder (FCPA) and the UK Bribery Act, which apply to conduct around the world, as well as a range of national anti-corruption laws that apply to conduct in a particular jurisdiction. These laws prohibit improper payments in cash or anything of value to improperly influence government officials or other persons to obtain or retain business or gain a business advantage. These laws tend to apply whether or not those practices are legal or culturally acceptable in a particular jurisdiction. Over the past several years, there has been a substantial increase in the enforcement of anti-corruption laws both globally and in particular jurisdictions, and the Group's employees have from time to time been subject to investigations and charges claiming violations of anti-corruption laws. CNH Industrial is committed to operating in compliance with all applicable laws, in particular anti-corruption laws. The Group has implemented a programme to promote compliance with these laws and to identify and minimise the risk of any violations, which could result in criminal or civil prosecution of the Group or its employees. Investigations of alleged violations of these laws tend to require dedication of significant resources in funds and management time and attention, and these investigations or any violations, as well as any publicity regarding potential violations, could harm CNH Industrial's reputation and have a material adverse effect on its business, results of operations and financial condition. For further information, see "*The CNH Industrial Group—Legal Proceedings.*"

The Group's existing operations and expansion plans in emerging markets could entail significant risks

The Group's ability to grow its businesses depends to an increasing degree on its ability to increase market share and operate profitably worldwide and in particular in emerging market countries, such as Brazil, Russia, India, China, Argentina, Turkey, Venezuela and South Africa. In addition, the Group could increase its use of suppliers located in such countries. The Group's implementation of these strategies will involve a significant investment of capital and other resources and entail various risks. For example, the Group may encounter difficulties in obtaining necessary governmental approvals in a timely manner. In addition, the Group may experience delays and incur significant costs in constructing facilities, establishing supply channels, and commencing manufacturing operations. Further, customers in these markets may not readily accept the Group's products as opposed to products manufactured and commercialised by its competitors. The emerging market countries may also be subject to a greater degree of economic and political volatility that could adversely affect the Group's financial position, results of operations and cash flows. The emerging market economies may also be subject to a further slow-down in gross domestic product expansion and/or be impacted by domestic currency volatility, potential hyperinflationary conditions and/or increase of public debt. For example, the Group is subject to Venezuelan rules and regulations affecting its ability to exchange cash and marketable securities denominated in Venezuelan bolivars into U.S. dollars. Under these rules and regulations, foreign currency must be purchased and sold at official rates of exchange and such transactions are subject to volume restrictions. These regulations limit the Group's ability to access and transfer liquidity out of Venezuela to meet funding requirements in other countries and also subject it to increased risk of devaluation or other foreign exchange losses. Using an exchange rate of 12.0 Venezuelan bolivars to one U.S. dollar, as of December 31, 2014, the Group had net monetary assets of \$125 million.

Costs of ongoing compliance with, or failure to comply with, environmental laws could have an adverse effect on the Group's results of operations

The Group's products and activities are subject to numerous local, national and international environmental laws, which are becoming increasingly stringent in many countries in which it operates. Such laws govern, among other things, products – with requirements on emissions of polluting gases, increased fuel efficiency and safety becoming increasingly strict – and industrial plants – with requirements for reduced emissions, treatment of waste and water and prohibitions on soil contamination also becoming increasingly strict. To comply with such laws, the Group invests considerable research and development resources and expects to continue to incur substantial costs in the future. Failure to comply with such laws could expose the Group to penalties or clean-up costs, civil or criminal liability and sanctions on certain of the Group's activities, as well as damage to property or natural resources. Liabilities, sanctions, damages and remediation efforts related to any non-compliance with such laws and regulations, including those that may be adopted or imposed in the future, could negatively impact the Group's ability to conduct its operations and its financial position and results of operations. In addition, there can be no assurances that the Group will not be adversely affected by costs, liabilities or claims with respect to any subsequently acquired operations. For instance, the Group's engines are subject to extensive regulatory requirements governing exhaust emissions and noise, including standards imposed by the U.S. Environmental Protection Agency, state regulatory agencies in the United States and other regulatory agencies around the world. National, state or local governments may set new emissions standards that could impact the Group's products and operations in ways that are difficult to anticipate with accuracy. Thus, significant changes in standards, or the adoption of new standards, have the potential to negatively impact the Group's business, results of operations, financial position and competitive position.

The Group's business, properties, and products are subject to governmental regulation, compliance with which may require the Group to incur expenses, or modify its products or operations, and non-compliance with which may result in harm to the Group's reputation and/or expose the Group to penalties. Governmental regulation may also adversely affect the demand for some of the Group's products and operating results

The Group's business, properties, and products are subject to numerous international, federal and other governmental laws, rules, and regulations relating to restricted substances, including "conflict minerals" disclosure rules. For example, the Restriction of Hazardous Substances (RoHS) Directive in the European Union requires that certain substances, which may be found in certain products the Group has manufactured in the past, be removed from all electronics components, and the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Directive in the European Union which could require an authorisation process for any chemical deemed a Substance of Very High Concern (SVHC), and listed by the European Commission in Annex XIV to REACH, to remain on the market. China and New York City have adopted RoHS restrictions, and many U.S. States are considering similar rules and legislation. Individual EU member states are required to transpose Directives into national legislation. As member states enact new laws and regulations to implement the Directives, the Group continues to review the applicability and impact of both Directives on the sale of its products within the European Union. The Group must survey its supply chain and certify to the non-presence or presence of SVHCs to its customers. Compliance with these governmental regulations can be difficult, costly and time consuming, and liabilities or costs relating to such regulations could have a material adverse effect on the Group's business, financial position and results of operations.

A decrease in government incentives may adversely affect the Group's results

Government initiatives that are intended to stimulate demand for the products sold by the Group, such as changes in tax treatment or purchase incentives for new equipment, can substantially influence the timing and level of the Group's revenues. The terms, size and duration of such government actions are unpredictable and outside of the Group's control. Any adverse change in government policy relating to those initiatives could have a material adverse effect on the Group's business prospects, operating results and/or financial position. For example, on December 31, 2014, the additional first-year "50% bonus" depreciation and increased expensing of property under Section 179 of the U.S. Internal Revenue Code of 1986, as amended, expired. This could have an adverse effect on the Group's business prospects in the United States.

The Group faces risks associated with its relationships with its employees

In many countries where the Group operates, Group's employees are protected by various laws and/or collective labour agreements that guarantee them, through local and national representatives, the right of consultation on specific matters, including downsizing or closure of production activities and reductions in personnel. Laws and/or collective labour agreements applicable to the Group could impair its flexibility in reshaping and/or strategically repositioning its business activities. Therefore, the Group's ability to reduce personnel or implement other permanent or temporary redundancy measures is subject to government approvals and/or the agreement of labour unions where such laws and agreements are applicable. Furthermore, the Group is at greater risk of work interruptions or stoppages than non-unionised companies, and any work interruption or stoppage could significantly impact the volume of products the Group has available for sale.

The Group depends on key suppliers for certain raw materials, parts and components

The Group relies upon key suppliers for certain raw materials, parts and components. The Group cannot guarantee that it will be able to maintain appropriate supply arrangements with these suppliers or otherwise ensure access to raw materials, parts and components. In some cases this access may be affected by factors outside of the Group's control and the control of its suppliers. Adverse financial conditions and natural disasters, such as the March 2011 earthquake and tsunami in Japan, have in the past caused, and could in the future cause, some of the Group's suppliers to face severe financial hardship and disrupt the Group's access to critical raw materials, parts and components. Any disruption or shortage in the supply of raw materials, parts and components could negatively impact the Group's costs of production, its ability to fulfil orders and achieve growth in product sales and the profitability of the Group's business.

Certain Group subsidiaries use a variety of raw materials in their businesses, including steel, aluminum, lead, resin and copper, and precious metals such as platinum, palladium and rhodium. The prices of these raw materials fluctuate and although the Group seeks to manage this exposure, the Group may not be successful in hedging these risks. Substantial increases in the prices for raw materials would increase the Group's operating costs and could reduce profitability if the increased costs were not offset by changes in product prices.

The Group is subject to exchange rate fluctuations, interest rate changes and other market risks

The Group operates in numerous markets worldwide and is accordingly exposed to market risks stemming from fluctuations in currency and interest rates. The exposure to currency risk is mainly linked to the differences in the geographic distribution between the Group's manufacturing and commercial activities, resulting in cash flows from exports denominated in currencies different from those associated with production activities and related purchasing.

The Group uses various forms of financing to cover the funding requirements of its Industrial Activities and for financing offered to customers and dealers. Financial Services implements a matching policy to offset the impact of differences in interest rates on the financed portfolio and related liabilities. Nevertheless, any future changes in interest rates can result in increases or decreases in revenues, finance costs and margins.

Consistent with its risk management policies, the Group seeks to manage currency and interest rate risk through the use of financial hedging instruments. Despite such hedges being in place, sudden fluctuations in currency or interest rates could have an adverse effect on the Group's business prospects, results of operations and/or financial position. In addition, by utilising these instruments, the Group potentially foregoes the benefits that may result from favourable fluctuations in currency exchange rates.

The Group is also subject to the risk of insolvency of dealers and customers, as well as unfavourable economic conditions in markets where financing activities are carried out, which the Group seeks to mitigate through credit policies applied to dealers and customers. In addition, the Group is subject to laws and government actions that may, among other things, prevent the Group from enforcing legal rights and remedies.

Risks associated with the termination of CNH Global's strategic alliance with Kobelco Construction Machinery Co., Ltd.

Effective December 31, 2012, CNH Global and Kobelco Construction Machinery Co., Ltd. ("Kobelco") terminated by mutual consent their global alliance (consisting of industrial arrangements and a number of jointly-owned companies) in the construction equipment business. The agreements regulating the dissolution of the alliance provide that, starting from January 1, 2013 until December 31, 2017, the Group will be entitled to purchase components and parts from Kobelco on a non-exclusive basis in order to continue to manufacture excavators based upon Kobelco's technology in the Group's plants. Moreover, starting from December 31, 2012, the territorial sales and marketing restrictions limiting the right of Kobelco to distribute its excavators in certain significant markets (such as the Americas and Europe) expired and similar restrictions which applied to the Group's construction equipment activities expired in APAC on July 31, 2013. While the Group expects a smooth transition with respect to implemented changes, commercial issues (such as, by way of example, the weakening of the distributorship network and the subsequent loss of market share) or industrial issues (such as, by way of example, difficulties in maintaining qualitative standards or inability to source certain components currently provided by Kobelco) in connection with the termination of the alliance might arise, which could have a material adverse effect upon the Group's construction equipment product lines, construction equipment distribution network, financial position and results of operations.

The loss of members of senior management could have an adverse effect on the business of the Group

The Group's success is largely dependent on the ability of its senior executives and other members of management to effectively manage its organisation and individual areas of its business. The loss of any senior executive manager or other key employee without an adequate replacement or the inability to attract and retain new, qualified personnel could therefore have an adverse effect on the Group's business prospects, results of operations and/or financial position.

Reduced demand for equipment would reduce the Group's sales and profitability

The performance of the agricultural equipment market is influenced, in particular, by factors such as:

- (i) the price of agricultural commodities and the relative level of inventories;
- (ii) the profitability of agricultural enterprises and farmers' income;
- (iii) the demand for food products; and
- (iv) agricultural policies, including aid and subsidies to agricultural enterprises provided by governments and/or supranational organisations as well as alternative fuel mandates.

In addition, unfavourable climatic conditions, especially during the spring, a particularly important period for generating sales orders, could have a negative impact on the decisions to buy agricultural equipment and, consequently, on the Group's revenues.

The performance of the construction equipment market is influenced, in particular, by factors such as:

- (i) public infrastructure spending; and
- (ii) new residential and non-residential construction.

The performance of the commercial vehicles market is influenced, in particular, by factors such as:

- (i) changes in global market conditions, including changes in levels of business investment and sales of commodities; and
- (ii) public infrastructure spending.

The above factors can significantly influence the demand for agricultural and construction equipment, as well as for commercial vehicles, and consequently, the Group's financial results.

The agricultural equipment industry is highly seasonal, which causes the Group's results of operations and levels of working capital to fluctuate significantly

Farmers traditionally purchase agricultural equipment in the spring and fall, the main planting and harvesting seasons. The Group's agricultural equipment business net sales and results of operations have historically been highest in the second quarter, reflecting the spring selling season in the Northern hemisphere, and lowest in the third quarter, when many of the Group's production facilities experience summer shut-down periods, especially in Europe. The Group's agricultural equipment production levels are based upon estimated retail demand. These estimates take into account the timing of dealer shipments, which occur in advance of retail demand, dealer inventory levels, the need to retool manufacturing facilities to produce new or different models and the efficient use of manpower and facilities. However, because the Group spreads its production and wholesale shipments throughout the year, wholesale sales of agricultural equipment products in any given period may not necessarily reflect the timing of dealer orders and retail demand in that period.

Estimated retail demand may exceed or be exceeded by actual production capacity in any given calendar quarter because the Group spreads production throughout the year. If retail demand is expected to exceed production capacity for a quarter, then the Group may schedule higher production in anticipation of the expected retail demand. Often, the Group anticipates that spring-selling season demand may exceed production capacity in that period and schedules higher production, and anticipates higher inventories and wholesale shipments to dealers in the first quarter of the year. As a result, the Group's working capital and dealer inventories are generally at their highest levels during the February to May period and decline towards the end of the year, as both the Group's and its dealers' inventories are typically reduced.

To the extent the Group's production levels (and timing) do not correspond to retail demand, it may have too much or too little inventory, which could have an adverse effect on the Group's financial position and results of operations.

The Group's business may be affected by unfavourable weather conditions, climate change or natural disasters

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

In addition, natural disasters, pandemic illness, equipment failures, power outages or other unexpected events could result in physical damage to, and complete or partial closure of, one or more of the Group's manufacturing facilities or distribution centres, temporary or long-term disruption in the supply of component products from some local and international suppliers, disruption in the transport of the Group's products to dealers and customers and delay in delivery of products to distribution centres. In the event such events occur, the Group's financial results might be negatively impacted. Existing insurance arrangements may not provide protection for all of the costs that may arise from such events.

Changes in demand for food and alternate energy sources could impact the Group's revenues

Changing worldwide demand for farm outputs to meet the world's growing food and alternative energy demands, driven in part by government policies and a growing world population, are likely to result in fluctuating agricultural commodity prices, which directly affect sales of agricultural equipment. While higher commodity prices will benefit the Group's crop producing agricultural equipment customers, higher commodity prices also result in greater feed costs for livestock and poultry producers, which in turn may result in lower levels of equipment purchased by these customers. Moreover, changing alternative energy demands may cause farmers to change the types or quantities of the crops they grow, with corresponding

changes in equipment demands. Finally, changes in governmental policies regulating bio-fuel utilisation could affect demand for the Group's equipment and result in higher research and development costs related to equipment fuel standards.

International trade policies may impact demand for the Group's products and its competitive position

Government policies on international trade and investment such as sanctions, import quotas, capital controls or tariffs, whether adopted by individual governments or addressed by regional trade blocs, may affect the demand for the Group's products and services, impact the competitive position of its products or prevent the Group from being able to sell products in certain countries. The implementation of more restrictive trade policies, such as more detailed inspections, higher tariffs or new barriers to entry, in countries where the Group sells large quantities of products and services could negatively impact its business, results of operations and financial condition. For example, a government's adoption of trade sanctions or "buy national" policies or retaliation by another government against such policies could have a negative impact on the Group's results of operations.

Risks associated with the defined benefit pension plans and other post-employment obligations

At December 31, 2014, CNH Industrial's defined benefit pension plans and other post-employment benefits had an underfunded status of \$2,517 million, which is included in the consolidated statement of financial position incorporated by reference in this Base Prospectus. The funded status is the balance between the present value of the defined benefit obligation and the fair value of related assets, in case of funded plans (plans managed by a separate fund, "trust"). Consequently, the funded status is subject to many factors, as discussed in the notes to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013, incorporated by reference herein.

To the extent that the Group's obligations under a plan are unfunded or underfunded, the Group will have to use cash flows from operations and other sources to pay its obligations as they become due. In addition, since the assets that currently fund these obligations are primarily invested in debt instruments and equity securities, the value of these assets is subject to changes due to market fluctuations. In recent years, these fluctuations have been significant and adverse and there is no assurance that they will not be significant and adverse in the future.

CNH Industrial, as successor to Fiat Industrial, is jointly liable with FCA for certain obligations

Fiat Industrial was formed as a result of the Demerger. CNH Industrial, as successor to Fiat Industrial, continues to be jointly liable with FCA for the liabilities of FCA that arose prior to the effective date of the Demerger (January 1, 2011) and that were still outstanding at that date (the "Liabilities"). This statutory provision is limited to the value of the net assets transferred to Fiat Industrial in the Demerger and survives until the Liabilities are satisfied in full. Furthermore, CNH Industrial may be responsible jointly with FCA in relation to tax liabilities, even if such tax liabilities exceed the value of the net assets transferred to Fiat Industrial in the Demerger.

As of December 31, 2014, the outstanding Liabilities amounted to approximately \$3.5 billion (of which \$3.2 billion consisted of bonds guaranteed by FCA). CNH Industrial evaluated as extremely remote the risk of FCA's insolvency, and therefore no specific provision has been accrued in respect of the above-mentioned potential joint liability.

Dealer equipment sourcing and inventory management decisions could adversely affect the Group's sales

The Group's dealers carry inventories of finished products as part of ongoing operations and adjust those inventories based on their assessment of future sales opportunities. Dealers who carry other products that compete with the Group's products may focus their inventory purchases and sales efforts on goods provided by other suppliers due to industry demand or profitability. Such inventory adjustments and sourcing decisions can adversely impact the Group's sales, financial position and results of operations.

Adverse economic conditions could place a financial strain on the Group's dealers and adversely affect the Group operating results

Global economic conditions continue to place financial stress on many of the Group's dealers. Dealers' financial difficulties may impact their equipment sourcing and inventory management decisions, as well as

their ability to provide services to their customers purchasing the Group's equipment. Accordingly, additional financial strains on members of the Group's dealer network resulting from current or future economic conditions could adversely impact the Group's sales, financial position and results of operations.

The Group may not be able to realise anticipated benefits from mergers, acquisitions or joint ventures and challenges associated with strategic alliances may have an adverse impact on the Group's results of operations

The Group has engaged in the past, and may engage in the future, in mergers and acquisitions or enter into, expand or exit from strategic alliances and joint ventures which could involve risks that could prevent the Group from realising the expected benefits of the transactions or the achievement of strategic objectives or could divert management's time and attention. Such risks include:

- technological and product synergies, economies of scale and cost reductions not occurring as expected;
- unexpected liabilities;
- incompatibility in integrating processes, operations or systems;
- unexpected changes in laws or regulations;
- inability to retain key employees;
- inability to source certain products;
- increased financing costs and inability to fund such costs;
- significant costs associated with terminating or modifying alliances; and
- problems in retaining customers and integrating operations, services, personnel, and customer bases.

If problems or issues were to arise among the parties to one or more strategic alliances for managerial, financial, or other reasons, or if such strategic alliances or other relationships were terminated, the Group's product lines, businesses, financial position, and results of operations could be adversely affected.

The Group's business operations may be impacted by various types of claims, lawsuits and other contingent obligations

The companies within the Group are involved in various product liability, warranty, product performance, asbestos, personal injury, environmental claims and lawsuits and other legal proceedings that arise in the ordinary course of their businesses. The industries in which the Group operates are also periodically reviewed or investigated by regulators, which could lead to enforcement actions, fines and penalties or the assertion of private litigation claims. The ultimate outcome of these legal matters pending against the Group is uncertain and, although such legal matters are not expected individually to have a material adverse effect on the Group's financial position or profitability, such legal matters could, in the aggregate, in the event of unfavourable resolutions thereof, have a material adverse effect on the Group's consolidated financial position, cash flows and results of operations. Furthermore, the Group could in the future be subject to judgments or enter into settlements of lawsuits and claims that could have a material adverse effect on its results of operations in any particular period. In addition, while the Group maintains insurance coverage with respect to certain claims, it may not be able to obtain such insurance on acceptable terms in the future, if at all, and any such insurance may not provide adequate coverage against any such claims. The Group establishes reserves based on its assessment of contingencies, including contingencies related to legal claims asserted against the Group. Subsequent developments in legal proceedings may affect the Group's assessment and estimates of the loss contingency recorded as a reserve and require the Group to make payments in excess of its reserves, which could have a material adverse effect on the Group's results of operations and/or financial position.

Risks associated with financial services

The Group offers a wide range of financial services and products to Agricultural Equipment, Construction Equipment and Commercial Vehicles' dealers and customers, including retail financing for the purchase or lease of new and used equipment and vehicles and wholesale financing to dealers. In light of the above, the following risks associated with the financial services offered by the Group should be considered.

Credit risk

Fundamental to any organisation that extends credit is the credit risk associated with its customers/borrowers. The creditworthiness of each customer, rates of delinquency and default, repossessions and net losses on loans to customers are impacted by many factors, including:

- relevant industry and general economic conditions;
- the availability of capital;
- interest rates (and changes in the applicable rates);
- the experience and skills of the customer's management team;
- commodity prices;
- political events;
- the weather; and
- the value of the collateral securing the extension of credit.

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

When loans default and the Group's Financial Services business repossesses collateral securing the repayment of a loan, its ability to recover or mitigate losses by selling the collateral is subject to the current market value of such collateral. Those values are affected by levels of new and used inventory of agricultural and construction equipment, as well as commercial vehicles, on the market. They are also dependent upon the strength or weakness of market demand for new and used agricultural and construction equipment, as well as for commercial vehicles, which is affected by the strength of the general economy. In addition, repossessed collateral may be in poor condition, which would reduce its value. Finally, relative pricing of used equipment, compared with new equipment, can affect levels of market demand and the resale of repossessed equipment. An industry-wide decrease in demand for agricultural or construction equipment, as well as for commercial vehicles, could result in lower resale values for repossessed equipment, which could increase losses on loans and leases, adversely affecting the Group's financial position and results of operations.

Funding risk

The Group's Financial Services business has traditionally relied upon the asset-backed securitisation ("ABS") market and committed asset-backed facilities as a primary source of funding and liquidity. Access to funding at competitive rates is essential to the Group's Financial Services business. From mid-2007 through 2009, events occurred in the global financial market, which caused a significant reduction in liquidity in the secondary market for ABS transactions outstanding at such time and a significant increase in funding costs. During these periods, conditions in the ABS market adversely affected the Group's ability to sell receivables on a favourable or timely basis. Similar conditions in the future would have an adverse impact on the Group's access to funding, financial position and results of operations. As Financial Services

finances a significant portion of the Group's sales of equipment, to the extent Financial Services is unable to access funding on acceptable terms, the Group's sales of equipment would be negatively impacted.

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

Repurchase risk

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

Regulatory risk

The operations of the Group's Financial Services business are subject, in certain instances, to supervision and regulation by various governmental authorities. These operations are also subject to various laws, as well as to judicial and administrative decisions and interpretations, imposing requirements and restrictions, which among other things:

- regulate credit granting activities, including establishing licensing requirements;
- establish maximum interest rates, finance and other charges;
- regulate customers' insurance coverage;
- require disclosure to customers;
- govern secured and unsecured transactions;
- set collection, foreclosure, repossession and claims handling procedures and other trade practices;
- prohibit discrimination in the extension of credit and administration of loans; and
- regulate the use and reporting of information related to a borrower.

To the extent that applicable laws are amended or construed differently, new laws are adopted to expand the scope of regulation imposed upon such financial services businesses, or applicable laws prohibit interest rates the Group charges from rising to a level commensurate with risk and market conditions, such events could adversely affect Financial Services and the Group's financial position and results of operations.

Potential impact of the Dodd-Frank Act

The various requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), including its many implementing regulations, may substantially affect the origination, servicing and securitisation programmes of the Group's Financial Services business. For example, the Dodd-Frank Act strengthens the regulatory oversight of these securities and capital market activities by the SEC and increases the regulation of the ABS markets through, among other things, a mandated risk retention requirement for securitisers, a loan level disclosure requirement for certain securitisers, and a direction to the SEC to regulate credit rating agencies and adopt regulations governing these organisations. While the Group will continue to monitor these developments and their impact upon its access to the ABS market, these and future SEC regulations may impact the Group's ability to engage in these activities or increase the effective cost of ABS transactions in the future, which could adversely affect its financial position, results of operations and cash flows.

The Group has significant outstanding indebtedness, which may limit its ability to obtain additional funding and its financial and operating flexibility

As of December 31, 2014, the Group had an aggregate of \$29,701 million (including \$22,727 million relating to Financial Services) of consolidated gross indebtedness, and its equity was \$7,577 million, including non-controlling interests. The extent of the Group's indebtedness could have important consequences on its operations and financial results, including:

- (i) the Group may not be able to secure additional funds for working capital, capital expenditures, debt service requirements or general corporate purposes;
- (ii) the Group may need to use a portion of its projected future cash flow from operations to pay principal and interest on its indebtedness, which may reduce the amount of funds available to the Group for other purposes;
- (iii) the Group may be more financially leveraged than some of its competitors, which could put it at a competitive disadvantage;
- (iv) the Group may not be able to introduce new products or pursue business opportunities;
- (v) the Group may not be able to adjust rapidly to changing market conditions, which may make it more vulnerable to a downturn in general economic conditions; and
- (vi) the Group may not be able to access the capital markets on favourable terms, which may adversely affect its ability to provide competitive retail and wholesale financing programmes.

These risks are exacerbated by the ongoing volatility in the financial markets resulting from perceived strains on the finances and creditworthiness of several governments and financial institutions, particularly in the Eurozone.

Among the anticipated benefits of the Merger is the expected reduction in funding costs over time due to improved debt capital markets positioning of CNH Industrial. However, certain of the circumstances and risks described above, including but not limited to the timing of maturity and anticipated refinancing of existing indebtedness, may delay or reduce the expected cost savings from the future funding structures and the expected cost savings may not be achieved.

Difficulty in obtaining financing or refinancing existing debt could impact the Group's financial performance

The Group's future performance will depend on, among other things, its ability to finance debt repayment obligations and planned investments from operating cash flow, available liquidity, the renewal or refinancing of existing bank loans and/or facilities and possible access to capital markets or other sources of financing. A decline in revenues could have a negative impact on the cash-generating capacity of the Group's operating activities. The Group could, therefore, find itself in the position of having to seek additional financing and/or having to refinance existing debt, including in unfavourable market conditions with limited availability of funding and a general increase in funding costs. Any difficulty in obtaining financing could have a material adverse effect on the Group's business prospects, results of operations and/or financial position.

Restrictive covenants in the Group's debt agreements could limit its financial and operating flexibility

The indentures governing the majority of the Group's outstanding public indebtedness, and other credit agreements to which the companies within the Group are a party, contain typical covenants that restrict the Group's ability to, among other things:

- (i) incur additional indebtedness;
- (ii) make certain investments;
- (iii) enter into certain types of transactions with affiliates;
- (iv) sell certain assets or merge with or into other companies;
- (v) use assets as security in other transactions; and
- (vi) enter into sale and leaseback transactions.

Although CNH Industrial does not believe that any of these covenants materially restrict its operations, a breach of one or more of the covenants could result in adverse consequences that could negatively impact the Group's businesses, results of operations and financial position. These consequences may include the acceleration of amounts outstanding under certain of the Group's credit facilities, triggering an obligation to redeem certain debt securities, termination of existing unused commitments by the Group's lenders, refusal by the Group's lenders to extend further credit under one or more of the facilities or to enter into new facilities, or the lowering or modification of the credit ratings of CNH Industrial or those of one or more of its subsidiaries.

The Group faces risks associated with the credit ratings of CNH Industrial

CNH Industrial is currently rated below investment grade, with ratings on its long-term debt of "BB+" (with a stable outlook) and a short-term rating of "B" from Standard & Poor's Financial Services LLC ("S&P"), and a "Ba1" corporate family rating with a stable outlook from Moody's Investors Service, Inc. ("Moody's"). The rating of certain Series of Notes (as defined under "*Terms and Conditions of the Notes*") issued under the Programme may be lower than credit ratings.

In March 2011, CIFE issued (i) €1,000,000,000 5.250 percent Notes due March 2015, and (ii) €1,200,000,000 6.250 percent Notes due March 2018 under the predecessor Programme guaranteed by Fiat Industrial. On March 8, 2011, Moody's Deutschland GmbH ("Moody's Germany") assigned a "Ba2" rating to such Notes, whereas Standard & Poor's Credit Market Services Italy S.r.l. ("S&P Italy") assigned a "BB+" rating thereto on March 10, 2011. Following the completion of the Merger, such ratings were confirmed by S&P and Moody's.

In March 2014, CIFE issued €1,000,000,000 2.750 percent Notes due March 2019 under the Programme guaranteed by CNH Industrial. On March 13, 2014, S&P assigned a "BB+" rating to such Notes, whereas Moody's assigned a "Ba2" rating thereto on March 14, 2014.

In September 2014, CIFE issued €700,000,000 2.875 percent Notes due September 2021 under the Programme guaranteed by CNH Industrial. On September 23, 2014, S&P and Moody's assigned, respectively, a "BB+" and "Ba2" rating to such Notes.

The credit ratings included in this Base Prospectus have been issued by S&P, S&P Italy, Moody's and Moody's Germany.

Moody's Germany and S&P Italy are both established in the European Union and registered under the CRA Regulation, as set out in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority ("ESMA"). The ESMA's website and its content do not form part of the Base Prospectus.

S&P and Moody's are not established in the European Union and are not registered or certified under the CRA Regulation.

Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Ltd. currently endorse credit ratings issued by, respectively, S&P and Moody's for regulatory purposes in the European Union. Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Ltd. have been registered under the CRA Regulation and appear on the list of registered credit rating agencies on ESMA's website. There can be no assurances that Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Ltd. will continue to endorse credit ratings issued by, respectively, S&P and Moody's.

The Group's ability to access the capital markets or other forms of financing and related costs are highly dependent on, among other things, the credit ratings of CNH Industrial, other Group subsidiaries, Group asset-backed securities and other debt instruments. Rating agencies may review and revise their ratings from time to time, and any downgrade or other negative action with respect to the Group's credit ratings by one or more rating agencies may increase the Group's cost of capital, potentially limit its access to sources of financing and have a material adverse effect on its business prospects, results of operations and/or financial position.

The Group is subject to negative conditions in the financial markets and the cyclical nature of the capital goods sector

Producers in the capital goods sector are subject to:

- the condition of financial markets, in particular, the ability to access the ABS market and prevailing interest rates in that market. In North America, in particular, the Group makes considerable use of ABS transactions to fund financing offered to dealers and customers. Adverse conditions in the financial markets, and the ABS market in particular, could have a significant impact on the Group's business prospects, results of operations and/or financial position;
- cyclical nature, which can cause sudden (and sometimes material) declines in demand, with negative effects on inventory levels and product pricing, both new and used. In general, demand in the capital goods sector is highly correlated to the economic cycle and can be subject to even greater levels of volatility.

Risks related to increased information technology security threats

The Group relies upon information technology systems and networks in connection with a variety of business activities, and the Group collects and stores sensitive data. Increased information technology security threats and more sophisticated computer crime, including advanced persistent threats, pose a risk to the security of the Group's systems and networks and the confidentiality, availability and integrity of its data.

In order to manage such risks, the Group implemented an information security system, an integrated set of policies, processes, methodologies, teams and technologies aimed at ensuring appropriate protection of the Group's data. The information security system must be constantly aligned with evolving cyber threats scenarios in order for it to be effective. Recent security initiatives included in the Group's information security roadmap concern product development, data loss prevention, data classification (both structured and unstructured data) and laptop encryption. Actions are also in progress to increase the Group's capability to prevent, detect, and react to malicious data leakage attempts.

Despite such efforts, a failure or breach in security could expose the Group and its customers, dealers and suppliers to risks of misuse of information or systems, the compromising of confidential information, manipulation and destruction of data, defective products, production downtimes and operations disruptions, which in turn could adversely affect the Group's reputation, competitive position, businesses and results of operations. In addition, such breaches in security could result in litigation, regulatory action and potential liability, as well as higher operational and other costs resulting from the implementation of further data protection measures.

CNH Industrial is a holding company, which creates structural subordination risks for the holders of the Notes

CNH Industrial is organized as a holding company that conducts essentially all of its operations through its direct and indirect subsidiaries and depends primarily on the earnings and cash flows of, and the distribution of funds from, these subsidiaries to meet its debt obligations, including its obligations under the Notes issued by it and its guarantee obligations with respect to the Guaranteed Notes. Generally, creditors of a direct or indirect subsidiary, including trade creditors, secured creditors and creditors holding indebtedness and guarantees issued by the subsidiary, and preferred shareholders, if any, of the subsidiary, will be entitled to the assets of that subsidiary before any of those assets can be distributed to shareholders upon liquidation or winding up. As a result, CNH Industrial's obligations under the Notes issued by it and under the Guarantee of the Guaranteed Notes will effectively be subordinated to the prior payment of all the debts and other liabilities, including the right of trade creditors and preferred shareholders, if any, of CNH Industrial's direct and indirect subsidiaries. CNH Industrial's direct and indirect subsidiaries have other liabilities, including liabilities under bank financing facilities and contingent liabilities, which are substantial. See also "*Risks Related to Notes Generally—The Notes do not restrict the amount of debt which the Issuers and the Guarantor may incur.*"

The Guarantor's Guarantee of the Notes may be limited by applicable laws or subject to certain procedures that could limit or prevent the Guarantor from making payments under the Guarantee

The Guarantee provides the holders of the Guaranteed Notes with a direct claim against the Guarantor. However, the enforcement of the Guarantee against CNH Industrial would be subject to certain defences generally available in connection with guarantees. These laws and defences include those that relate to fraudulent conveyance or transfer, bankruptcy claw-back, corporate purpose, conflicts of interest, or similar laws, regulations or defences affecting the rights of creditors generally. In addition, in order for a Guarantee to be enforceable under Dutch law, the Guarantor's directors must determine that the granting of the Guarantee is in the Guarantor's best corporate interest (*vennootschappelijk belang*), that the Guarantor benefits, either directly or indirectly, from the granting of the Guarantee, and that the granting of the Guarantee is contemplated and permitted by the Guarantor's articles of association and corporate objectives.

Potential investors must take into account that the Guaranteed Notes will be guaranteed only by CNH Industrial and that FCA and the FCA Group will have no obligations under the Notes, including the Guaranteed Notes or the Guarantee.

CNH Industrial operates and intends to continue to operate as a company that is resident in the United Kingdom for tax purposes, but other tax authorities may treat it as being tax resident elsewhere

CNH Industrial is not a company incorporated in the UK. Therefore, in order for it to be resident in the UK for tax purposes, its central management and control must be located (in whole or in part) in the UK. The test of central management and control is largely a question of fact based on all the circumstances. Nevertheless, the decisions of the UK courts and the published practice of Her Majesty's Revenue & Customs, or HMRC, suggest that CNH Industrial is likely to be regarded as having become UK-resident on this basis from the date of its incorporation. This analysis is supported by the competent authority ruling referred to below. Even if CNH Industrial's "central management and control" is in the UK, it would nevertheless not be treated as UK-resident if (a) it were concurrently resident in another jurisdiction (applying the tax residence rules of that jurisdiction) which has a double tax treaty with the UK; and (b) such tax treaty allocates exclusive residence to that other jurisdiction.

Even if CNH Industrial's central management and control is in the UK, CNH Industrial would normally be resident in The Netherlands for Dutch corporate income tax and Dutch dividend withholding tax purposes on the basis that it is incorporated there. Nonetheless, the UK and Dutch competent authorities have agreed, following a mutual agreement procedure (as referred to in The Netherlands-UK tax treaty) that CNH Industrial will be regarded as solely resident in the UK, provided that it operates as planned and provides appropriate required evidence to the UK and Dutch competent tax authorities. If the facts upon which the competent authorities that issued this ruling change over time, this ruling may be withdrawn and in that case The Netherlands may levy corporate income tax on CNH Industrial and impose withholding taxes on dividends distributed by CNH Industrial.

Residence of CNH Industrial for Italian tax purposes is also largely a question of fact based on all the circumstances. For Italian tax purposes, a rebuttable presumption of residence of CNH Industrial in Italy may apply under Italian legislation. However, CNH Industrial has a management and organisational structure such that it should be deemed resident in the UK from the date of its incorporation for the purposes of the Italy-UK tax treaty. Because this analysis is highly factual and may depend on future changes in CNH Industrial's management and organisational structure, there can be no assurance that CNH Industrial's determination of its tax residence will be respected by all relevant tax authorities. Should CNH Industrial be treated as an Italian tax resident, it would be subject to corporate income tax in Italy and may be required to comply with withholding tax on dividends and other distributions (currently at a withholding rate of 26%, subject to any benefits from double taxation treaties or other reliefs or exemptions that may be available to shareholders) and/or reporting obligations under Italian law, which could result in additional costs and expenses.

Risks Related to Notes Generally

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in the Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes may be complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The terms and conditions of the Notes are subject to modification and waiver

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Pursuant to the EU Savings Directive, payments on the Notes made or collected through certain EU member states may be subject to withholding

Under Council Directive 2003/48/EC on the taxation of savings income (the "Savings Directive"), each member state of the European Union is required to provide to the tax authorities of another member state details of payments of interest or other similar income paid by a person within its jurisdiction to, or secured by such a person for, an individual beneficial owner resident in, or certain limited types of entity established in, that other member state. However, for a transitional period, Austria will (unless during such period it elects otherwise) instead operate a withholding system in relation to such payments. The rate of withholding is 35%. However, the beneficial owner of the interest (or similar income) payment may elect that certain provision of information procedures should be applied instead of withholding, provided that certain conditions are met. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to exchange of information procedures relating to interest and other similar income.

A number of non-EU countries and certain dependent or associated territories of certain member states have adopted similar measures to the Savings Directive.

The Council of the European Union has adopted a Directive amending the Savings Directive (the “Amending Directive”) which, if implemented, would broaden the Savings Directive’s scope. The member states will have until January 1, 2016 to adopt national legislation necessary to comply with the Amending Directive, which legislation must apply from January 1, 2017. The changes made under the Amending Directive include extending the scope of the Savings Directive to payments made to, or secured for, certain other entities and legal arrangements (including certain trusts and partnerships), where certain conditions are satisfied. They also broaden the definition of “interest payment” to cover certain additional types of income.

However, the European Commission has proposed the repeal of the Savings Directive from January 1, 2017 in the case of Austria and from January 1, 2016 in the case of all other member states (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, member states will not be required to apply the new requirements of the Amending Directive.

If a payment under a Note were to be made and an amount of, or in respect of, tax were to be withheld from that payment pursuant to the Savings Directive (as amended from time to time) or any law implementing or complying with, or introduced in order to conform to such Directive, neither the relevant Issuer nor the Guarantor, nor any Paying Agent nor any other person would be obliged to pay additional amounts under the terms of such Note as a result of the imposition of such withholding tax. The relevant Issuer and the Guarantor are, however, required to maintain a Paying Agent in a member state that is not obliged to withhold or deduct tax pursuant to the Savings Directive (as amended from time to time) or any law implementing or complying with, or introduced in order to conform to the Savings Directive.

Investors who are in any doubt as to their position should consult their professional advisers.

Bearer Notes may be traded in amounts that are not integral multiples of their Specified Denomination

In relation to any issue of Bearer Notes which have denominations consisting of a minimum Specified Denomination and one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of such trading, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a definitive bearer Note in respect of such holding (should definitive bearer Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the minimum Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination which is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Laws may restrict certain investments in the Notes

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Notes do not restrict the amount of debt which the Issuers and the Guarantor may incur

The terms and conditions relating to the Notes do not contain any restriction on the amount of indebtedness which the Issuers and the Guarantor may from time to time incur. In the event of any insolvency or winding-up of the Issuers or the Guarantor (where applicable), the Notes will rank equally with other unsecured senior indebtedness of the relevant Issuer and the Guarantor and, accordingly, any increase in the amount of unsecured senior indebtedness of the Issuers or the Guarantor in the future may reduce the amount

recoverable by Noteholders. In addition, the Notes are unsecured and, save as provided in Condition 4 (*Negative Pledge*), do not contain any restriction on the giving of security by the Issuers or the Guarantor over present and future indebtedness. Where security has been granted over assets of the Issuers or the Guarantor to secure indebtedness, in the event of any insolvency or winding-up of the Issuers or the Guarantor, such indebtedness will rank in priority over the Notes and other unsecured indebtedness of the Issuers or the Guarantor in respect of such assets. In relation to the assets and indebtedness of CNH Industrial's direct and indirect subsidiaries, see also “– *Risks Concerning the Ability of the Issuers and the Guarantor to Fulfil their Obligations under the Notes – CNH Industrial is a holding company, which creates structural subordination risks for the holders of the Notes.*”

Risks that May Be Related to Particular Series of Notes

Different types of Notes may be issued under the Programme. A number of these Notes may have features which present particular risks for potential investors. Set out below is a description of the most common such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes bear interest at a rate that may convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. When an Issuer has the right to effect such conversion, this will affect the secondary market and the market value of the Notes since an Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If an Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then-prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If an Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then-prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Risks Related to the Market Generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

Investors may not have access to a liquid secondary market, into which to sell their Notes

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar instruments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a

more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of the Notes.

Investors will face the risks of exchange rate fluctuations and possible exchange controls

The relevant Issuer will pay principal and interest on the Notes, and the Guarantor will make any payments under the Guarantee (where applicable) in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. Appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the relevant Issuer or the Guarantor to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Investors will face interest-rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Risks related to Notes Denominated in Renminbi

The Renminbi is not freely convertible and there are significant restrictions on the remittance of the Renminbi into and outside the PRC

The Renminbi is not freely convertible at present. The government of the PRC (the "PRC Government") continues to regulate conversion between the Renminbi and foreign currencies, despite significant reduction in control by it in recent years over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items. Participating banks in Hong Kong, Singapore, Taiwan, London, Frankfurt, Seoul, Paris, Luxembourg, Sydney, Toronto, Doha, Kuala Lumpur and Bangkok have been permitted to engage in the settlement of current account trade transactions in Renminbi.

On October 13, 2011, the People's Bank of China (the "PBoC") promulgated the "Administrative Rules on Settlement of RMB-denominated Foreign Direct Investment" (外商直接投资人民币结算业务管理办法) (the "PBoC FDI Measures") as part of the implementation of the PBoC's detailed foreign direct investment ("FDI") accounts administration system. The system covers almost all aspects in relation to FDI, including capital injections, payments for the acquisition of PRC domestic enterprises, repatriation of dividends and other distributions, as well as Renminbi denominated cross-border loans. On June 14, 2012, the PBoC further issued the implementing rules for the PBoC FDI Measures. Under the PBoC FDI Measures, special approval for FDI and shareholder loans from the PBoC, which was previously required, is no longer necessary. In some cases however, post-event filing with the PBoC is still necessary.

On December 3, 2013, the Ministry of Commerce of the PRC ("MOFCOM") promulgated the "Circular on Issues Concerning Cross-border RMB Direct Investment" (商务部关于跨境人民币直接投资有关问题的公告) (the "MOFCOM Circular"), which became effective on January 1, 2014. The MOFCOM Circular replaced the "Notice on Issues Concerning Cross-border Direct Investment in RMB" (商务部关于跨境人民币直接投资有关问题的通知) promulgated by MOFCOM on

October 12, 2011 (the “2011 MOFCOM Notice”). Pursuant to the MOFCOM Circular, written approval from the appropriate office of MOFCOM and/or its local counterparts specifying “Renminbi Foreign Direct Investment” and the amount of capital contribution is required for each FDI. The MOFCOM Circular also clearly prohibits FDI funds from being used for any investments in securities and financial derivatives (except for investments in PRC listed companies by strategic investors) or for entrustment loans in the PRC.

The MOFCOM Circular and the PBoC FDI Measures will be subject to interpretation and application by the relevant authorities in the PRC.

There is no assurance that the PRC Government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that any pilot schemes for Renminbi cross-border utilisation will not be discontinued, or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules. In the event that any regulatory restrictions inhibit the ability of the relevant Issuer or the Guarantor, as the case may be, to repatriate funds outside the PRC to meet its obligations under the CNY Notes, the relevant Issuer or the Guarantor, as the case may be, will need to source Renminbi offshore to finance such obligations under the CNY Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

Investors may be required to provide certifications and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

For further details in respect of the remittance of Renminbi into and outside the PRC (including the MOFCOM Circular and the PBoC FDI Measures), see “*Remittance of Renminbi into and outside the PRC*” below.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the CNY Notes and the ability of the relevant Issuer or Guarantor to source Renminbi outside the PRC to service the CNY Notes

As a result of the restrictions imposed by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. Currently, licensed banks in Singapore and Hong Kong may offer limited Renminbi-denominated banking services to Singapore residents, Hong Kong residents and specified business customers. The PBoC, the central bank of the PRC, has also established Renminbi clearing and settlement mechanisms for participating banks in Hong Kong, Singapore, Taiwan, London, Frankfurt, Seoul, Paris, Luxembourg, Sydney, Toronto, Doha, Kuala Lumpur and Bangkok through settlement agreements on the clearing of Renminbi business (the “Settlement Agreements”) with Bank of China (Hong Kong) Limited in Hong Kong, Industrial and Commercial Bank of China, Singapore Branch in Singapore, Bank of China, Taipei Branch in Taiwan, China Construction Bank (London) Limited in London, Bank of China, Frankfurt Branch in Frankfurt, Bank of Communications, Seoul Branch in Seoul, Bank of China, Paris Branch in Paris, and Industrial and Commercial Bank of China Limited, Luxembourg Branch in Luxembourg, Bank of China (Australia) in Sydney, Industrial and Commercial Bank of China (Canada) in Toronto, Industrial and Commercial Bank of China Limited, Doha Branch in Doha, the Bank of China (Malaysia) Berhad in Kuala Lumpur and Industrial and Commercial Bank of China (Thai) Public Company Limited in Bangkok (each, a “Renminbi Clearing Bank”).

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. Renminbi business participating banks do not have direct Renminbi liquidity support from the PBoC. They are only allowed to square their open positions with the relevant Renminbi Clearing Bank after consolidating the Renminbi trade position of banks outside Hong Kong, Singapore, Taiwan, London, Frankfurt, Seoul, Paris, Luxembourg, Sydney, Toronto, Doha, Kuala Lumpur and Bangkok that are in the same bank group of the participating banks concerned with their own trade position, and the relevant Renminbi Clearing Bank only has access to onshore liquidity support from the PBoC for the purpose of squaring open positions of

participating banks for limited types of transactions. The relevant Renminbi Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In each case, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreements will not be terminated or amended in the future so as to have the effect of restricting the availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the CNY Notes. To the extent the relevant Issuer or the Guarantor, as the case may be, is required to source Renminbi outside the PRC to service the CNY Notes, there is no assurance that it will be able to source such Renminbi on satisfactory terms, if at all. If the Renminbi is not available in certain circumstances as described in the CNY Notes, the relevant Issuer or the Guarantor, as the case may be, can make payments under the CNY Notes in U.S. dollars or another specified currency.

Investment in the CNY Notes is subject to exchange rate risks and the relevant Issuer or the Guarantor may make payments of interest and principal in U.S. dollars in certain circumstances

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC, by international political and economic conditions and by many other factors. In addition, although the primary obligation of the relevant Issuer or the Guarantor, as the case may be, is to make all payments of interest and principal with respect to the CNY Notes in Renminbi, in the event access to Renminbi in Hong Kong becomes restricted to the extent that, by reason of Inconvertibility, Non-transferability or Illiquidity (each as defined in “*Terms and Conditions of the Notes*”), the relevant Issuer or the Guarantor, as the case may be, is unable to pay interest or principal in Renminbi in Hong Kong, the terms of the CNY Notes allow the relevant Issuer or the Guarantor, as the case may be, to make payment in U.S. dollars or another specified currency at the prevailing spot rate of exchange, all as provided for in more detail in “*Terms and Conditions of the Notes – Condition 6(h) (Payments – Payment of Alternative Currency Equivalent)*”. As a result, the value of these Renminbi payments in U.S. dollar or other foreign currency terms may vary with the prevailing exchange rates in the market place. If the value of Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of the investment in U.S. dollars or other applicable foreign currency terms, as the case may be, will decline.

Payments in respect of the CNY Notes will only be made to investors in the manner specified in the CNY Notes

Investors may be required to provide certification and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong. Except in the limited circumstances stipulated in “*Terms and Conditions of the Notes – Condition 6(h) (Payments – Payment of Alternative Currency Equivalent)*,” all payments to investors in respect of the CNY Notes will be made solely (i) for so long as the CNY Notes are represented by a Global Note, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and procedures of the relevant clearing systems, or (ii) for so long as the CNY Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations of the relevant clearing systems. Other than as described in the “*Terms and Conditions of the Notes*,” none of the Issuers nor the Guarantor can be required to make payment by any other means (including in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

DOCUMENTS INCORPORATED BY REFERENCE

The documents referred to in paragraphs (a), (b), (c), (d), and (e) below have been filed with the Central Bank and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) The audited consolidated financial statements (including consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and notes to the consolidated financial statements) of the CNH Industrial Group, as of and for the financial years ended December 31, 2014 and 2013.
- (i) The CNH Industrial Group's audited consolidated financial statements as of and for the financial years ended December 31, 2014 and 2013 are set out on pages 116 to 200 of the Annual Report 2014, which is available on CNH Industrial's website at the link below:
- http://www.cnhindustrial.com/en-US/investor_relations/financial_information/annual_reports/FiatDocuments/CNHIndustrial_Annual_Report_2014.pdf
- (ii) The CNH Industrial Group's audited consolidated financial statements as of and for the financial years ended December 31, 2013 and 2012 are set out on pages 115 to 195 of the Annual Report 2013, which is available on CNH Industrial's website at the link below:
- http://www.cnhindustrial.com/en-US/investor_relations/financial_information/annual_reports/FiatDocuments/CNHI_2013_Annual_Report.pdf
- (b) The audited statutory financial statements (including income statement, statement of financial position, and notes to the statutory financial statements) of CNH Industrial, as of and for the financial years ended December 31, 2014 and 2013.
- (i) The audited statutory financial statements of CNH Industrial as of and for the financial years ended December 31, 2014 and 2013 are set out on pages 202 to 223 of the Annual Report 2014, which is available on CNH Industrial's website at the link below:
- http://www.cnhindustrial.com/en-US/investor_relations/financial_information/annual_reports/FiatDocuments/CNHIndustrial_Annual_Report_2014.pdf
- (ii) The audited statutory financial statements of CNH Industrial, as of and for the financial year ended December 31, 2013 are set out on pages 197 to 211 of the Annual Report 2013, which is available on CNH Industrial's website at the link below:
- http://www.cnhindustrial.com/en-US/investor_relations/financial_information/annual_reports/FiatDocuments/CNHI_2013_Annual_Report.pdf
- (c) (i) The independent auditors' report on (A) the audited consolidated financial statements of the CNH Industrial Group, as of and for the financial year ended December 31, 2014, and (B) the audited statutory financial statements of CNH Industrial, as of and for the financial year ended December 31, 2014 is set out on pages 238 to 241 of the Annual Report 2014, which is available on CNH Industrial's website at the link below:
- http://www.cnhindustrial.com/en-US/investor_relations/financial_information/annual_reports/FiatDocuments/CNHIndustrial_Annual_Report_2014.pdf
- (ii) The independent auditors' report on (A) the audited consolidated financial statements of the CNH Industrial Group, as of and for the financial year ended December 31, 2013, and (B) the audited statutory financial statements of CNH Industrial, as of and for the financial year ended December 31, 2013 is set out on pages 228 and 229 of the Annual Report 2013, which is available on CNH Industrial's website at the link below:

http://www.cnhindustrial.com/en-US/investor_relations/financial_information/annual_reports/FiatDocuments/CNHI_2013_Annual_Report.pdf

- (d) The audited financial statements (including balance sheet, profit and loss account and notes to the annual accounts) of CIFE, as of and for the financial years ended December 31, 2014 and 2013, and the independent auditors' report thereon.

(i) The audited financial statements of CIFE and the independent auditors' report thereon as of and for the financial years ended December 31, 2014 and 2013 are available on CNH Industrial's website at the link below:

http://www.cnhindustrial.com/it-IT/investor_relations/shareholders/bonds/bilancio_emittenti/FiatDocuments/Bilanci%20degli%20Emittenti/CIFE_2014_Financial_Statements.pdf

(ii) The audited financial statements of CIFE and the independent auditors' report thereon as of and for the financial years ended December 31, 2013 and 2012 are available on CNH Industrial's website at the link below:

http://www.cnhindustrial.com/it-IT/investor_relations/shareholders/bonds/bilancio_emittenti/FiatDocuments/Bilanci%20degli%20Emittenti/CIFE-AR311213-signed_report.pdf

- (e) The terms and conditions set out on pages 44 to 82 of the base prospectus dated November 15, 2013 relating to the Programme under the heading "*Terms and Conditions of the Notes*" available on CNH Industrial's website at the link below:

http://www.cnhindustrial.com/it-IT/investor_relations/shareholders/bonds/FiatDocuments/CNH_Industrial_GMTN_Base_Prospectus_2013.pdf

Non-incorporated parts of a document referred to in (a) to (e) above are either not relevant for an investor or are covered elsewhere in this Base Prospectus.

Each Issuer and the Guarantor will provide, without charge, to each person to whom a copy of the Base Prospectus has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded. Requests for such documents should be directed to any Issuer or the Guarantor at its address set out at the end of the Base Prospectus. The Base Prospectus is available on CNH Industrial's website at <http://cnhindustrial.com/en-US/Pages/HomePage.aspx>. Copies of the documents incorporated by reference herein may be physically inspected at the offices of the Paying Agent in Ireland for the life of the Base Prospectus and will also be available on the website of CNH Industrial at the links referred to above. CNH Industrial's website, as well as its content (except for the documents available at the links mentioned above to the extent incorporated by reference herein), do not form part of the Base Prospectus.

Each Issuer and the Guarantor will, in connection with the listing of the Notes on the Irish Stock Exchange, so long as any Notes remain outstanding and listed on such exchange, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus, prepare a supplement to the Base Prospectus in accordance with Article 16 of the Prospectus Directive or publish a new Base Prospectus as may be required under the Prospectus Directive for use in connection with any subsequent issue of the Notes to be listed on the Irish Stock Exchange. Any statement contained in this Base Prospectus or in any information or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement provided that such modifying or superseding statement is made by way of a supplement to this Base Prospectus pursuant to Article 16 of the Prospectus Directive.

If the terms of the Programme are modified or amended in a manner that would make the Base Prospectus, as so modified or amended, inaccurate or misleading, a new base prospectus will be prepared.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form (“Bearer Notes”), with or without interest coupons (“Coupons”) attached, or registered form (“Registered Notes”), without Coupons attached. Bearer Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (“Regulation S”) and Registered Notes will be issued both outside the United States in reliance on the exemption from registration provided by Regulation S and within the United States in reliance on Rule 144A.

Bearer Notes

Each Tranche of Bearer Notes will be initially issued in the form of either a temporary bearer global note (a “Temporary Bearer Global Note”) or a permanent bearer global note (a “Permanent Bearer Global Note”) and, together with a Temporary Bearer Global Note, the “Bearer Global Notes” and each a “Bearer Global Note”) as indicated in the applicable Final Terms, which, in either case, will be delivered on or prior to the original issue date of the Tranche to a common depository (the “Common Depository”) for Euroclear Bank S.A./N.V. (“Euroclear”) and Clearstream Banking, *société anonyme* (“Clearstream”) or, in respect of Bearer Global Notes representing CMU Notes, to a sub-custodian nominated by the HKMA as operator of the CMU Service. In the case of each Tranche of Bearer Notes, the applicable Final Terms will specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (“TEFRA C”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (“TEFRA D”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than one year, that neither TEFRA C nor TEFRA D is applicable. Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Note due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Bearer Global Note only to the extent that a certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by (in the case of the Notes other than CMU Notes) Euroclear and/or Clearstream or (in case of CMU Notes) the CMU Lodging and Paying Agent and (in the case of a Temporary Bearer Global Note delivered to the Common Depository for Euroclear and Clearstream) Euroclear and/or Clearstream, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the “Exchange Date”) which is, in respect of each Tranche in respect of which a Temporary Bearer Global Note is issued, 40 days after the Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) definitive Bearer Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and in the case of definitive Bearer Notes, subject to such notice period as is specified in the applicable Final Terms), and (iii) in each case, against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused. The CMU Service may require that any such exchange for a Permanent Bearer Global Note is made in whole and not in part, and in such event no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU Service) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU Service) have so certified. The CMU Service may require the issue and deposit of such Permanent Bearer Global Note with its sub-custodian without permitting the withdrawal of the Temporary Bearer Global Note so exchanged, although any interests exchanged thereon shall have been properly effected in its records.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note issued in exchange for a Temporary Bearer Global Note, or issued pursuant to TEFRA C, will be made through Euroclear and/or Clearstream against presentation or surrender (as the case may be) of the Permanent Bearer Global Note without any requirement for certification.

In respect of a Bearer Global Note held through the CMU Service, payments of principal, interest (if any) or any other amounts will be made to the person(s) for whose account(s) interests in the relevant Bearer Global Note are credited (as set out in a CMU Instrument Position Report or in any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU Service) and, save in the case of final payment, no presentation of the relevant Bearer Global Note shall be required for such purpose.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, interest coupons and talons attached either (a) upon not less than 60 days' written notice from Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Principal Paying Agent as described therein and/or (in the case of CMU Notes) from the relevant accountholders therein to the CMU Lodging and Paying Agent as described therein, or (b) only upon the occurrence of an Exchange Event.

For these purposes, "Exchange Event" means that (i) an Event of Default (as defined in Condition 10) has occurred and is continuing, (ii) the relevant Issuer has been notified that both Euroclear and Clearstream and, in the case of CMU Notes, the CMU Service have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) and/or (in the case of CMU Notes), the relevant accountholders therein, may give notice to the Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent, requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may also give notice to the Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent, requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent.

The following legend will appear on all Bearer Notes which have an original maturity of more than one year, and on all interest coupons relating to all such Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or Coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes or Coupons.

Notes which are represented by a Bearer Global Note will only be transferable, and payment in respect of them will only be made, in accordance with the rules and procedures for the time being of Euroclear, Clearstream or the CMU Service, as the case may be.

Registered Notes

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form, without Coupons (a "Regulation S Global Note"), which will (i) be deposited with the Common Depositary and registered in the name of a nominee of the Common Depositary for Euroclear and Clearstream or (ii) be deposited with a sub-custodian for and registered in the name of the HKMA as operator of the CMU Service, as specified in the applicable Final Terms.

Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each such Tranche of Notes, beneficial interests in a Regulation S Global Note of such Tranche may not be offered or

sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 and may not be held otherwise than through Euroclear, Clearstream or the CMU Service and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Registered Notes of each Tranche may only be initially offered and sold in the United States or to U.S. persons in private transactions to “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act (“QIBs”). The Registered Notes of each Tranche sold to QIBs will be represented by a global note in registered form, without Coupons, (a “Rule 144A Global Note” and, together with a Regulation S Global Note, the “Registered Global Notes”) which will be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company (“DTC”).

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Each Rule 144A Global Note will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of any provision to the contrary, be made to the person shown on the Register (as defined in Condition 6(d)) as the registered holder of the Registered Global Notes. None of the Issuers, the Guarantor, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of any provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 6(d)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, “Exchange Event” means that (i) an Event of Default has occurred and is continuing, (ii) DTC has notified the relevant Issuer that it is unwilling or unable to continue to act as depository for the Notes and no alternative clearing system is available, (iii) DTC has ceased to constitute a clearing agency registered under the Exchange Act or the relevant Issuer has been notified that both Euroclear and Clearstream and, in the case of CMU Notes, the CMU Service have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iv) the relevant Issuer has or will become subject to adverse tax consequences which would not be required were the Notes represented by the Registered Global Notes in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, (a) DTC, Euroclear and/or Clearstream, as the case may be (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar, or (b) in the case of CMU Notes, the relevant accountholders therein, may give notice to the CMU Lodging and Paying Agent, requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iv) above, the relevant Issuer may also give notice to the Registrar or, as the case may be, the CMU Lodging and Paying Agent, requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar or, as the case may be, the CMU Lodging and Paying Agent.

Transfer of Interests

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear, Clearstream or the CMU Service, in each case to the

extent applicable. Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions. See “*Subscription and Sale, and Selling and Transfer Restrictions.*”

General

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent shall arrange that, when a Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CMU instrument number, a CUSIP and CINS number which are different from the common code, ISIN, CMU instrument number, CUSIP and CINS assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period applicable to the Notes of such Tranche.

For so long as any of the Notes is represented by a Bearer Global Note or a Regulation S Global Note held on behalf of Euroclear, Clearstream or the CMU Service each person (other than Euroclear, Clearstream or the CMU Service) who is for the time being shown in the records of Euroclear, Clearstream or the CMU Service, as applicable, as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream or the CMU Service, as applicable, as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer, the Guarantor and their agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Regulation S Global Note shall be treated by the relevant Issuer, the Guarantor and their agents as the holder of such nominal amount of such Notes in accordance with, and subject to the terms of, the relevant Global Note (as defined under “*Terms and Conditions of the Notes*”), and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

Notwithstanding the above, if a Note (whether in global or definitive form) is held through the CMU Service, any payment that is made in respect of such Note shall be made at the direction of the bearer or the registered holder to the person(s) for whose account(s) interests in such Note are credited as being held through the CMU Service in accordance with prevailing CMU rules and procedures at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU Service in a relevant CMU Instrument Position Report or any other relevant notification by the CMU Service (which notification, in either case, shall be conclusive evidence of the records of the CMU Service as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligation of the relevant Issuer in respect of that payment under such Note.

So long as DTC or its nominee is the registered owner or holder of a Rule 144A Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Rule 144A Global Note for all purposes under the Agency Agreement and such Notes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Any reference herein to Euroclear and/or Clearstream and/or DTC and/or the CMU Service shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

A Note may be accelerated automatically by the holder thereof in certain circumstances described in Condition 10. In such circumstances, if any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then, unless within the period of seven days commencing on the relevant due date, payment in full of the amount due in respect of the Global Note, is received by the bearer or the registered holder, as the case may be, in accordance with the provisions of the Global Note, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream and/or DTC and/or the CMU Service, as the case may be, will become entitled to proceed directly against the relevant Issuer on the basis of statements

of account provided by Euroclear, Clearstream, DTC and/or the CMU Service on and subject to the terms of a deed of covenant (the “Deed of Covenant”) dated April 28, 2015 and executed by the Issuers. In addition, holders of interests in such Global Note credited to their accounts with DTC may require DTC to deliver definitive Notes in registered form in exchange for their interest in such Global Note in accordance with DTC’s standard operating procedures.

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.

[Date]

[CNH INDUSTRIAL N.V. / CNH INDUSTRIAL FINANCE EUROPE S.A.]

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
[Guaranteed by CNH Industrial N.V.]
under the €10,000,000,000
Global Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [*current date*] [and the supplement[s] dated []] (together, the “Base Prospectus”) [which together constitute] [which constitutes] a base prospectus for the purposes of Directive 2003/71/EC, as amended (the “Prospectus Directive”)[†]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive][†] and must be read in conjunction with such Base Prospectus. Full information on the Issuer [and the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus and these Final Terms are available for viewing at <http://cnhindustrial.com/en-US/Pages/HomePage.aspx> and copies may be obtained from the Issuer [and the Guarantor] at [its/their respective] [principal][and][registered] office[s]. CNH Industrial’s website, as well as its content (except for any documents available at the links referred to in the Base Prospectus to the extent incorporated by reference therein) do not form part of the Base Prospectus or of these Final Terms.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated November 15, 2013 which are incorporated by reference in the Base Prospectus dated [*current date*]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of Directive 2003/71/EC, as amended (the “Prospectus Directive”)[†] and must be read in conjunction with the Base Prospectus dated [*current date*] [and the supplement[s] dated []] (together, the “Base Prospectus”) [which together constitute] [which constitutes] a base prospectus for the purposes of the Prospectus Directive][†], including the Conditions incorporated by reference in the Base Prospectus. Full information on the Issuer [and the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus, including the Conditions incorporated by reference in the Base Prospectus. The Base Prospectus and the Final Terms are available for viewing at <http://cnhindustrial.com/en-US/Pages/HomePage.aspx> copies may be obtained from the Issuer [and the Guarantor] at [its/their respective] [principal][and][registered] office[s]. CNH Industrial’s website, as well as its content (except for any documents available at the links referred to in the Base Prospectus to the extent incorporated by reference therein) do not form part of the Base Prospectus or of these Final Terms.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[If the Notes must be redeemed before the first anniversary of their date of issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

[†] Delete where the Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive.

1. (i) Issuer: [CNH Industrial N.V. / CNH Industrial Finance Europe S.A.]
- (ii) Guarantor: [CNH Industrial N.V. / Not Applicable]
2. (i) Series Number: []
- (ii) Tranche Number: []
- (iii) Date on which the Notes will be consolidated and form a single Series: []
- [The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below, which is expected to occur on or about [*date*]]/Not Applicable]
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount:
- (i) Series: []
- (ii) Tranche: []
5. Issue Price: [] percent of the Aggregate Nominal Amount [plus accrued Interest from [*insert date*] (if applicable)]
6. (i) Specified Denominations: []
- (In the case of Registered Notes, this means the minimum integral amount in which transfers can be made)*
- (Notes must have a minimum denomination of €100,000 or equivalent. Where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:*
- “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”)*
- (N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive, the €100,000 minimum denomination is not required)*
- (ii) Calculation Amount: [] *(If only one Specified Denomination, insert the Specified denomination)*
- (Applicable to Notes in definitive form)*
- If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. (i) Issue Date: []
- (ii) Interest Commencement Date: [*Specify/Issue Date/Not Applicable*]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*

8. Maturity Date: *[Fixed rate – specify date/Floating rate – Interest Payment Date falling in or nearest to [specify month and year]]*
- (N.B. for certain Fixed Rate Notes, including Notes denominated in Renminbi, where the Interest Payment Dates are subject to modification it will be necessary to use the second option.)*
9. Interest Basis: percent Fixed Rate
- month LIBOR/EURIBOR/CNH HIBOR +/- percent Floating Rate Zero Coupon
- (see paragraph[s] [16], [17], [18] below)
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 percent of their nominal amount.
11. Change of Interest Basis: For the period from (and including) the Interest Commencement Date, up to (but excluding) [date], paragraph [16/17] applies, and for the period from (and including) [date], up to (and including) the Maturity Date, paragraph [16/17] applies/Not Applicable
12. Alternative Currency Equivalent: Applicable/Not Applicable
- (If not applicable, delete the remaining sub-paragraphs. Where Notes are denominated in Renminbi, it is expected that this paragraph will be marked “Applicable”. If so, the sub-paragraphs below should be completed.)*
- (i) Alternative Currency:
- (ii) Alternative Currency Calculation Agent:
- (iii) Rate Calculation Jurisdiction:
- (N.B. This shall be Eurozone where the Specified Currency is Euro or Hong Kong where the Specified Currency is Renminbi)*
- (iv) Rate Calculation Business Days:
- (N.B. This shall be “two” where the Specified Currency is Renminbi)*
- (v) RMB Spot Rate: /Not Applicable *[Include an RMB Spot Rate only where the Notes are denominated in Renminbi and the default RMB Spot Rate is not applicable]*
- (vi) Spot Rate Screen Page: *[Delete where the Notes are denominated in Renminbi and sub-paragraphs (v) is marked “Not Applicable”]*
- (vii) Non-deliverable Spot Rate Screen Page: *[Delete where the Notes are denominated in Renminbi and sub-paragraphs (v) is marked “Not Applicable”]*
- (viii) Spot Rate Calculation Time: *[Delete where the Notes are denominated in Renminbi and sub-paragraphs (v) is marked “Not Applicable”]*

13. Put/Call Options: [Investor Put]
[Issuer Call]
(see paragraph[s] [19] and [20] below)
14. [Date [board of directors'] approval for issuance of Notes [and Guarantee] obtained]: [] [and [] respectively]
(N.B. Only relevant where board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)
15. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [] percent per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [] in each year up to and including the Maturity Date/[specify other]
(N.B. This will need to be amended in the case of long or short coupons)
(N.B. For certain Renminbi denominated Fixed Rate Notes, the Interest Payment Dates are subject to modification and the following words should be added:
“provided that if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.”)
- (iii) Fixed Coupon Amount(s): [] per Calculation Amount
(Applicable to Notes in definitive form)
(N.B. For Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate:
“Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 being rounded upwards in the case of Renminbi denominated Fixed Rate Notes.”)
- (iv) Broken Amount(s): [[] per Calculation Amount payable on the Interest Payment Date falling [in/on] []/Not Applicable]
(Applicable to Notes in definitive form)
- (v) Day Count Fraction: [30/360/Actual/Actual (ICMA)/[for Renminbi denominated Fixed Rate Notes – Actual/365(Fixed)]]

- (vi) Determination Date(s): in each year/Not Applicable]
- [Insert interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.] (N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration.)*
- (N.B. Only relevant where Fixed Day Count Fraction is Actual/Actual (ICMA))*
17. Floating Rate Note Provisions: Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Date(s):]
- (ii) Business Day Convention: Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iii) Additional Business Centre(s):]
- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: Screen Rate Determination/ISDA Determination]
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):]
- (vi) Screen Rate Determination:
- Reference Rate:]-month [LIBOR/EURIBOR/CNH HIBOR]
- Interest Determination Date(s):]
- [(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR or CNH HIBOR), first day of each Interest Period if Sterling LIBOR, the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR or the second Hong Kong business day prior to the start of each Interest Period if CNH HIBOR)]*
- Relevant Screen Page:]
- (In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- (vii) ISDA Determination:
- Floating Rate Option:]
- Designated Maturity:]
- Reset Date:]
- (N.B. The first day of the Interest Period)*

- (viii) Linear Interpolation [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (ix) Margin(s): [+/-] [] percent per annum
- (x) Minimum Rate of Interest: [] percent per annum
- (xi) Maximum Rate of Interest: [] percent per annum
- (xii) Day Count Fraction: [Actual/365 or Actual/Actual
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360, 360/360 or Bond Basis
30E/360 or Eurobond Basis]
18. Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Accrual Yield: [] percent per annum
- (ii) Reference Price: []
- (iii) Day Count Fraction in relation to Early Redemption Amounts and late payment in accordance with Conditions 7(e)(iii) and (h): [30/360]
[Actual/360]
[Actual/365]

PROVISIONS RELATING TO REDEMPTION

19. Issuer Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount: [As set out in Condition 7(c)/ [] per Calculation Amount]
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [] per Calculation Amount
- (b) Maximum Redemption Amount: [] per Calculation Amount
20. Investor Put: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s): [] per Calculation Amount

21. Final Redemption Amount: [] per Calculation Amount
22. Early Redemption Amount of each note payable on redemption for taxation reasons or on event of default: [] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of Notes:
- [Bearer Notes:
TEFRA D:
Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event].
[Temporary Bearer Global Note exchangeable for definitive Notes on and after the Exchange Date.]]
- [TEFRA C:
[Permanent Bearer Global Note exchangeable for definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]]
- (Ensure that this is consistent with the wording in the "Form of the Notes" section in the Base Prospectus and the Notes themselves. N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Bearer Global Note exchangeable for definitive Notes)*
- [Registered Notes:
[Regulation S Global Note ([U.S.\$/ []][] nominal amount) [registered in the name of a nominee of a common depositary for Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*/registered in the name of the Hong Kong Monetary Authority as operator of the Central Moneymarkets Unit Service]]
[Rule 144A Global Note ([U.S.\$/ []][] nominal amount) (*specify nominal amounts*)]]
24. Additional Financial Centre(s): [Not Applicable/*give details*]] (*Note that this item relates to the place of payment and not Interest Period end dates to which item 17(iii) relates*)
25. Talons for future Coupons to be attached to definitive Bearer Notes (and dates on which such Talons mature):
- [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made. The Talon will mature on the Specified Interest Payment Date falling on [month] [year] (*insert the [25th] Specified Interest Payment Date*)/No.]

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required for issue and admission to trading on the regulated market of the Irish Stock Exchange of the Notes described herein pursuant to the €10,000,000,000 Global Medium Term Note Programme of CNH Industrial Finance Europe S.A. as Issuer and CNH Industrial as Issuer and Guarantor.

RESPONSIBILITY

[Each of the][The] Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. [[*Relevant third party information*] has been extracted from []. [Each of the][The] Issuer [and the Guarantor] confirm[s] that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

[Signed on behalf of the Guarantor:

By:
Duly authorised

By:
Duly authorised]

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Irish Stock Exchange Ltd./(*specify*)/None]
- (ii) Admission to trading: [Application [has been]/[will be] made [to the Irish Stock Exchange/(*specify*)] for the Notes to be admitted [to the Official List/(*specify*) and trading on [its regulated market/(*specify*)] on [] with effect from [].]
- (iii) Estimate of total expenses related to admission to trading: [Not Applicable.] []

2. RATINGS

Ratings: [The Notes to be issued [have been]/[are expected to be]/[have not been] rated[:][.]]

[S&P: []]

[Moody's: []]

[[*EU established/EU registered CRA*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009/EC, as amended (the “CRA Regulation”), and is included in the list of registered and certified credit ratings agencies published on the website of the European Securities and Markets Authority (“ESMA”) in accordance with the CRA Regulation. The ESMA’s website and its content do not form part of the Base Prospectus or of these Final Terms.]

[[*Non-EU established /EU certified CRA*] is not established in the European Union but has been certified under the CRA Regulation and is included in the list of registered and certified credit rating agencies published on the web site of the ESMA. The ESMA’s website and its content do not form part of the Base Prospectus or these Final Terms.]

[[*Non-EU established CRA/non-EU certified CRA*] is not established in the European Union and is not registered or certified under the CRA Regulation.]

In general, and subject to certain exceptions, European regulated investors are restricted from using a credit rating for regulatory purposes if such credit rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation.

Subject to the fulfilment of the conditions set out in Article 4(3) of the CRA Regulation, a credit rating agency established in the European Union and registered in accordance with the CRA Regulation (an “EU CRA”) may endorse (for regulatory purposes in the European Union) credit ratings issued outside the European Union where (i) the credit rating activities resulting in the issuing of the credit rating are undertaken in whole or in part by a credit rating agency or credit rating agencies belonging to the same group (a “non-EU CRA”); and (ii) the EU CRA has verified and is able to demonstrate on an ongoing basis to ESMA that the conduct of the credit rating activities by the non-EU CRA resulting in the issuing of the credit rating to be endorsed

fulfils requirements which are “at least as stringent as” the requirements of the CRA Regulation.

[On *[date of decision]*, ESMA announced that it considers the regulatory framework for credit rating agencies established in *[country of non-EU established CRA/non-EU certified CRA]* to be “as stringent as” the requirements of the CRA Regulation. *[EU-established/EU-registered affiliate of non-EU established/non-EU certified CRA]* currently endorses credit ratings issued by *[non-EU established /non-EU certified CRA]* for regulatory purposes in the European Union. *[EU-established/EU-registered affiliate of non-EU established/non-EU certified CRA]* has been registered under the CRA Regulation and appears on the list of registered credit rating agencies on ESMA’s website. The ESMA’s website and its content do not form part of the Base Prospectus or of these Final Terms. There can be no assurance that *[EU-established/EU-registered affiliate of non-EU established/non-EU certified CRA]* will continue to endorse credit ratings issued by *[non-EU established/non-EU certified CRA]*.]

In addition, subject to the fulfillment of the conditions set out in Article 5 and elsewhere in the CRA Regulation, credit ratings that are related to entities established or financial instruments issued in countries outside the European Union and that are issued by a credit rating agency established in a country outside the European Union may only be used for regulatory purposes within the European Union without being endorsed under Article 4(3) of the CRA Regulation if (amongst other requirements) the European Commission has adopted an equivalence decision in accordance with Article 5(6) of the CRA Regulation, recognising the legal and supervisory framework of the relevant country as equivalent to the requirements of the CRA Regulation.

[On *[date of decision]*, the European Commission passed Implementing Decision *[decision number]* which provided that the legal and supervisory framework for credit rating agencies in *[country in which non-EU established/EU certified CRA is established]* shall be considered equivalent to the requirements of the CRA Regulation.]

(The above disclosure should be amended to reflect (i) the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating; and/or (ii) the credit rating agency issuing the credit rating, in each case in accordance with the applicable requirements of the CRA Regulation.)

3. NOTIFICATION

[The *[name of competent authority in home member state]* [has been requested to provide/has provided – include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the *[names of competent authorities of host member states]* with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the provisions of the Prospectus Directive and Commission Regulation (EC) No. 809/2004.]

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Need to include a description of any interest, including a conflicting interest, that is material to the issue, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business.” *[Amend as appropriate if there are other interests]*

[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

5. YIELD (*Fixed Rate Notes only*)

Indication of yield: []

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. DISTRIBUTION

(i) If syndicated, name of Managers: [Not Applicable/*give names*]

(ii) Stabilising Manager(s) (if any): [Not Applicable/*give name(s)*]

(iii) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]

(iv) U.S. selling restrictions: [Reg. S Compliance Category:]
[TEFRA D/TEFRA C/TEFRA not applicable]
[[Not] Rule 144A Eligible]

7. OPERATIONAL INFORMATION

(i) ISIN Code: []

(ii) Common Code: []

(iii) CUSIP: [Not Applicable/[]]

(iv) CINS: [Not Applicable/[]]

(v) CMU Instrument Number: [Not Applicable/[]]

(vi) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s): [DTC/Not Applicable/*give name(s), address(es) and number(s)*]

[The Notes will be cleared through the Central Moneymarkets Unit Service.]

- (vii) Delivery: Delivery [against/free of] payment
- (viii) Names and addresses of additional Paying Agent(s), if any: [Not Applicable/*give name(s) and address(es)*]
- (ix) Name and address of Registrar: [Not Applicable/*give name and address*]

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange (if any) and agreed by the relevant Issuer, the Guarantor (in case of Guaranteed Notes) and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Tranche of Notes shall complete the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Applicable Final Terms” for a description of the content of the Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series (as defined below) of Notes issued pursuant to the Agency Agreement (as defined below). References herein to the “Issuer” shall be references to the party specified as such in the applicable Final Terms (as defined below).

References herein to the “Notes” shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a global Note (a “Global Note”), units of each Specified Denomination in the Specified Currency;
- (ii) any Global Note;
- (iii) any definitive Notes in bearer form (“Bearer Notes”) issued in exchange for a Global Note in bearer form; and
- (iv) any definitive Notes in registered form (“Registered Notes”) (whether or not issued in exchange for a Global Note in registered form).

The Notes and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement (such Amended and Restated Agency Agreement as amended and/or supplemented and/or restated from time to time, the “Agency Agreement”) dated April 28, 2015 and made between (*inter alia*) the Issuers, CNH Industrial in its capacity as Guarantor (as defined below), Citibank, N.A., London office as issuing and principal paying agent and agent bank (the “Principal Paying Agent,” which expression shall include any successor principal paying agent) and as exchange agent (the “Exchange Agent,” which expression shall include any successor exchange agent), Citicorp International Limited as lodging and paying agent with respect to the CMU Notes (the “CMU Lodging and Paying Agent,” which expression shall include any successor lodging and paying agent), the other paying agents named therein (together with the Principal Paying Agent and the CMU Lodging and Paying Agent, the “Paying Agents,” which expression shall include any additional or successor paying agents), Citigroup Global Markets Deutschland AG, as registrar (the “Registrar,” which expression shall include any successor or alternative registrar) and as transfer agent and the other transfer agents named therein (together with the Registrar, the “Transfer Agents,” which expression shall include any additional or successor transfer agents).

For the purposes of these Terms and Conditions (the “Conditions”), all references to the Principal Paying Agent shall, with respect to a Series of Notes to be held in the CMU Service (as defined below), be deemed to be a reference to the CMU Lodging and Paying Agent (other than in relation to the determination of interest and other amounts payable in respect of the Notes) and all such references shall be construed accordingly.

Interest bearing definitive Bearer Notes have interest coupons (“Coupons”) and, in the case of Bearer Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (“Talons”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Notes and Global Notes do not have Coupons or Talons attached on issue.

The Final Terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note and complete these Conditions and, in the case of a Note which is

neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purpose of this Note. References to the “applicable Final Terms” are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

The payment of all amounts in respect of Notes issued by CNH Industrial Finance Europe S.A. (the “Guaranteed Notes”) shall be unconditionally and irrevocably guaranteed by CNH Industrial (in such capacity, the “Guarantor”) pursuant to a guarantee (such guarantee as modified and/or supplemented and/or restated from time to time, the “Guarantee”) dated April 28, 2015 executed by the Guarantor. Under the Guarantee, CNH Industrial has guaranteed the due and punctual payment of all amounts due under such Guaranteed Notes.

The original of the Guarantee is held by the Principal Paying Agent on behalf of the Noteholders and the Couponholders, in each case of the Guaranteed Notes, at its specified office. References herein to the Guarantor shall only be relevant where the Issuer is CNH Industrial Finance Europe S.A.

Any reference to “Noteholders” or “holders” in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below.

Any reference herein to “Couponholders” shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, “Tranche” means Notes which are identical in all respects (including as to listing) and “Series” means a Tranche of Notes together with any further Tranche or Tranches of Notes which (i) are expressed to be consolidated and form a single series and (ii) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders and the Couponholders are entitled to the benefit of the deed of covenant (such deed of covenant as modified and/or supplemented and/or restated from time to time, the “Deed of Covenant”) dated April 28, 2015 and made (*inter alia*) by the Issuer. The original of the Deed of Covenant is held by the Common Depository for Euroclear (as defined below) and Clearstream (as defined below).

Copies of the Agency Agreement, the Guarantee, a deed poll (such deed poll as modified and/or supplemented and/or restated from time to time, the “Deed Poll”) dated April 28, 2015 and made (*inter alia*) by the Issuer and the Guarantor (where applicable) and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Principal Paying Agent, the Registrar, the CMU Lodging and Paying Agent and the other Paying Agents and Transfer Agents (such agents and the Registrar being together referred to as the “Agents”). Copies of the applicable Final Terms are obtainable during normal business hours at the specified office of each of the Agents save that, if this Note is an unlisted Note of any Series, the applicable Final Terms will only be obtainable by a Noteholder holding one or more unlisted Notes of that Series and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Guarantee (where applicable), the Deed Poll, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated; provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In these Conditions, “euro” means the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended.

1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis specified in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Guarantor (where applicable) and any Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Bearer Global Note or a Regulation S Global Note (as defined in Condition 2) held on behalf of Euroclear Bank S.A./N.V. (“Euroclear”) and/or Clearstream Banking, *société anonyme* (“Clearstream”), and/or the Hong Kong Monetary Authority (“HKMA”) as operator of the Central Moneymarkets Unit Service (the “CMU Service” or “CMU”), each person (other than Euroclear, Clearstream, or the CMU Service) who is for the time being shown in the records of Euroclear, of Clearstream or of the CMU Service as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream or the CMU Service as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor (where applicable) and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or, as the case may be, the registered holder of the relevant Regulation S Global Note shall be treated by the Issuer, the Guarantor (where applicable) and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly. Payment in respect of Notes represented by a Global Note will only be made in accordance with the rules and procedures for the time being of DTC (as defined below), Euroclear, Clearstream or the CMU Service, as the case may be.

Notwithstanding the above, if a Note (whether in global or definitive form) is held through the CMU Service, any payment that is made in respect of such Note shall be made at the direction of the bearer or the registered holder to the person(s) for whose account(s) interests in such Note are credited as being held through the CMU Service in accordance with prevailing CMU rules and procedures at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU Service in a relevant “CMU Instrument Position Report” (as defined in the rules of the CMU Service) or any other relevant notification by the CMU Service (which notification, in either case, shall be conclusive evidence of the records of the CMU Service as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligation of the relevant Issuer in respect of that payment under such Note.

For so long as The Depository Trust Company (“DTC”) or its nominee is the registered owner or holder of a Rule 144A Global Note (as defined in Condition 2), DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Rule 144A Global Note for all purposes under the Agency Agreement and the Notes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear, Clearstream or the CMU Service, as the case may be. References to DTC, Euroclear, Clearstream and/or the CMU Service shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

2. TRANSFERS OF REGISTERED NOTES

(a) **Transfers of interests in Registered Global Notes:** Transfers of beneficial interests in Registered Global Notes will be effected by DTC, Euroclear, Clearstream or the CMU Service, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear, Clearstream, or the CMU Service, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement.

(b) **Transfers of Registered Notes in definitive form:** Subject as provided in paragraphs (e), (f) and (g) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (a) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request.

Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (such initial regulations being set out in Schedule 9 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

(c) **Registration of transfer upon partial redemption:** In the event of a partial redemption of Notes under Condition 7, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

(d) **Costs of registration:** Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(e) **Transfers of interests in Regulation S Global Notes:** Prior to the expiry of the applicable Distribution Compliance Period (as defined below), transfers by the holder of, or of a beneficial interest in, a Regulation S Global Note to a transferee in the United States or who is a U.S. person will only be made:

- (i) upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate (a “Transfer Certificate”), copies of which are available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or
- (ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

In the case of (i) above, such transferee may take delivery through a Legended Note in global or definitive form. After expiry of the applicable Distribution Compliance Period (i) beneficial interests in Regulation S Global Notes may be held through DTC directly, by a participant in DTC, or indirectly through a participant in DTC and (ii) such certification requirements will no longer apply to such transfers.

(f) **Transfers of interests in Legended Notes:** Transfers of Legended Notes or beneficial interests therein may be made:

- (i) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and, if such transfer is being made prior to expiry of the applicable Distribution Compliance Period, that the interests in the Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream; or
- (ii) to a transferee who takes delivery of such interest through a Legended Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
- (iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any state of the United States,

and, in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the legend, the Registrar shall deliver only Legended Notes or refuse to remove such legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

(g) **Exchanges and transfers of Registered Notes generally:** Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same type at any time.

- (h) **Definitions:** In these Conditions, the following expressions shall have the following meanings:

“Distribution Compliance Period” means the period that ends 40 days after the completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue);

“Legended Note” means Registered Notes (whether in definitive form or represented by a Registered Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A;

“QIB” means a “qualified institutional buyer” within the meaning of Rule 144A;

“Regulation S” means Regulation S under the Securities Act;

“Regulation S Global Note” means a Registered Global Note representing Notes sold outside the United States in reliance on Regulation S;

“Rule 144A” means Rule 144A under the Securities Act;

“Rule 144A Global Note” means a Registered Global Note representing Notes sold in private transactions to QIBs in accordance with the requirements of Rule 144A; and

“Securities Act” means the United States Securities Act of 1933, as amended.

3. STATUS OF THE NOTES AND THE GUARANTEE

- (a) **Status of the Notes:** The Notes and any related Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and (subject as aforesaid) rank and will rank *pari passu* without any preference among themselves, with all other present and future outstanding unsubordinated and unsecured obligations of the Issuer (subject to mandatorily preferred obligations under applicable laws).
- (b) **Status of the Guarantee:** The payment of principal and interest in respect of the Guaranteed Notes and any related Coupons has been irrevocably and unconditionally guaranteed by the Guarantor pursuant to the Guarantee. The obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and (subject as aforesaid) rank and will rank *pari passu* (subject to mandatorily preferred obligations under applicable laws) with all other present and future outstanding unsecured and unsubordinated obligations of the Guarantor.

4. NEGATIVE PLEDGE

- (a) **Negative Pledge:** So long as any of the Notes remains outstanding (as defined in the Agency Agreement) neither the Issuer nor the Guarantor (where applicable) will (unless previously authorised by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders) create or have outstanding any mortgage, charge, pledge, lien, encumbrance or other security interest (“Lien”) (other than a Permitted Lien) upon the whole or any part of its undertaking or assets (including uncalled capital), present or future, to secure any Quoted Indebtedness (as defined below) or any Qualifying Guarantee of such Quoted Indebtedness, unless in any such case the same security (or such other security as may be approved by an Extraordinary Resolution of the Noteholders) shall forthwith be extended equally and rateably to the Notes (or, in the case of a Lien securing any Quoted Indebtedness that is subordinated or junior in right of payment to the Notes or the Guarantee (where applicable), secured by a Lien on such property, assets or proceeds that is senior in priority to such Lien).

For the purpose of these Conditions and the Guarantee (where applicable):

- (i) “CNH Industrial Group” means CNH Industrial and its direct and indirect subsidiaries consolidated in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, including all interpretations issued by

the IFRS Interpretations Committee (“IFRS”) as adopted by the European Union (or, in the event that CNH Industrial prepares its consolidated financial statements solely in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) rather than IFRS as adopted by the European Union, consolidated in accordance with U.S. GAAP);

- (ii) “Financial Services Subsidiary” means a subsidiary of CNH Industrial:
 - (A) which carries on no material business other than the offer and sale of financial services products to customers of Members of the CNH Industrial Group (and other related support activities incidental to the offer and sale of such financial services products including, without limitation, input financing and the purchase and sale of equipment in connection with eqpower.com and rental business activities) in any of the following areas:
 - (1) retail financing for the purchase, contract hire or lease of new or old equipment manufactured by a Member of the CNH Industrial Group or any other manufacturer whose products are from time to time sold through the dealer network of a Member of the CNH Industrial Group;
 - (2) other retail and wholesale financing programmes reasonably related thereto, including, without limitation, financing to the dealer network of any Member of the CNH Industrial Group;
 - (3) insurance and credit card products and services reasonably related thereto, together with the underwriting, marketing, servicing and other related support activities incidental to the offer and sale of such financial services products; and
 - (4) licensed banking activities; or
 - (B) a holding company of a Financial Services Subsidiary which carries on no material business or activity other than holding shares in that Financial Services Subsidiary and/or activities described in paragraph (A) above;
- (iii) “Indebtedness” means any indebtedness (whether principal, premium or interest) for or in respect of (A) any notes, bonds, debenture stock, loan stock or other securities, (B) any Loan Financing, or (C) any liability under or in respect of any banker’s acceptance or banker’s acceptance credit; *provided*, that (x) Indebtedness of a Member of the CNH Industrial Group to any other Member of the CNH Industrial Group and (y) Indebtedness that qualifies as Non-recourse Securitisation Debt shall, in each case, not be deemed to be Indebtedness for purposes of this Condition 4(a) or any other purpose of these Conditions or the Guarantee (where applicable);
- (iv) “Industrial Subsidiary” means each subsidiary of CNH Industrial other than a Financial Services Subsidiary;
- (v) “Loan Financing” means any money borrowed from (A) a bank, financial institution, hedge fund, pension fund, or insurance company or (B) any other entity having as its principal business the lending of money and/or investing in loans, in each case other than public or quasi-public entities or international organisations with a public or quasi-public character;
- (vi) “Member of the CNH Industrial Group” means each of CNH Industrial and any direct or indirect subsidiaries it fully consolidates on a line-by-line basis in accordance with IFRS as adopted by the European Union (or U.S. GAAP, in the event that CNH Industrial prepares its consolidated financial statements solely in accordance with U.S. GAAP, rather than IFRS as adopted by the European Union);

- (vii) “Non-recourse Securitisation” means any securitisation, asset backed financing or transaction having similar effect under which an entity (or entities in related transactions) on commercially reasonable terms:
- (A) acquires receivables for principally cash consideration or uses existing receivables; and
 - (B) issues any notes, bonds, commercial paper, loans or other securities (whether or not listed on a recognised stock exchange) to fund the purchase of or otherwise backed by those receivables and/or any shares or other interests referred to in Condition 4(a)(ix)(C)(ii) and the payment obligations in respect of such notes, bonds, commercial paper, loans or other securities:
 - (1) are secured on those receivables; and
 - (2) are not guaranteed by any Member of the CNH Industrial Group (other than as a result of any Lien which is granted by any Member of the CNH Industrial Group as permitted by Condition 4(a)(ix)(C)(ii) or as to the extent of any Standard Securitisation Undertakings);
- (viii) “Non-recourse Securitisation Debt” means any Indebtedness incurred by a Securitisation Entity pursuant to a securitisation of receivables where the recourse in respect of that Indebtedness to the Issuer or the Guarantor (where applicable) is limited to:
- (A) those receivables and/or related insurance and/or any Standard Securitisation Undertakings; and
 - (B) if those receivables comprise all or substantially all of the business or assets of such Securitisation Entity, the shares or other interests of any Member of the CNH Industrial Group in such Securitisation Entity,
- provided* that any Indebtedness not qualifying as Non-recourse Securitisation Debt solely because the extent of recourse to any Member of the CNH Industrial Group with respect to such Indebtedness is greater than that provided in clauses (A) and (B) above shall only not qualify as Non-recourse Securitisation Debt with respect to the extent of such additional recourse;
- (ix) “Permitted Liens” means:
- (A) Liens existing on the Issue Date; or
 - (B) Liens arising by operation of law, by contract having an equivalent effect, from rights of set-off arising in the ordinary course of business between either the Issuer or the Guarantor (where applicable) and any of their respective suppliers or customers, or from rights of set-off or netting arising by operation of law (or by contract having similar effect) by virtue of the provision to the Issuer or the Guarantor (where applicable) of clearing bank facilities or overdraft facilities; or
 - (C) any Lien over:
 - (1) the receivables of a Securitisation Entity (and any bank account to which such proceeds are deposited) which are subject to a Non-recourse Securitisation as security for Non-recourse Securitisation Debt raised by such Securitisation Entity in respect of such receivables; and/or
 - (2) the shares or other interests owned by any Member of the CNH Industrial Group in any Securitisation Entity as security for Non-recourse Securitisation Debt raised by such Securitisation Entity *provided* that the receivables or revenues which are the subject of the relevant Non-recourse

Securitisation comprise all or substantially all of the business of such Securitisation Entity; or

- (D) any Liens on assets acquired by a Member of the CNH Industrial Group after the Issue Date, *provided* that (i) such Lien was existing or agreed to be created at or before the time the relevant asset was acquired by a Member of the CNH Industrial Group, (ii) such Lien was not created in contemplation of such acquisition, and (iii) the principal amount then secured does not exceed the principal amount of the committed financing then secured (whether or not drawn), with respect to such assets at the time the relevant asset was acquired by a Member of the CNH Industrial Group; or
- (E) any Lien created to secure all or any part of the purchase price, or to secure Quoted Indebtedness incurred or assumed to pay all or any part of the purchase price or cost of construction, of property (or any improvement thereon) acquired or constructed by the Issuer or the Guarantor (where applicable) after the Issue Date, *provided*, that (i) any such Lien shall extend solely to the item or items of property (or improvement thereon) so acquired or constructed and (ii) the principal amount of Quoted Indebtedness secured by any such Lien shall at no time exceed an amount equal to the fair market value of such property (or any improvement thereon) at the time of such acquisition or construction; or
- (F) any Lien securing Quoted Indebtedness incurred to refinance other indebtedness itself secured by a Lien included in clauses (A), (B), (D) or (E) above, but only if the principal amount of the Quoted Indebtedness is not increased and only the same assets are secured as were secured by the prior Lien; or
- (G) any Lien provided in favour of any bank or governmental (central or local), intergovernmental or supranational body, agency, department or other authority securing any Quoted Indebtedness of the Issuer or the Guarantor (where applicable) under a loan scheme operated by (or on behalf of) Banco Nacional de Desenvolvimento Economico e Social, Finame, Banco de Minas Gerais, a member country of the OECD, Argentina, Brazil, China, India, South Africa or any supranational entity (such as the European Bank for Reconstruction and Development or the International Finance Corporation) where the provision of such Lien is required for the relevant loan; or
- (H) (1) any Lien created on the shares of capital stock of a subsidiary, and (2) any Lien created on the assets of a subsidiary of the type described in Condition 4(a)(ix)(E) other than shares of capital stock of a subsidiary;
- (x) “Qualifying Guarantee” means a direct or indirectly guarantee in respect of any Indebtedness or a direct or indirect indemnity against the consequences of a default in the payment of any Indebtedness, other than, in each case, by endorsement of negotiable instruments, letters of credit or reimbursement agreements in the ordinary course of business;
- (xi) “Quoted Indebtedness” means any indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other securities and which at the time of issue is, or is capable of being, quoted, listed or ordinarily dealt in on any stock exchange or over-the-counter market or other securities market (whether or not initially distributed by means of a private placement);
- (xii) “Securitisation Entity” means any special purpose vehicle created for the sole purpose of carrying out, or otherwise used solely for the purpose of carrying out a Non-recourse Securitisation or any other Industrial Subsidiary which is effecting Non-recourse Securitisations; and

- (xiii) “Standard Securitisation Undertakings” means representations, warranties, covenants and indemnities entered into by any Member of the CNH Industrial Group from time to time which are customary in relation to Non-recourse Securitisations, including any performance undertakings with respect to servicing obligations or undertakings with respect to breaches of representations or warranties.
- (b) **Reports:** If CNH Industrial ceases to be listed on the New York Stock Exchange or any other stock exchange in the United States of America or the European Economic Area, CNH Industrial will furnish to the Noteholders so long as the Notes are outstanding, English language annual and quarterly reports containing financial information substantially similar in scope to that provided in the annual and quarterly reports published in The Netherlands in the financial year ended immediately prior to such cessation. For the avoidance of doubt, CNH Industrial shall not be required to provide any U.S. GAAP reconciled financial information in any reports it is required to provide pursuant to this Condition 4(b).

So long as the Notes are listed on the Irish Stock Exchange, any reports CNH Industrial provides pursuant to this Condition 4(b) will also be made available in Ireland through the office of the Paying Agent in Dublin.

5. INTEREST

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest from and including the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest payable in arrears on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (i) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise rounded in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

In these Conditions:

“Day Count Fraction” means, in respect of the calculation of an amount of interest, in accordance with this Condition 5(a):

- (i) if “**Actual/Actual (ICMA)**” is specified in the applicable Final Terms:
- (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest

Commencement Date) to (but excluding) the relevant payment date (the “Accrual Period”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

- (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
- (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;
- (ii) if “**30/360**” is specified in the applicable Final Terms, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date (such number of days being calculated on the basis of 12 30-day months) divided by 360; and
- (iii) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the Fixed Interest Period divided by 365;

“Determination Period” means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

“Fixed Interest Period” means the period from (and including) an Interest Payment Date or the Interest Commencement Date to (but excluding) the next (or first) Interest Payment Date; and

“sub-unit” means with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) **Interest on Floating Rate Notes:**

- (i) *Interest Payment Dates:* Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:
- (A) the Specified Interest Payment Date(s) (each an “Interest Payment Date”) in each year specified in the applicable Final Terms; or
 - (B) if no express Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an “Interest Payment Date”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a “Business Day Convention” is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the “**Floating Rate Convention**,” such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis*; or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (1) such Interest Payment Date shall be brought forward to the immediately preceding Business Day; and (2) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the “**Following Business Day Convention**,” such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the “**Modified Following Business Day Convention**,” such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the “**Preceding Business Day Convention**,” such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, “Business Day” means a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the applicable Final Terms; and
 - (B) either (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively); or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the “TARGET2 System”) is open; or (3) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets in Hong Kong are open for general business and settlement of payments in Renminbi.
- (ii) *Rate of Interest:* The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.
- (A) ISDA Determination for Floating Rate Notes

Where “ISDA Determination” is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), “ISDA Rate” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying

Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2000 ISDA Definitions, as amended and updated as at the Issue Date of the first Tranche of the Notes, published by the International Swaps and Derivatives Association, Inc. (the “ISDA Definitions”) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A), “Floating Rate,” “Calculation Agent,” “Floating Rate Option,” “Designated Maturity” and “Reset Date” have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(B) Screen Rate Determination for Floating Rate Notes

Where “Screen Rate Determination” is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears on the Relevant Screen Page as at 11:00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) or at 11:15 a.m. (Hong Kong time) or if, at or around that time it is notified that the fixing will be published at 2:30 p.m. (Hong Kong time), then as of 2:30 p.m. (Hong Kong time) (in the case of CNH HIBOR) (such time, the **Specified Time**) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement provides that, if the Relevant Screen Page is not available or if, in the case of (1) above, no offered quotation appears or, in the case of (2) above, fewer than three offered quotations appear, in each case as at the Specified Time, the Principal Paying Agent shall request the principal London office of each of the Reference Banks in the London inter-bank market (in the case of a determination of LIBOR), the principal Euro-zone office of each of the Reference Banks in the Euro-zone inter-bank market (in the case of a determination of EURIBOR), or the principal Hong Kong office of four major banks dealing in Renminbi in the Hong Kong inter-bank market (in the case of a determination of CNH HIBOR) to provide the Principal Paying Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent.

The Agency Agreement further provides that, if on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Principal Paying Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Eurozone inter-bank market (if the Reference Rate is EURIBOR) or leading banks dealing in Renminbi in the Hong Kong inter-bank market (if the Reference Rate is CNH HIBOR), plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is of are in the opinion of the relevant Issuer suitable for the purpose) informs the Principal Paying Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Eurozone inter-bank market (if the Reference Rate is EURIBOR) or leading banks dealing in Renminbi in the Hong Kong inter-bank market (if the Reference Rate is CNH HIBOR), plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

- (iii) *Minimum and/or maximum Rate of Interest:* If the applicable Final Terms specify a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

- (iv) *Determination of Rate of Interest and calculation of Interest Amounts:* The Principal Paying Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the “**Interest Amount**”) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(B) in the case of Floating Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

“Day Count Fraction” means, in respect of the calculation of an amount of interest for any Interest Period:

- (A) if “**Actual/365**” or “**Actual/Actual**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
 - (B) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
 - (C) if “**Actual/365 (Sterling)**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
 - (D) if “**Actual/360**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
 - (E) if “**30/360**,” “**360/360**” or “**Bond Basis**” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
 - (F) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of an Interest Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).
- (v) *Linear Interpolation*: Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest

Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Principal Paying Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

As used herein:

“Designated Maturity” means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

- (vi) *Notification of Rate of Interest and Interest Amounts:* The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed with notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression “London Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.
- (vii) *Certificates to be final:* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(b) by the Principal Paying Agent shall (in the absence of wilful default, bad faith, negligence or manifest error) be binding on the Issuer, the Guarantor (where applicable), the Principal Paying Agent, the other Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Guarantor (where applicable), the Noteholders or the Couponholders shall attach to the Principal Paying Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.
- (c) **Accrual of interest:** Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:
 - (i) the date on which all amounts due in respect of such Note have been paid; and
 - (ii) the date on which the full amount of the monies payable in respect of such Note has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 14.

6. PAYMENTS

(a) Method of payment

Subject as provided below:

- (i) payments in a Specified Currency other than euro and Renminbi will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively);

- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and
- (iii) payments in Renminbi will be made by a transfer to a Renminbi account maintained by or on behalf of the payee with a bank in Hong Kong.

Without prejudice to the provisions of Condition 8, payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in any jurisdiction, including (without limitation) any obligations pursuant to such laws or regulations to make a withholding or deduction for or on account of any taxes, duties or assessments of whatever nature, including, for the avoidance of doubt, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, the regulations thereunder, any official interpretations thereof, or any agreement, law, regulation or other official guidance implementing an intergovernmental approach thereto, and neither the Issuer nor the Guarantor (where applicable) will be liable to pay any additional amounts in the event of any such withholding or deduction.

- (b) **Presentation of definitive Bearer Notes and Coupons:** Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only (i) in the case of a definitive Bearer Note not held in the CMU Service, against presentation and surrender of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America or its possessions) or (ii) in the case of a definitive Bearer Note held in the CMU Service, to the person(s) for whose account(s) interest in the relevant definitive Bearer Note are credited as being held with the CMU Service in accordance with the prevailing CMU rules and procedures at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU Service in a relevant CMU Instrument Position Report or any relevant notification by the CMU Service, which notification shall be conclusive evidence of the records of the CMU Service (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

Fixed Rate Notes in definitive bearer form not held in the CMU Service (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive bearer form not held in the CMU Service becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A “Long Maturity Note” is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached)

whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

- (c) **Payments in respect of Bearer Global Notes:** Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note (i) in the case of a Bearer Global Note lodged with the CMU Service, to the person(s) for whose account(s) interests in the relevant Bearer Global Note are credited as being held by the CMU Service in accordance with the prevailing CMU rules and procedures at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU Service in a relevant CMU Instrument Position Report or any relevant notification by the CMU, which notification shall be conclusive evidence of the records of the CMU Service (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment, or (ii) in the case of a Bearer Global Note not lodged with the CMU Service, against presentation or surrender, as the case may be, of such Bearer Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be prima facie evidence that the payment in question has been made.
- (d) **Payments in respect of Registered Notes:** Payments of principal in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the “Register”) (i) where in global form, at the close of the business day (being for this purpose, in respect of Notes clearing through Euroclear and Clearstream, a day on which Euroclear and Clearstream are open for business and, in respect of Notes clearing through the CMU Service, a day on which the CMU Service is open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date (the “Principal Record Date”). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.\$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, “Designated Account” means the account (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account and, in the case of a payment in Renminbi, means the Renminbi account maintained by or on behalf of the payee with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment) maintained by a holder with a Designated Bank and identified as such in the Register and “Designated Bank” means (in the case of payment in a Specified Currency other than euro and Renminbi) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively), (in the case of a payment in euro) any bank which processes payments in euro, and (in the case of a payment in Renminbi) a bank in Hong Kong that settles payments in Renminbi.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made (A) in the case of payments of interest in a Specified Currency other than Renminbi, by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the relevant due date (or, if the relevant due date is not a business day in the city where the specified office of the Registrar is located, on the following such business day) to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at his address shown in the Register on the Interest Record Date (as defined below) and at his risk; or (B) in the case of payments of interest in Renminbi, by transfer to the registered account of the payee, in each case (i) where in global form, at the close of the business day (being for this purpose, in respect of Notes clearing through Euroclear and Clearstream, a day on which Euroclear and Clearstream are open for business and, in respect of Notes clearing through the CMU Service, a day on which the CMU Service is open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifth day (in the case of Renminbi) or on the fifteenth day (in the case of a Specified Currency other than Renminbi, whether or not such fifteenth day is a business day) before the relevant due date (the “Interest Record Date” and each of the Principal Record Date and the Interest Record Date, a “Record Date”). Upon application of the holder to the specified office of the Registrar (1) not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, or (2) where such Registered Note is in global form, on the Interest Record Date, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

In the case of definitive Registered Notes or Registered Notes in global form held through the CMU Service, payments of principal and interest in respect of such Notes will be made at the direction of the registered holder to the person(s) for whose account(s) interests in such Registered Note are credited as being held through the CMU Service in accordance with prevailing CMU rules and procedures at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU Service in a relevant CMU Instrument Position Report or any other relevant notification by the CMU Service (which notification, in either case, shall be conclusive evidence of the records of the CMU Service as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligation of the relevant Issuer in respect of that payment under such Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

All amounts payable to DTC or its nominee as registered holder of a Registered Global Note in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for payment in such Specified Currency for conversion into U.S. dollars in accordance with the provisions of the Agency Agreement.

None of the Issuer, the Guarantor (where applicable) or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

- (e) **General provisions applicable to payments:** The holder of a Global Note (if the Global Note is not lodged with the CMU Service) or (if the Global Note is lodged with the CMU Service) the person(s) for whose account(s) interests in such Global Note are credited as being held through the CMU in accordance with the prevailing CMU rules and procedures as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Instrument Position Report or any other relevant notification by CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error) shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantor (where applicable) will be discharged by payment to, or to the order of, the holder of such Global Note or such other person(s) for whose account(s) interests in such Global Note are credited as being held in the CMU Service, as the case may be, in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, DTC or the CMU Service as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, DTC, or the CMU Service, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantor (where applicable) to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if: (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due; (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantor (where applicable), adverse tax consequences to the Issuer or the Guarantor (where applicable).

- (f) **Payment Day:** If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “Payment Day” means any day which (subject to Condition 9) is:
- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) in the case of Notes in definitive form only, the relevant place of presentation;
 - (B) in the case of CMU Notes, Hong Kong;
 - (C) any Additional Financial Centre specified in the applicable Final Terms; and
 - (D) *where the Issuer is CNH Industrial, London and where the Issuer is CIFE, Luxembourg;*
 - (ii) either (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively; (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open; or (3) in relation to any

sum payable in Renminbi, a day on which (i) commercial banks and foreign exchange markets in Hong Kong are open for general business and settlement of payments in Renminbi; and (ii) if a Registered Note representing the Notes is lodged with the CMU Service, the CMU Service is operating; and

(iii) in the case of any payment in respect of a Registered Global Note denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Note) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

(g) **Interpretation of principal and interest:** Any reference in these Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 8;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 7(e)); and
- (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8.

(h) **Payment of Alternative Currency Equivalent:** Notwithstanding the foregoing, where Alternative Currency Equivalent is specified in the applicable Final Terms as being applicable to a Series of Notes, if by reason of Inconvertibility, Non-transferability or Illiquidity the relevant Issuer or, in the case of Guaranteed Notes, the Guarantor, as the case may be, is unable to satisfy payments of principal or interest in respect of Notes when due in the Specified Currency, the relevant Issuer or, in the case of Guaranteed Notes, the Guarantor, as the case may be, shall, on giving to Noteholders, in accordance with Condition 14, not less than five nor more than 30 days' irrevocable notice prior to the due date for payment that it will make payment in the Alternative Currency, settle any such payment in the Alternative Currency on the due date at the Alternative Currency Equivalent of any such amount. Any payment made in the Alternative Currency under such circumstances will constitute valid payment in satisfaction of the relevant Issuer's or Guarantor's (as the case may be) obligations for such payment, and will not constitute a default in respect of the Notes. Notwithstanding the foregoing, if the relevant Inconvertibility, Non-transferability or Illiquidity event occurs within five days before the relevant due date for payment then such notice shall be given as soon as practicable and whether on or prior to the due date for payment.

As used herein:

"Alternative Currency" means the currency specified as such in the applicable Final Terms (or any lawful successor currency to that currency);

"Alternative Currency Calculation Agent" means (i) in the case of CMU Notes denominated in Renminbi, Citicorp International Limited (or any lawful successor thereto) unless otherwise specified in the applicable Final Terms; and (ii) in the case of all other Notes, the Alternative

Currency Calculation Agent specified in the applicable Final Terms (or any lawful successor thereto);

“Alternative Currency Equivalent” means in respect of an amount denominated in the Specified Currency such amount converted into the Alternative Currency using the Spot Rate or, where the Specified Currency is Renminbi and the Alternative Currency is U.S. dollars, the RMB Spot Rate, in each case for the relevant Rate Calculation Date, all as determined by the Alternative Currency Calculation Agent;

“Governmental Authority” means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of the Specified Currency Jurisdiction;

“Illiquidity” means, with respect to the payment of any sum, foreign exchange markets for the Specified Currency becoming illiquid as a result of which it is impossible (as determined by the relevant Issuer or, in the case of Guaranteed Notes, the Guarantor, acting in good faith and in a commercially reasonable manner (and in the case of Notes denominated in Renminbi, following consultation with two independent foreign exchange dealers of international repute active in the Renminbi exchange market in Hong Kong reasonably selected by the relevant Issuer or (in the case of Guaranteed Notes) the Guarantor, as the case may be)), or commercially impracticable for the relevant Issuer or (in the case of Guaranteed Notes) the Guarantor, as the case may be, to obtain a sufficient amount of the Specified Currency in order to satisfy its obligation to pay such sum in respect of the Notes or (in the case of Guaranteed Notes) under the Guarantee, as the case may be;

“Inconvertibility” means, with respect to the payment of any sum, the occurrence of any event that makes it impossible or commercially impracticable for the relevant Issuer, or (in the case of Guaranteed Notes) the Guarantor, as the case may be, to convert any amount due in the foreign exchange markets for the Specified Currency, other than where such impossibility or impracticability is due solely to the failure of the relevant Issuer, or (in the case of Guaranteed Notes) the Guarantor, as the case may be, to comply with any law, rule or regulation enacted by any relevant Governmental Authority (unless such law, rule or regulation becomes effective on or after the date on which agreement is reached to issue the first Tranche of a Series of Notes and it is impossible or commercially impracticable for the relevant Issuer, or (in the case of Guaranteed Notes) the Guarantor, as the case may be, due to an event beyond its control, to comply with such law, rule or regulation);

“Non-deliverable Spot Rate Screen Page” means the relevant screen page specified as such in the applicable Final Terms;

“Non-transferability” means, with respect to the payment of any sum, the occurrence of any event that makes it impossible or commercially impracticable for the relevant Issuer or (in the case of Guaranteed Notes) the Guarantor, as the case may be, to transfer the Specified Currency in respect of such sum between accounts inside the Specified Currency Jurisdiction or between an account inside the Specified Currency Jurisdiction and an account outside the Specified Currency Jurisdiction, other than where such impossibility or impracticability is due solely to the failure of the relevant Issuer or (in the case of Guaranteed Notes) the Guarantor, as the case may be, to comply with any law, rule or regulation enacted by any relevant Governmental Authority (unless such law, rule or regulation becomes effective on or after the date on which agreement is reached to issue the first Tranche of a Series of Notes) and it is impossible or commercially impracticable for the relevant Issuer, or (in the case of Guaranteed Notes) the Guarantor, as the case may be, due to an event beyond its control, to comply with such law, rule or regulation;

“Rate Calculation Business Day” means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for general business (including dealings in foreign exchange) in the Rate Calculation Jurisdiction;

“Rate Calculation Date” means (i) the day which is the number of Rate Calculation Business Days specified in the applicable Final Terms (which shall be two Rate Calculation Business Days where the Specified Currency is Renminbi) before the due date of the relevant amount under these Conditions or (ii) if the relevant Spot Rate is not available on such day, the last preceding Rate Calculation Business Day on which the relevant Spot Rate was most recently available, as determined by the Alternative Currency Calculation Agent;

“Rate Calculation Jurisdiction” means the jurisdiction(s) specified in the applicable Final Terms, which shall be the Eurozone where the Specified Currency is euro or Hong Kong where the Specified Currency is Renminbi;

“RMB Spot Rate,” for a Rate Calculation Date, means the spot Renminbi/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement on the due date for payment, as determined by the Alternative Currency Calculation Agent at or around 11.00 a.m. (Hong Kong time) on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Alternative Currency Calculation Agent will determine the spot rate at or around 11.00 a.m. (Hong Kong time) on the Rate Calculation Date as the most recently available Renminbi/U.S. dollar official fixing rate for settlement on the due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate;

“Specified Currency Jurisdiction” means (i) other than in the case of euro or Renminbi, the primary jurisdiction for which the Specified Currency is the lawful currency, (ii) in the case of euro, the Eurozone or (iii) in the case of Renminbi, Hong Kong;

“Spot Rate,” for a Rate Calculation Date, means the spot exchange rate for the purchase of the Alternative Currency with the Specified Currency in the over-the-counter foreign exchange market for the Specified Currency for settlement on the due date for payment in the Specified Currency Jurisdiction for settlement as a “spot” foreign exchange transaction in such market, as determined by the Alternative Currency Calculation Agent at or around the Spot Rate Calculation Time specified in the applicable Final Terms (Specified Currency Jurisdiction time or, in the case of euro, Central European time) on a deliverable basis by reference to the Spot Rate Screen Page (the “Spot Rate Screen Page”) as specified in the applicable Final Terms, or if no such rate is available, on a non-deliverable basis by reference to the Non-deliverable Spot Rate Screen Page (the “Non-deliverable Spot Rate Screen Page”) as specified in the applicable Final Terms. Unless specified otherwise in the applicable Final Terms, if neither rate is available, the Alternative Currency Calculation Agent will determine the Spot Rate in its discretion on the Rate Calculation Date at or around the Spot Rate Calculation Time (Specified Currency Jurisdiction time or, in the case of euro, Central European time) taking into consideration all available information which the Alternative Currency Calculation Agent deems relevant, including, without limitation, pricing information obtained from any other deliverable or non-deliverable foreign exchange market for the purchase of the Alternative Currency with the Specified Currency for settlement on the due date for payment as a “spot” foreign exchange transaction in or in relation to the relevant market; and

“Spot Rate Screen Page” means the relevant screen page specified as such in the applicable Final Terms.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(h) by the relevant Issuer, the Guarantor (where applicable) or the Alternative Currency Calculation Agent, as the case may be, will (in the absence of wilful default, bad faith or manifest error) be

binding on the relevant Issuer, the Guarantor (where applicable), the Agents and all Noteholders and (in the absence of wilful default or bad faith) no liability to the relevant Issuer, the Guarantor (where applicable), the Agents and all Noteholders shall attach to the Alternative Adjudication Currency Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

7. REDEMPTION AND PURCHASE

(a) **Redemption at maturity:** Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

(b) **Redemption for tax reasons:**

(i) The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Principal Paying Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if:

(A) either the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 or the Guarantor (where applicable) would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws, regulations or rulings of the Relevant Tax Jurisdiction or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

(B) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor (where applicable) taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor (in the case of Guaranteed Notes) would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 7(b), the Issuer or, as the case may be, the Guarantor (where applicable) shall deliver to the Principal Paying Agent (i) a certificate signed by one director of the Issuer or, as the case may be, one director of the Guarantor (where applicable) stating that the Issuer or, as the case may be, the Guarantor (where applicable) is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer or, as the case may be, the Guarantor (where applicable) so to redeem have occurred, and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor (where applicable) has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 7(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

“Relevant Tax Jurisdiction” shall mean The Netherlands and the United Kingdom (*where the Issuer is CNH Industrial*) or the Grand-Duchy of Luxembourg (*where the Issuer is CIFE*) or any political subdivision or any authority thereof or therein having power to tax and, in the case of Guaranteed Notes, shall also include The Netherlands

and the United Kingdom and any political subdivision or any authority thereof or therein having power to tax.

(c) **Redemption at the option of the Issuer (“Issuer Call”):** If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given:

- (i) not less than 15 nor more than 30 days’ notice to the Noteholders in accordance with Condition 14; and
- (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Principal Paying Agent and, in the case of a redemption of Registered Notes, the Registrar,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) described below or as otherwise specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount at least equal to the Minimum Redemption Amount and not greater than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed (“Redeemed Notes”) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/ or Clearstream and/or DTC and/or the CMU Service, as the case may be, in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the “Selection Date”). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes or represented by a Global Note shall in each case bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding and Notes outstanding represented by such Global Note, respectively, bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that, if necessary, appropriate adjustments shall be made to such nominal amounts to ensure that each represents an integral multiple of the Specified Denomination. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least five days prior to the Selection Date.

The Optional Redemption Amount will either be the amount specified in the applicable Final Terms or, if “As set out in Condition 7(c)” is specified as being applicable in the applicable Final Terms, an amount equal to 100 percent of the principal amount of such Notes together (if appropriate) with interest accrued to (but excluding) the date of redemption, plus the Applicable Premium.

In these Conditions:

“Applicable Premium” means, with respect to the relevant Note(s) on any redemption date, the greater of:

- (i) 1.0 percent of the principal amount of such Note(s); or
- (ii) the excess of:
 - (A) the present value at such redemption date of (i) the principal amount of such Note(s) at maturity plus (ii) all required interest payments due on such Note(s) through the Maturity Date indicated in the relevant Final Terms, (excluding

accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 0.50 percent; over

(B) the principal amount of such Note(s), if greater.

“Bund Rate” means, with respect to any relevant date, the rate per annum equal to the equivalent yield to maturity as of such date of the Comparable German Bund Issue, (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such relevant date, where:

- (i) **“Comparable German Bund Issue”** means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to the Maturity Date indicated in the relevant Final Terms, and that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro-denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Notes, and of a maturity most nearly equal to the Maturity Date indicated in the relevant Final Terms; provided, however, that, if the period from such redemption date to the Maturity Date indicated in the relevant Final Terms is less than one year, a fixed maturity of one year shall be used;
 - (ii) **“Comparable German Bund Price”** means, with respect to any relevant date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations or, if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;
 - (iii) **“Reference German Bund Dealer”** means any dealer of German Bundesanleihe securities appointed by the Issuer; and
 - (iv) **“Reference German Bund Dealer Quotations”** means, with respect to each Reference German Bund Dealer and any relevant date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at or about 3.30 p.m. Frankfurt time, on the third business day (being for this purpose a day on which banks are open for business in Frankfurt and London) preceding the relevant date.
- (d) **Redemption at the option of the Noteholders (“Investor Put”):** If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days’ notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not, in the case of a Bearer Note in definitive form, in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount (each as specified in the applicable Final Terms) together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 7(d) in any multiple of their lowest Specified Denomination.

If this Note is in definitive form, to exercise the right to require redemption of this Note, the holder of this Note must deliver this Note at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a “Put Notice”) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof

to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2(b).

Any Put Notice given by a holder of any Note pursuant to this Condition 7(d) shall be irrevocable except where prior to the due date for redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 7(d) and instead to declare such Note forthwith due and payable pursuant to Condition 10.

(e) **Early Redemption Amounts:** For the purpose of paragraph (b) above and Condition 10, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (ii) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (iii) in the case of a Zero Coupon Note, at an amount (the “Amortised Face Amount”) calculated in accordance with the following formula:

Early Redemption Amount = $RP \times (1 + AY)^y$ where:

“*RP*” means the Reference Price;

“*AY*” means the Accrual Yield expressed as a decimal; and

“*y*” is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360); or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360); or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

(f) **Purchases:** The Issuer, the Guarantor (where applicable) or any of their respective subsidiaries may at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmaturing Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer or the Guarantor (where applicable), surrendered to any Paying Agent and/or the Registrar for cancellation.

(g) **Cancellation:** All Notes which are redeemed will forthwith be cancelled (together with all unmaturing Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to

paragraph (f) above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

- (h) **Late payment on Zero Coupon Notes:** If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:
- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
 - (ii) the date on which the full amount of the monies payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 14.
- (i) **Repurchase at the Option of Noteholders-Change of Control:** If a Change of Control occurs, the holder of any Note will have the right to require the Issuer thereof to repurchase all (but not, in the case of a Bearer Note in definitive form, any part) of such Note pursuant to a Change of Control Offer. Registered Notes may be repurchased under this Condition 7(i) in any multiple of their lowest Specified Denomination. In the Change of Control Offer, the relevant Issuer will offer a payment in cash equal to 101 percent of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest, if any, to the date of purchase (the "Change of Control Payment"). Within thirty (30) days following any Change of Control, the Issuer will give notice to each holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the payment date specified in the notice (the "Change of Control Payment Date"), which date will be no earlier than 30 days and no later than 60 days from the date such notice is given to Noteholders in accordance with Condition 14.

The Issuer will comply with any applicable securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with this provision, the relevant Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this provision by virtue of such compliance.

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

- (i) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;
- (ii) deposit with the Principal Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and
- (iii) deliver or cause to be delivered for cancellation the Notes properly accepted together with an officers' certificate of the relevant Issuer stating the aggregate principal amount of Notes or portions of Notes being purchased by the relevant Issuer.

If the Note is in definitive form, to exercise the right to require repurchase of the Note the holder of the Note must deliver this Note at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar, within the notice period, accompanied by a duly completed and signed acceptance notice in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (an "Acceptance Notice") and in which the holder must specify a bank

account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2(b).

Any Acceptance Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date for redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead declare such Note forthwith due and payable pursuant to Condition 10.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth herein applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer.

In these Conditions, the following expressions shall have the following meanings:

“Change of Control” means the occurrence of both (i) an event described in clauses (A) or (B) below and (ii) a Rating Decline:

- (A) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any “person” (as that term is used in Section 13(d) of the Exchange Act), other than one or more Related Parties, becomes the beneficial owner, directly or indirectly, of more than 50 percent of the Voting Stock of CNH Industrial measured by voting power rather than number of shares; or
- (B) the stockholders of the Guarantor (where applicable) or the Issuer approve any plan of liquidation or dissolution of the Guarantor (where applicable) or the Issuer, as the case may be, other than in connection with a merger, consolidation or other form of combination while the Issuer or Guarantor (where applicable) is solvent with another company where such company, in the case of the Issuer, assumes all obligations of the Issuer under the Notes and, in the case of the Guarantor (where applicable), assumes all obligations of the Guarantor under the Guarantee and where such merger, consolidation or other combination does not have the effect of or result in an event described in paragraph (A) above,

“Change of Control Offer” means the offer to repurchase the Notes following a Change of Control as further described above;

“Person” means any individual, group, company, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organisation, limited liability company or government or other entity;

“Rating Date” means (i) the date one business day (being for this purpose a day on which banks are open for business in London) prior to the occurrence of an event specified in clause (A) or (B) of the definition of Change of Control or, if applicable, and only with respect to the type of transaction specified in clause (A) of the definition of Change of Control, the date one business day before the first public announcement of a definitive agreement with respect to such transaction and (ii) in the event that a Rating Agency has announced a Rating Decline of the Notes within 90 days prior to the occurrence of an event specified in clause (A) or (B) of the definition of Change of Control or, if applicable, and only with respect to the type of transaction specified in clause (A) of the definition of Change of Control, within 90 days before the first public announcement of a definitive agreement with respect to such transaction, and

the official statement issued by a Rating Agency announcing the Rating Decline refers to such event or transaction as a reason for such downgrade, the date one business day prior to such announcement by a Rating Agency;

“Rating Agency” means Moody’s or Standard & Poor’s (each as herein defined), or, if either such entity ceases to rate the Notes for reasons outside of the control of the Guarantor (where applicable) or the relevant Issuer, the equivalent investment grade credit rating from any other “nationally recognised statistical rating organisation” within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act;

“Rating Decline” means the occurrence on any date within the 60-day period following the occurrence of the event specified in clauses (A) or (B) of the definition of a Change of Control (which period shall be extended so long as during such period any rating of the Notes is under publicly announced consideration for possible downgrade by a Rating Agency, provided that such extension shall not be for more than 30 days) of: (i) in the event the Notes are rated by any Rating Agency on the Rating Date below investment grade, the rating of the Notes by such Rating Agency within such period being at least one rating category below the rating of the Notes by such Rating Agency on the Rating Date, (ii) in the event the Notes are rated by any Rating Agency on the Rating Date as investment grade, the rating of the Notes within such period by such Rating Agency being (1) at least two rating categories below the rating of the Notes by such Rating Agency on the Rating Date or (2) below investment grade or (iii) the Notes not being rated by any Rating Agency. In determining how many rating categories the rating of the Notes has decreased, gradation will be taken in account (e.g., with respect to Standard & Poor’s, a decline in a rating from BB+ to BB, or from BB to BB-, will constitute a decrease of one rating category);

“Related Party” means (i) each of the owners and beneficial holders of interests in Giovanni Agnelli & C. S.A.p.A. at the Issue Date and each of their spouses, heirs, legatees, descendants and blood relatives to the third degree, (ii) Giovanni Agnelli & C. S.A.p.A. or (iii) any Person directly or indirectly under the Control of Giovanni Agnelli & C. S.A.p.A. For the purposes of this definition, the term “Control” means (1) the direct or indirect ownership (beneficial or otherwise) of more than 50 percent of the Voting Stock of a Person measured by voting power rather than number of shares or (2) the power to appoint or remove all or the majority of the directors or other equivalent officers of a Person; and

“Voting Stock” of any Person as of any date means the capital stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

8. TAXATION

All amounts payable in respect of the Notes and Coupons by the Issuer or the Guarantor (where applicable), as the case may be, will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed, withheld or levied by or on behalf of the Relevant Tax Jurisdiction (as defined in Condition 7(b)), unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor (where applicable) will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction except as follows:

- (a) **Where the Issuer is CNH Industrial, or where payment is made pursuant to the Guarantee (in which case no additional amounts shall be paid in circumstances where the conditions set forth in (i) to (vii) of this Condition 8(a) apply nor in circumstances where the conditions set forth in Condition 8(b) apply):**

No such additional amounts shall be payable with respect to any Note or Coupon:

- (i) presented for payment in The Netherlands or the United Kingdom; or

- (ii) to, or to a third party on behalf of, a holder who is liable to those taxes or duties by reason of his having some connection with the Relevant Tax Jurisdiction other than the mere holding of the Note or Coupon or the receipt of principal or interest in respect of it or, in the case of a payment made pursuant to the Guarantee only, the mere crediting of Underlying Notes (as defined in the Deed of Covenant) to its securities account with the relevant clearing system; or
- (iii) to a holder who is able to avoid the withholding by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (iv) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to additional amounts on presenting the same for payment on the last day of such 30-day period assuming that day to have been a Payment Day; or
- (v) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC (as the same may be amended from time to time) or any law implementing or complying with, or introduced in order to conform to or as a consequence of, such Directive; or
- (vi) presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a member state of the European Union; or
- (vii) where such withholding or deduction is made for or on account of any tax, assessment or other governmental charge that would not have been imposed but for a failure by the holder or beneficial owner, or any financial institution (other than any Paying Agent) through which the holder or beneficial owner holds any Note or through which payment on the Note is made, to enter into or comply with an agreement described in Section 1471(b)(1) of the Code and the regulations thereunder or otherwise comply with Sections 1471 through 1474 of the Code, the regulations thereunder, any official interpretations thereof or any agreement, law, regulation, or other official guidance implementing an intergovernmental approach thereto.

(b) Where the Issuer is CIFE:

No such additional amounts shall be payable with respect to any Note or Coupon:

- (i) presented for payment in Luxembourg; or
- (ii) to, or to a third party on behalf of, a holder who is liable to those taxes or duties in respect of that Note or Coupon by reason of his having some connection with the Relevant Tax Jurisdiction other than the mere holding of the Note or Coupon or the receipt of principal or interest in respect of it; or
- (iii) to a holder who is able to avoid the withholding by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (iv) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to additional amounts on presenting the same for payment on the last day of such 30-day period, assuming that day to have been a Payment Day; or
- (v) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC (as the same may be amended from time to time) or any law implementing or complying with, or introduced in order to conform to or as a consequence of, such Directive; or

- (vi) presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a member state of the European Union; or
- (vii) where such withholding or deduction is made for or on account of any tax, assessment or other governmental charge that would not have been imposed but for a failure by the holder or beneficial owner, or any financial institution (other than any Paying Agent) through which the holder or beneficial owner holds any Note or through which payment on the Note is made, to enter into or comply with an agreement described in Section 1471(b)(1) of the Code and the regulations thereunder or otherwise comply with Sections 1471 through 1474 of the Code, the regulations thereunder, any official interpretations thereof, or any agreement, law, regulation, or other official guidance implementing an intergovernmental approach thereto.

As used in these Conditions, “Relevant Date,” in respect of any payment, means the date on which that payment first becomes due but, if the full amount of the monies payable has not been received by the Principal Paying Agent on or before the due date, it means the date on which, the full amount of those monies having been so received, notice to that effect has been duly given to the relevant Noteholders in accordance with Condition 14.

9. PRESCRIPTION

The Notes (whether in bearer or registered form) and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6(b) or any Talon which would be void pursuant to Condition 6(b).

10. EVENTS OF DEFAULT

If any of the following events (each an “Event of Default”) shall occur:

- (i) there is a default for more than 14 days after the date when due in the payment of principal or interest (if any) due in respect of the Notes; or
- (ii) there is default in the performance of any other obligation under the Agency Agreement, the Notes or the Guarantee (where applicable) (a) which is incapable of remedy or (b) which, being a default capable of remedy, continues for 30 days after written notice of such default has been given through the Principal Paying Agent by the holder of any Note to the Issuer and the Guarantor (where applicable); or
- (iii) any final order shall be made by any competent court or other authority or resolution passed by the Issuer or the Guarantor (where applicable) for the dissolution or winding-up of the Issuer or the Guarantor (where applicable) or for the appointment of a liquidator, receiver or trustee of the Issuer or the Guarantor (where applicable) or of all or a substantial part of their respective assets, provided that there shall be no Event of Default in the case of an order or resolution passed for the liquidation or dissolution of the Issuer or the Guarantor (where applicable), as the case may be, to the extent that (a) such an order or resolution is in connection with a merger, consolidation or any other form of combination while the Issuer or Guarantor (where applicable) is solvent with another company and such company, in the case of the Issuer, assumes all obligations of the Issuer under the Notes and, in the case of the Guarantor (where applicable), assumes all obligations of the Guarantor under the Guarantee, or (b) the Issuer has made a Change of Control Offer and repurchased the Notes from Noteholders following a Change of Control; or
- (iv) the Issuer or the Guarantor (where applicable) shall stop payment or shall be unable to, or shall admit to creditors generally its inability to pay its debts as they fall due, or shall be finally

adjudicated or found bankrupt or insolvent, or shall enter into any composition or other arrangement with its creditors generally or, where CIFE is the Issuer, the Issuer shall apply for controlled management (*gestion contrôlée*) or reprieve from payment (*sursis de paiement*); or

- (v) the Issuer or the Guarantor (where applicable) ceases, or threatens to cease, to carry on business unless such cessation, or threatened cessation, is in connection with a merger, consolidation or any other form of combination with another company and such company, in the case of the Issuer, assumes all obligations of the Issuer under the Notes and, in the case of the Guarantor (where applicable), assumes all obligations of the Guarantor under the Guarantee; or
- (vi) in the case of Guaranteed Notes only, the Issuer ceases to be controlled directly or indirectly by the Guarantor, for which purpose the Guarantor shall be deemed to control the Issuer only if the Guarantor directly or indirectly, through one or more companies controlled by it within the meaning of this definition, (a) owns more than 50 percent of the voting share capital of the Issuer; or (b) has power to appoint or remove more than 50 percent of the board of directors (or other similar senior supervisory body) of the Issuer; or
- (vii) there shall have occurred a default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness of the relevant Issuer, the Guarantor (where applicable) or any Material Subsidiary (as defined below in this Condition 10) (or the payment of which is guaranteed by the relevant Issuer, the Guarantor (where applicable) or any such Material Subsidiary) which default (A) is caused by a failure to pay the principal, interest or premium, if any, of any such Indebtedness (including without limitation a such failure under any called but unpaid guarantee issued or given by the Issuer, the Guarantor (where applicable) or any such Material Subsidiary in respect of any such Indebtedness) whether in the case of a repayment at maturity, a mandatory prepayment or otherwise, in each case after any applicable grace period provided in such Indebtedness or guarantee on the date of such failure (each such failure being a “payment default”), which payment default has not been validly waived in accordance with the terms of such Indebtedness or guarantee and applicable law, provided that the amount unpaid pursuant to such payment default, together with the amount unpaid pursuant to any other such payment default that has not been so waived or has not been otherwise validly cured aggregates €100,000,000 or (B) results in the acceleration of such Indebtedness prior to its express maturity, and such acceleration has not been validly waived in accordance with the terms of such Indebtedness and applicable law, provided that the principal amount of such Indebtedness so accelerated, together with the principal amount of any such other Indebtedness the maturity of which has been so accelerated and has not been waived or otherwise validly cured, aggregates €250,000,000; or
- (viii) in the case of Guaranteed Notes only, the Guarantee shall be held in any judicial proceeding (in each case being a judgment or order from which no further appeal or judicial review is permissible under applicable law) to be unenforceable or invalid or shall cease for any reason to be in full force and effect or the Guarantor shall deny or disaffirm its obligations under the Guarantee, as the case may be,

then any holder of a Note may, by written notice to the Issuer at the specified office of the Principal Paying Agent, effective upon the date of receipt thereof by the Principal Paying Agent, declare any Notes held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 7(e)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

For the purposes of this Condition 10, the term “Material Subsidiary” means (A) any Member of the CNH Industrial Group the total assets of which on a stand-alone basis (excluding intra-Group items and as determined from the entity’s most recent financial data used by CNH Industrial in the preparation of its most recent audited consolidated financial statements, prepared in accordance with IFRS as adopted by the European Union or, in the event that the CNH Industrial Group prepares its

consolidated financial statements solely in accordance with U.S. GAAP, in accordance with U.S. GAAP) constitutes five percent or more of the consolidated total assets of the CNH Industrial Group (as determined from CNH Industrial's most recent audited consolidated financial statements, prepared either in accordance with IFRS as adopted by the European Union or, in the event that the CNH Industrial Group prepares its consolidated financial statements solely in accordance with U.S. GAAP, in accordance with U.S. GAAP); (B) any Treasury Subsidiary or (C) any entity under the direct or indirect Control of CNH Industrial that directly or indirectly Controls a subsidiary that meets the requirements of the preceding clauses (A) or (B), *provided* that if any such entity Controls such a subsidiary only pursuant to the aggregate ownership test specified in the provisions to clause (1) of the definition of "Control," "Controls" or "Controlled" below, then, and only then, the Issuer and CNH Industrial shall have the right to designate which such entities shall be deemed to so Control such a subsidiary *provided* that, in each case, such designated entities Control in the aggregate more than 50 percent of the relevant subsidiary's Voting Stock. For purposes of this definition of "Material Subsidiary," (i) the term "Control," "Controls" or "Controlled" means (1) the direct or indirect ownership (beneficial or otherwise) of more than 50 percent of the Voting Stock of a Person measured by voting power rather than number of shares, *provided* that to the extent that no single entity directly owns more than 50 percent of the Voting Stock of a Person, entities with aggregate direct or indirect ownership of more than 50 percent of the Voting Stock of a Person will be deemed to Control such Person or (2) the power to appoint or remove all or the majority of the directors or other equivalent officers of a Person and (ii) no Financial Services Subsidiary shall be considered or deemed to be a Material Subsidiary. Notwithstanding the foregoing, a subsidiary shall be considered or deemed to be a Material Subsidiary only to the extent that such is located or domiciled in an OECD Country (or, to the extent that the Organisation for Economic Co-operation and Development or a successor organisation no longer exists, the countries that were members of the relevant organisation on the date such organisation ceased to exist).

For purposes of this Condition 10, the term "OECD Country" means a country that is member of the Organisation for Economic Co-operation and Development or any successor organisation at the time of the occurrence of a payment default or acceleration specified in clause (vii) of this Condition 10 (or, to the extent that the Organisation for Economic Co-operation and Development or a successor organisation no longer exists, at the time the relevant organisation ceased to exist).

For purposes of this Condition 10, "Treasury Subsidiary" means (A) CNH Industrial Finance Europe S.A. and (B) any other subsidiary of CNH Industrial the primary purpose of which is borrowing funds, issuing securities or incurring Indebtedness. For the avoidance of doubt, "Treasury Subsidiary" does not, and shall not be deemed to, include any Financial Services Subsidiary.

11. REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

12. AGENTS

The names of the initial Agents and their initial specified offices are set out below. If any additional Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer and/or the Guarantor (where applicable) is/are entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent, a Registrar and, in the case of CMU Notes, a CMU Lodging and Paying Agent;

- (b) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent, which may be the Principal Paying Agent (in the case of Bearer Notes) or, in the case of CMU Notes, a CMU Lodging and Paying Agent and a Transfer Agent, which may be the Registrar (in the case of Registered Notes), with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange;
- (c) each of the Issuer and the Guarantor (where applicable) will ensure that it maintains a Paying Agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC (as amended from time to time) or any law implementing or complying with, or introduced in order to conform to such Directive; and
- (d) there will at all times be a Paying Agent in a jurisdiction within Europe, other than or in addition to (i) the jurisdiction in which the relevant Issuer or the Guarantor (in the case of Guaranteed Notes) is incorporated, and (ii) where CNH Industrial is the Issuer or Guarantor in respect of an issuance of Notes, the United Kingdom.

In addition, the Issuer and/or the Guarantor (in the case of Guaranteed Notes) shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6(e). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency or where an Agent is an FFI and does not become, or ceases to be, a Participating FFI or a Registered Deemed-Compliant FFI, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and the Guarantor (where applicable) and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

As used herein:

“FFI” (a “foreign financial institution”) means an FFI as defined in U.S. Treasury Regulations section 1.1471-1(b)(42);

“Participating FFI” means a participating FFI as defined in U.S. Treasury Regulations section 1.1471-1(b)(85); and

“Registered Deemed-Compliant FFI” means a registered deemed-compliant FFI as described in U.S. Treasury Regulations section 1.1471-5(f)(1).

13. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9.

14. NOTICES

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London; provided, however that in the case of Bearer Notes cleared through the CMU Service, notices will be deemed to be validly given if published in a leading daily newspaper of general circulation in Hong Kong. It is expected that such publication will be made in the Financial Times in London or, in the case of Bearer Notes cleared through the CMU Service, either The Standard or the South China Morning Post in Hong Kong. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and

regulations of any stock exchange on which the Bearer Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange and the rules of that stock exchange so require, such notice will be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of (i) Euroclear and/or Clearstream and/or DTC, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream and/or DTC for communication by them to the holders of the Notes or (ii) the CMU Service, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU Service on the first business day preceding the date of despatch of such notice as holding interests in the relevant Global Note. In addition, for so long as any Notes are listed or admitted to trading on a stock exchange and the rules of that stock exchange so require, such notice will be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream and/or DTC and/or the CMU Service.

All notices to the Noteholders will be deemed to be validly given if filed with the Companies Announcements Office of the Irish Stock Exchange.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream and/or DTC and/or in the case of Notes lodged with the CMU Service, by delivery by such holder or such notice to the CMU Lodging and Paying Agent in Hong Kong, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream and/or DTC, and/or the CMU Service, as the case may be, may approve for this purpose.

15. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than five percent in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than three-quarters in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than a clear majority in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

Where the Issuer is CIFE, the provisions of Articles 86 to 94-8 of the Luxembourg law of August 10, 1915 on commercial companies, as amended, are hereby excluded.

16. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

17. RIGHTS OF THIRD PARTIES

The Notes confer no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

18. GOVERNING LAW AND SUBMISSION TO JURISDICTION

- (a) **Governing law:** The Agency Agreement, the Guarantee (where applicable), the Deed of Covenant, the Deed Poll, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Guarantee (where applicable), the Deed of Covenant, the Deed Poll, the Notes and the Coupons are governed by, and shall be construed in accordance with, English law.
- (b) **Submission to jurisdiction:** Subject to Condition 18(d), the courts of England have jurisdiction to settle any disputes which may arise out of or in connection with the Notes and/or the Coupons, including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a "Dispute") and, accordingly, each of the Issuer and any Noteholders and Couponholders in relation to any Dispute submits to the jurisdiction of such courts.
- (c) For the purposes of this Condition 18, the Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any suit, action or proceedings (together referred to as "Proceedings") in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any jurisdiction.
- (d) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) Proceedings against the Issuer in any other court of competent jurisdiction, and (ii) concurrent Proceedings in one or more jurisdictions.
- (e) **Appointment of Process Agent:** The Issuer appoints CNH Industrial Finance Europe S.A., UK branch, at its registered office for the time being in England, as its agent for service of

process, and undertakes that, in the event of CNH Industrial Finance Europe S.A., UK branch ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used to finance the activities of the CNH Industrial Group.

REMITTANCE OF RENMINBI INTO AND OUTSIDE THE PRC

The following is a general description of certain currency controls in the PRC and is based on the law and relevant interpretations thereof in effect as at the date of this Base Prospectus, all of which are subject to change, and does not constitute legal advice. It does not purport to be a complete analysis of all applicable currency controls in the PRC relating to the Notes. Prospective holders of the Notes who are in any doubt as to PRC currency controls are advised to consult their own professional advisers.

Renminbi is not a freely convertible currency. The remittance of Renminbi into and outside the PRC is subject to controls imposed under PRC law.

Current Account Items

Under PRC foreign exchange control regulations, current account item refers to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers.

Since July 2009, the PRC has commenced a pilot scheme pursuant to which Renminbi may be used for settlement of imports and exports of goods between approved pilot enterprises in five designated cities in the PRC including Shanghai, Guangzhou, Dongguan, Shenzhen and Zhuhai and enterprises in designated offshore jurisdictions including Hong Kong and the Macau Special Administrative Region of the Republic of China (“Macau”). On June 17, 2010, the PRC Government promulgated the Circular on Issues concerning the Expansion of the Scope of the Pilot Program of Renminbi Settlement of Cross-Border Trades (关于扩大跨境贸易人民币结算试点有关问题的通知) (the “Renminbi Settlement Circular”), pursuant to which (i) Renminbi settlement of imports and exports of goods and of services and other current account items became permissible, (ii) the list of designated pilot districts was expanded to cover 20 provinces and cities and (iii) the restriction on designated offshore districts was lifted. Accordingly, any enterprises in the designated pilot districts and offshore enterprises are entitled to use Renminbi to settle imports and exports of goods and services and other current account items between them. Renminbi remittance for exports of goods from the PRC may only be effected by approved pilot enterprises in designated pilot districts in the PRC. In August 2011, the PRC Government further expanded Renminbi cross-border trade settlement nationwide. Currently, participating banks in Hong Kong, Singapore, Taiwan, London, Frankfurt, Seoul, Paris, Luxembourg, Sydney, Toronto, Doha, Kuala Lumpur and Bangkok have been permitted to engage in the settlement of Renminbi trade transactions.

On July 5, 2013, the PBoC issued the Circular on the Simplification of Renminbi Cross-border Business Processes and the Improvement of Relevant Policies (关于简化跨境人民币业务流程和完善有关政策的通知) (the “2013 PBOC Circular”), pursuant to which on the basis of three principles of “know your customer”, “know your business” and “due diligence”, PRC banks can directly handle the cross-border settlement upon the PRC enterprises presenting the payment instruction (except for enterprises on the key regulatory list of regulating Renminbi cross-border settlement in export goods trade). PRC banks may also allow PRC enterprises to make/receive payments under current account items prior to the relevant PRC bank’s verification of underlying transactions (noting that verification of underlying transactions is usually a precondition for cross-border remittance).

The Renminbi Settlement Circular and the 2013 PBOC Circular will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying the Renminbi Settlement Circular and the 2013 PBOC Circular and impose conditions for settlement of current account items. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the use of Renminbi for payment of transactions categorised as current account items, then such settlement will need to be made subject to the specific requirements or restrictions set out in such regulations.

Capital Account Items

Under PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of the relevant PRC authorities.

Settlements for capital account items are generally required to be made in foreign currencies. For instance, foreign investors (including any Hong Kong investors) are required to make any capital contribution to

foreign invested enterprises in a foreign currency in accordance with the terms set out in the relevant joint venture contracts and/or articles of association as approved by the relevant authorities. Foreign invested enterprises or relevant PRC parties are also generally required to make capital item payments including proceeds from liquidation, transfer of shares, reduction of capital, interest and principal repayment to foreign investors in a foreign currency. That said, the relevant PRC authorities may grant approval for a foreign entity to make a capital contribution or a shareholder's loan to a foreign invested enterprise with Renminbi lawfully obtained by it outside the PRC and for the foreign invested enterprise to service interest and principal repayment to its foreign investors outside the PRC in Renminbi on a trial basis. The foreign invested enterprise may be required to complete a registration and verification process with the relevant PRC authorities before such Renminbi remittances.

On April 7, 2011, the State Administration of Foreign Exchange ("SAFE") promulgated the Circular on Issues Concerning the Capital Account Items in connection with Cross-Border Renminbi (the "SAFE Circular"), which became effective on May 1, 2011. According to the SAFE Circular, in the event that foreign investors intend to use cross-border Renminbi (including Renminbi inside and outside the PRC held in the capital accounts of non-PRC residents) to make a contribution to an onshore enterprise or make payment for the transfer of an equity interest of an onshore enterprise by a PRC resident, such onshore enterprise shall be required to submit the relevant prior written consent of the MOFCOM to the relevant local branches of SAFE of such onshore enterprise and register for a foreign invested enterprise status. Further, the SAFE Circular clarifies that the foreign debts borrowed, and the external guarantee provided, by an onshore entity (including a financial institution) in Renminbi shall, in principle, be regulated under the current PRC foreign debt and external guarantee regime. Furthermore, according to the 2013 PBOC Circular, upon enforcement of external guarantees in Renminbi provided by non-financial enterprises in the PRC, PRC banks may provide RMB settlement services (i.e. remittance of enforcement proceeds) directly. Non-financial enterprises in the PRC can (through PRC banks) extend loans in Renminbi to entities within the same group outside the PRC under Renminbi cash pooling arrangements. However, SAFE has not amended its positions under the SAFE Circular, nor has it issued any regulations to confirm the positions in the 2013 PBOC Circular. Therefore, there remain potential inconsistencies between the provisions of the SAFE Circular and the provisions of the 2013 PBOC Circular and it is unclear how SAFE will deal with such inconsistencies in practice.

On October 13, 2011, PBoC promulgated the PBoC FDI Measures, pursuant to which, PBoC special approval for RMB FDI and shareholder loans, which is required by an earlier circular of PBoC is no longer necessary. The PBoC FDI Measures provide that, among others, foreign invested enterprises are required to conduct registrations with the local branch of PBoC within ten working days after obtaining the business licences for the purpose of Renminbi settlement, and a foreign investor is allowed to open Renminbi special accounts for designated usage in relation to making an equity investment in a PRC enterprise or receiving Renminbi proceeds from distribution (dividends or otherwise) by its PRC subsidiaries. The PBoC FDI Measures also state that the foreign debt quota of a foreign invested enterprise constitutes its Renminbi debt and foreign currency debt from its offshore shareholders, offshore affiliates and offshore financial institutions, and a foreign invested enterprise may open a Renminbi account (人民币一般存款户口) to receive its Renminbi proceeds borrowed offshore by submitting the Renminbi loan contract to the commercial bank and make repayments of principal of and interest on such debt in Renminbi by submitting certain documents as required to the commercial bank.

The SAFE Circular and the PBoC FDI Measures will be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

CNH INDUSTRIAL FINANCE EUROPE S.A.

Business and Incorporation

CIFE was formed as a company with limited liability (*société anonyme*) under the laws of the Grand-Duchy of Luxembourg on September 29, 2010, for an unlimited duration. CIFE was originally named Fiat Industrial Finance Europe S.A., but its name was changed effective October 14, 2013. Its registered office is at 24, Boulevard Royal, L-2449 Luxembourg, Grand-Duchy of Luxembourg, its telephone number is +352 26 73 211, and it is registered in the Luxembourg trade and company register (*Registre de Commerce et des Sociétés de Luxembourg*) under number B-155849. The articles of incorporation of CIFE have been published in the *Mémorial C, Journal Officiel du Grand-Duché de Luxembourg, Recueil des Sociétés et Associations* under number C. 2185 of October 15, 2010. The articles of incorporation of CIFE were amended on December 17, 2010 (published in the *Mémorial C, Journal Officiel du Grand-Duché de Luxembourg, Recueil des Sociétés et Associations* under number 546 of March 23, 2011) and on October 14, 2013 (published in the *Mémorial C, Journal Officiel du Grand-Duché de Luxembourg, Recueil des Sociétés et Associations* under number 2623 of October 22, 2013) to reflect the change of the name of CIFE from Fiat Industrial Finance Europe S.A. to CNH Industrial Finance Europe S.A.

CIFE, which is 60% owned by CNH Industrial and 40% owned by CNH Industrial Finance S.p.A., which in turn is a wholly owned subsidiary of CNH Industrial, provides cash management and treasury services to the CNH Industrial Group's companies and serves as the central treasury vehicle for the CNH Industrial Group in the international financial markets. Its object, according to Article 3 of its articles of incorporation, is the holding of shares in other companies and/or enterprises and the direct and/or indirect financing of the companies and/or enterprises in which it holds interests, or which are members of the Group.

The issued share capital of CIFE is €50,000,000, represented by 10,000 shares without par value.

Directors

CIFE is managed by a board of directors comprising three members. The names of the directors are listed below:

<u>Name</u>	<u>Position on Board</u>
Stefania Saini	Chairman
Alessandro Meinero	Director
Tom Loesch	Director

The business address for the board of directors is 24, Boulevard Royal, L-2449 Luxembourg, Grand-Duchy of Luxembourg.

The directors of CIFE do not hold any relevant positions outside CIFE and/or the CNH Industrial Group that are significant with respect to CIFE, and there are no potential conflicts of interest of the members of the board of directors between their duties to CIFE and their private interests and/or other duties.

CIFE's independent auditors are Ernst & Young S.A. – Cabinet de révision agréé.

There are no recent events particular to CIFE which are to a material extent relevant to the evaluation of CIFE's solvency.

CIFE is in compliance with those corporate governance laws of the Grand-Duchy of Luxembourg to which it may be subject, if any.

**SELECTED FINANCIAL INFORMATION RELATING TO
CNH INDUSTRIAL FINANCE EUROPE S.A.**

The following financial information has been extracted from the audited financial statements of CIFE as of December 31, 2014 and 2013 and for the financial years then ended. The above-mentioned financial statements have been prepared in accordance with the Luxembourg legal and regulatory requirements.

BALANCE SHEET

	As at December 31,	
	2014	2013
(in euro)	(Audited)	
Assets		
Fixed assets		
Intangible fixed assets.....	609,912	788,103
Tangible fixed assets		
Other fixtures and fittings, tools and equipment	11,770	73,858
Current assets		
Debtors		
Amounts owed by affiliated undertakings		
Becoming due and payable within one year	8,757,267,321	6,856,846,370
Becoming due and payable after more than one year.....	420,015,256	434,859,271
	9,177,282,577	7,291,705,641
Other receivables		
Becoming due and payable within one year	699,963	749,682
Cash at bank, cash in postal cheque accounts, cheques and cash in hand	815,049,366	906,752,141
Prepayments	89,052,739	55,822,419
Total assets	10,082,706,327	8,255,891,844

	As at December 31,	
	2014	2013
(in euro)	(Audited)	
Liabilities		
Capital and reserves		
Subscribed capital	50,000,000	50,000,000
Reserves		
Legal reserve	439,500	332,000
Other reserves	3,938,600	2,553,600
Profit or loss brought forward	3,008,464	2,360,831
Profit or loss for the financial year	1,471,159	2,140,133
Total shareholders' equity	58,857,723	57,386,564
Provisions		
Provisions for taxation	578,174	854,694
Non subordinated debts		
Debenture loans		
Non-convertible loans		
Becoming due and payable within one year	1,130,505,822	103,458,904
Becoming due and payable after more than one year	2,900,000,000	2,200,000,000
	4,030,505,822	2,303,458,904
Amounts owed to credit institutions		
Becoming due and payable within one year	451,546,579	1,106,081,108
Becoming due and payable after more than one year	148,230,599	199,319,639
	599,777,178	1,305,400,747
Trade creditors		
Becoming due and payable within one year	1,237,655	340,147
Amounts owed to affiliated undertakings		
Becoming due and payable within one year	5,363,114,673	4,549,966,473
Tax and social security debts		
Tax debts	150,525	77,833
Social security debts	25,706	19,286
	176,231	97,119
Other creditors		
Becoming due and payable within one year	9,219	108,414
Deferred income	28,449,652	38,278,782
Total liabilities and shareholders' equity	10,082,706,327	8,255,891,844

PROFIT AND LOSS ACCOUNT

(in euro)	Year ended December 31,	
	2014	2013
	(Audited)	
Charges		
Other external charges	1,126,528	1,146,707
Staff costs		
Salaries and wages	711,683	698,663
Social security on salaries and wages.....	116,925	105,936
	828,608	804,599
Value adjustments		
On formation expenses and on tangible and intangible fixed assets ..	268,879	218,630
Other operating charges	221,161	266,666
Interest and other financial charges		
Concerning affiliated undertakings.....	54,509,888	52,272,635
Other interest and similar financial charges	235,180,509	186,099,753
	289,690,397	238,372,388
Income tax	573,060	824,477
Profit for the financial year	1,471,159	2,140,133
Total charges	294,179,792	243,773,600
Income		
Income from financial current assets		
Derived from affiliated undertakings	279,533,617	234,218,065
Other income from financial current assets	730,701	465,504
	280,264,318	234,683,569
Other interest and other financial income		
Derived from affiliated undertakings	1,426,907	1,071,447
Other interest and similar financial income	12,488,567	8,018,584
	13,915,474	9,090,031
Total income	294,179,792	243,773,600

THE CNH INDUSTRIAL GROUP

The CNH Industrial Group is a leading global capital goods group engaged in the design, production, marketing, sale and financing of agricultural and construction equipment, trucks, commercial vehicles, buses and specialty vehicles for firefighting, defence and other uses, as well as engines, transmissions and axles for those vehicles and engines for marine and power generation applications. The Group was formed as a result of the Merger of Fiat Industrial and its majority-owned subsidiary, CNH Global, which was completed on September 29, 2013. The Fiat Industrial Group was formed through the demerger of Fiat S.p.A.'s (now FCA) capital goods activities.

CNH Industrial was incorporated as a public limited liability company (*naamloze vennootschap*) under the laws of The Netherlands on November 23, 2012 for the purpose of facilitating the closing of the Merger, and CNH Industrial is the successor entity to Fiat Industrial and CNH Global. CNH Industrial was originally named FI CBM Holdings N.V. but its name was changed effective September 29, 2013. Under its current articles of association, CNH Industrial has an unlimited duration. CNH Industrial's corporate seat (*statutaire zetel*) is in Amsterdam, The Netherlands, and its principal office is located at Cranes Farm Road, Basildon, Essex SS14 3AD, United Kingdom. Its telephone number is +44-1268-292468 and it is registered in the Amsterdam Chamber of Commerce (*Kamer van Koophandel*) under number 56532474 and in the Companies House in the United Kingdom under number FC031116BR016181.

The common shares of CNH Industrial have been admitted to listing on the New York Stock Exchange ("NYSE") and on the *Mercato Telematico Azionario* managed by Borsa Italiana S.p.A. ("MTA") since September 30, 2013.

The Group has industrial and financial services companies located in 45 countries and a commercial presence in approximately 190 countries.

Until December 31, 2013, the CNH Industrial Group maintained three operating segments under IFRS: (i) Agricultural and Construction Equipment (including the segment's financial services activities), (ii) Trucks and Commercial Vehicles (including the segment's financial services activities), and (iii) Powertrain. From the first quarter ended March 31, 2014, the CNH Industrial Group expanded its reportable segments under IFRS from three to the following five segments:

- *Agricultural Equipment*, which designs, manufactures and distributes a full line of farm machinery and implements, including two-wheel and four-wheel drive tractors, crawler tractors (Quadtrac®), combines, cotton pickers, grape and sugar cane harvesters, hay and forage equipment, planting and seeding equipment, soil preparation and cultivation implements and material handling equipment. Agricultural equipment is sold under the New Holland Agriculture and Case IH Agriculture brands, as well as the Steyr brand in Europe. Subsequent to the acquisition of substantially all of the assets of Miller-St. Nazianz, Inc. ("Miller") in November 2014, certain agricultural equipment products are also sold under the Miller brand, primarily in North America.
- *Construction Equipment*, which designs, manufactures and distributes a full line of construction equipment including excavators, crawler dozers, graders, wheel loaders, backhoe loaders, skid steer loaders, telehandlers and trenchers. Construction equipment is sold under the New Holland Construction and Case Construction Equipment brands.
- *Commercial Vehicles*, which designs, produces and sells a full range of light, medium and heavy vehicles for the transportation and distribution of goods under the Iveco brand, commuter buses and touring coaches under the Iveco Bus (previously Iveco Irisbus) and the Heuliez Bus brands, quarry and mining equipment under the Iveco Astra brand, firefighting vehicles under the Magirus brand and vehicles for civil defence and peace-keeping missions under the Iveco Defence Vehicles brand.
- *Powertrain*, which designs, manufactures and offers a range of propulsion and transmission systems and axles for on- and off-road applications, as well as engines for marine application and power generation under the FPT Industrial brand.

- *Financial Services*, which offers a range of financial services to dealers and customers. Financial Services provides and administers retail financing to customers for the purchase or lease of new and used industrial equipment or vehicles and other equipment sold by CNH Industrial dealers. In addition, Financial Services provides wholesale financing to CNH Industrial dealers, which primarily consists of floor plan financing and allows the dealers to purchase and maintain a representative inventory of products.

Sources of information relating to competition issues

The market share, ranking and other industry and market data discussed below, including in the sections entitled “*Selected Financial and Statistical Information Relating to the CNH Industrial Group*” and “*CNH Industrial Group Financial Review*” herein, have been extracted from a variety of official, non-official and internal sources believed by each Issuer and the Guarantor to be reliable. In particular, the market estimates are generally based on: retail unit sales data in North America; registrations of equipment in most of Europe, Brazil, and several APAC markets; retail and shipment unit data collected by a central information bureau appointed by equipment manufacturers associations, including the Association of Equipment Manufacturers in North America, the Committee for European Construction Equipment in Europe, the *Associação Nacional dos Fabricantes de Veículos Automotores* (ANFAVEA) in Brazil, the Japan Construction Equipment Manufacturers Association, and the Korea Construction Equipment Manufacturers Association, as well as on other shipment data collected by independent service bureaus. Not all agricultural or construction equipment is registered, and registration data may thus underestimate, perhaps substantially, actual retail industry unit sales demand, particularly for local manufacturers in China, Southeast Asia, Eastern Europe, Russia, Turkey, Brazil, and any country where local shipments are not reported. In addition, there may be a period of time between the shipment, delivery, sale and/or registration of a unit, which must be estimated in making any adjustments to the shipment, delivery, sale, or registration data to determine the Group’s estimates of retail unit data in any period.

THE MERGER OF FIAT INDUSTRIAL AND CNH GLOBAL

On November 25, 2012, following completion of negotiations between Fiat Industrial and the special committee of CNH Global formed by independent and unconflicted members of the board of directors of CNH Global, Fiat Industrial and CNH Global entered into a definitive merger agreement (the “Merger Agreement”) to combine their respective businesses in the Merger. Pursuant to the Merger Agreement, the Merger was carried out through the completion of three mergers, as described below:

- (i) a cross-border merger of Fiat Netherlands Holding N.V. (“FNH”), a wholly-owned subsidiary of Fiat Industrial incorporated under Dutch law, with and into Fiat Industrial, prior to the completion of the Merger (the “FNH Merger”), effective August 1, 2013;
- (ii) a cross-border reverse merger of Fiat Industrial with and into FI CBM Holdings N.V. (which was renamed CNH Industrial effective September 29, 2013), a company incorporated under Dutch law, effective September 28, 2013; and
- (iii) a domestic Dutch merger of CNH Global with and into FI CBM Holdings N.V. (which was renamed CNH Industrial effective September 29, 2013), effective September 29, 2013.

The Merger was completed on September 29, 2013, following the effectiveness of the deed of merger relating to the reverse merger of Fiat Industrial with and into CNH Industrial and the execution of the deed of merger relating to the merger of CNH Global with and into CNH Industrial, respectively, on September 28, 2013 and on September 29, 2013. On September 30, 2013, CNH Industrial common shares began trading on the NYSE and the MTA.

As a result of the Merger, CNH Industrial, under universal succession, has succeeded to and assumed by operation of law all of the obligations, rights, interests and liabilities of Fiat Industrial (including the obligations, rights, interests and liabilities of FNH assumed by Fiat Industrial upon consummation of the FNH Merger) and CNH Global, including all of the obligations, rights, interests and liabilities of Fiat Industrial and CNH Global pursuant to the guarantees such companies have issued in the past in the interests of their subsidiaries (including guarantees issued by Fiat Industrial under its global medium-term note programme).

PRODUCTS AND MARKETS

Agricultural Equipment

The product lines of Agricultural Equipment are sold primarily under the Case IH Agriculture and New Holland Agriculture brands and, in Europe, under the Steyr brand. Subsequent to the acquisition of substantially all of the assets of Miller on November 26, 2014, certain agricultural equipment products are also sold under the Miller brand, primarily in North America.

Agricultural Equipment's product lines include tractors, combine harvesters, hay and forage equipment, seeding and planting equipment and sprayers. Agricultural Equipment also specialises in other key market segments like cotton picker packagers and sugar cane harvesters, where Case IH Agriculture is a worldwide leader, and in self-propelled grape harvesters, where New Holland Agriculture is a worldwide leader. Each of these brands offers parts and support services for all of its product lines.

On November 26, 2014, the CNH Industrial Group completed the acquisition of the assets of Miller, a leading manufacturer of precision spraying equipment that is now part of the New Holland brand, providing a platform to grow the self-propelled sprayer business on a global scale.

Construction Equipment

Construction Equipment's product lines are sold primarily under the Case Construction Equipment and New Holland Construction brands. Case Construction Equipment provides a wide range of products on a global scale. The New Holland Construction brand family also markets a full product line of construction equipment in most regions.

The heavy construction equipment product lines of the Construction Equipment segment include crawler and wheeled excavators, wheel loaders, compactors, graders and dozers for all applications. Light construction equipment product lines include backhoe loaders, skid steer and tracked loaders, mini and midi excavators, compact wheel loaders and telehandlers. Construction equipment brands each offer parts and support services for all of their product lines.

On May 12, 2014, the Group entered into a new licensing agreement with Sumitomo (S.H.I.) Construction Machinery Co. Ltd. ("Sumitomo"), a wholly-owned subsidiary of Sumitomo Heavy Industries, Ltd. Under this new technology license and component supply agreement, CNH Industrial will manufacture Sumitomo-designed crawler excavators (models ranging from 13 to 35 tons) at designated plants within its manufacturing network. Start of production of the new localised models is planned for mid-2015. This agreement also extends the existing Global Product Supply agreement between CNH Industrial and Sumitomo for the sourcing of excavators manufactured in Sumitomo's plants. Since 1992, Sumitomo has been a supplier to CNH Industrial's global distribution network of excavators ranging from 7 to 80 tons.

Commercial Vehicles

Trucks and Commercial Vehicles

Under the Iveco brand, Commercial Vehicles offers a range of light, medium and heavy trucks and commercial vehicles for both on-road and off-road use. The product offering is complemented by a series of after-sale and used vehicle assistance services.

Light vehicles include on-road vans and chassis cabs used for short and medium distance transportation and distribution of goods, as well as off-road trucks for use in quarries and other work sites. Iveco also offers shuttle vehicles used by public transportation authorities, tourist operators, hotels and sports clubs and campers for holiday travel.

The medium and heavy vehicles product lines include on-road chassis cabs designed for medium and long distance hauling and distribution. Medium GVW off-road models are typically used for building roads, winter road maintenance, construction, transportation, maintenance of power lines and other installations in off-road areas, civil protection and roadside emergency service. Heavy GVW off-road models are designed to operate in any climate and on any terrain and are typically used to transport construction plant and materials, transport and mix concrete, maintain roads in winter and transport exceptionally heavy loads.

The Commercial Vehicles segment offers ecological diesel and natural gas engines on its entire range of vehicles, developing engines with specific components and configurations optimised for use with compressed natural gas (“CNG”) and liquefied natural gas.

Under the Iveco Astra brand, Commercial Vehicles produces vehicles that can enter the most inaccessible quarries and mines and move large quantities of material, such as rock or mud, and perform heavy-duty tasks in extreme climatic conditions. The segment’s product range for Iveco Astra includes mining and construction vehicles, rigid and articulated dump trucks and other special vehicles.

Buses

Under the Iveco Bus and Heuliez Bus brands, the Commercial Vehicles segment offers a range of local and inter-city commuter buses, minibuses, school buses and tourism coaches.

Iveco Bus is one of the major European manufactures in the passenger transport sector and is steadily expanding its activities globally. Heuliez Bus produces city buses for public transportation and is a leader in France for the urban bus market.

Specialty Vehicles

Under the Magirus brand, the Commercial Vehicles segment manufactures vehicles designed to respond to natural disasters and civil emergencies, such as fires, floods, earthquakes and explosions. Iveco Defence Vehicles produces and sells purpose-built vehicles for defence and civil protection applications.

Powertrain

Powertrain is dedicated to the design, development, manufacture and sale of engines, transmissions and axles under the FPT Industrial brand.

Powertrain’s product portfolio includes engines for buses and for light, medium and heavy commercial vehicles, engines for industrial machinery including construction, agricultural and irrigation equipment, engines for special-purpose vehicles and engines for power generation units and marine applications. Furthermore, Powertrain offers a wide range of engines available in CNG, ethanol and hybrid versions, for commercial vehicles employed for both transport of goods and people. Powertrain is also active in the power generation field. A diverse array of technological solutions is capable of responding to a large number of different needs and can be adapted for applications ranging from emergency response to self-generation and rental units.

Additionally, Powertrain produces a wide range of manual transmissions for light commercial vehicles. The segment also boasts an extensive range of axle products to meet all customer requirements, including axle products for commercial vehicles, and axle products for heavy mining, construction and specialty vehicles (military and fire-fighting) designed by the Commercial Vehicles segment.

SALES AND DISTRIBUTION

Agricultural Equipment and Construction Equipment

Agricultural Equipment sells and distributes products through approximately 2,700 full-line dealers and distributors with over 6,600 points of sale. Construction Equipment sells and distributes products through approximately 600 full-line dealers and distributors with over 1,500 points of sale. Agricultural Equipment and Construction Equipment dealers are almost all independently owned and operated. Some Agricultural Equipment dealers also sell construction equipment. In the United States, Canada, Mexico, most of Western Europe, Brazil and Australia, Agricultural Equipment and Construction Equipment’s products are generally distributed through the independent dealer network. In the rest of the world, products are generally sold to independent distributors who then resell them to dealers, in order to take advantage of their knowledge of the market and minimise marketing costs.

The CNH Industrial Group believes that it is generally more cost-effective to distribute its agricultural and construction equipment products through independent dealers, although Agricultural Equipment and Construction Equipment maintain a limited number of company-owned dealerships in some markets. As of

December 31, 2014, the Agricultural Equipment and Construction Equipment segments operated 3 and 4 company-owned dealerships, respectively, primarily in North America and Europe.

Commercial Vehicles

As of December 31, 2014, Commercial Vehicles had 672 dealers globally (of which 20 were directly owned by the segment and 13 were branches), including 299 in Western Europe, 72 in Eastern Europe, 124 in Africa and the Middle East, 69 in Latin America and 108 in the Asia-Pacific region. 502 of those dealers sell trucks and commercial vehicles, 95 sell buses and 75 sell specialty vehicles. All of these dealers sell spare parts for the relevant vehicles. The Commercial Vehicles segment bolsters its distribution strategy by offering incentives to its dealers based on target achievements for sales of new vehicles and parts and providing high quality after-sales services. Through 2,845 sales centers and over 4,700 service centers in over 160 countries, the business can provide support in any geographic area where its vehicles are at work.

In accordance with European legislation, Commercial Vehicles' dealers have a specific sales territory. Additionally, European law allows Commercial Vehicles' dealers to carry multiple brands.

Powertrain

In addition to the Group captive customers, including the Agricultural Equipment, Construction Equipment and Commercial Vehicles segments, Powertrain's commercial strategy and business model are focused on the development of a portfolio of medium-to-large original equipment manufacturers ("OEM") customers, including by entering into long-term supply agreements.

Powertrain has a network of 93 dealers and 899 service points in 100 countries that cover its entire product range and related market sectors. Large OEMs use their own internal networks to obtain parts and services for purchased equipment, while small OEMs frequently rely on the Group for delivery of parts and services through Powertrain's worldwide network.

PARTS AND SERVICES

The quality and timely availability of parts and services are important competitive factors for each of the CNH Industrial Group's segments, as they are significant elements in overall dealer and customer satisfaction and important considerations in a customer's original equipment purchase decision. The CNH Industrial Group supplies a complete range of parts, many of which are proprietary, to support current products as well as for products sold in the past. In certain markets, the CNH Industrial Group also offers personalised after-sales customer assistance programmes which provide a wide range of modular and flexible maintenance and repair contracts, as well as warranty extension services, to meet a variety of customers' needs and to support the vehicles' value over time. As many of the CNH Industrial Group's products sold can have economically productive lives of up to 20 years when properly maintained, each unit sold has the potential to produce a long-term parts and services revenue stream for the Group and its dealers.

As of December 31, 2014, the Group operated and administered 59 parts depots worldwide either directly, through a joint venture, or through arrangements with warehouse service providers. This network included 11 parts depots in NAFTA, 21 in EMEA, 5 in LATAM, and 22 in APAC. These depots supply parts to dealers and distributors, which are responsible for sales to retail customers. These parts depots and the segments' parts delivery systems provide customers with access to substantially all of the parts required to support the products sold.

JOINT VENTURES

As part of its strategy to enter into and expand in new markets, the CNH Industrial Group is also involved in several commercial and/or manufacturing joint ventures in Japan, Pakistan, Turkey, Mexico, China and South Africa.

FINANCIAL SERVICES

Financial Services offers a range of financial products and services to dealers and customers in the various regions in which it operates. The principal products offered are retail financing for the purchase or lease of new and used equipment and vehicles and wholesale financing to dealers. Wholesale financing consists

primarily of floor plan financing and allows dealers to purchase and maintain a representative inventory of products. Financial Services also provides financing to dealers for equipment used in dealer-owned rental yards, parts inventory, working capital and other financing needs. Additionally, Financial Services purchases equipment and vehicles from dealers that are leased to retail customers under operating lease agreements. As a captive finance business, Financial Services is reliant on the operations of Agricultural Equipment, Construction Equipment and Commercial Vehicles, their dealers and customers.

Financial Services' strategy is to grow a core financing business to support the sale of the CNH Industrial Group's equipment and vehicles by improving its portfolio credit quality, service levels, operational effectiveness and customer satisfaction. The segment works to develop and structure financial products with the objective of increasing equipment and vehicle sales as well as profitability. Financial Services also offers products to finance third party equipment and vehicles sold through the CNH Industrial Group's dealer network or within its core businesses. Financed third party equipment and vehicles include used equipment and vehicles taken in trade on the CNH Industrial Group's products or equipment used in conjunction with or attached to the Group's products.

In North America, Financial Services' activity is carried out through wholly-owned financial services companies of the CNH Industrial Group that support sales through dealer and customer financing, as well as operating leases.

In Europe, financing for customers of Agricultural Equipment and Construction Equipment is primarily managed through CNH Industrial Capital Europe S.a.S., a joint venture with BNP Paribas Group (49.9% owned by CNH Industrial and accounted for under the equity method) that operates in Italy, France, Germany, Belgium, The Netherlands, Luxembourg, the UK, Spain and Austria. Vendor programmes with banking partners are also in place in France, Portugal, Denmark and Poland. Dealer financing and customer financing activities not managed by the joint venture with BNP Paribas or the vendor programmes are managed through CNH Industrial Group's captive financial services subsidiaries. In January 2014, CNH Industrial and BNP Paribas reached an agreement to extend the joint venture services to CNH Industrial's Commercial Vehicles business in Italy, Germany, France, the UK and other major European markets. As a result of this increase in scope, CNH Industrial Capital Europe S.a.S. is now the captive finance company for all of the Group's current businesses in major European countries.

In Spain, financial services related to the Commercial Vehicles segment are managed by Transolver Finance Establecimiento Financiero de Credito S.A., a joint venture with the Santander Group (50% owned by CNH Industrial and accounted for under the equity method) which offers retail and dealer financing services.

In Eastern Europe, financial services for customers of Commercial Vehicles are managed by fully-consolidated captive financial services companies.

In Brazil, Banco CNH Industrial Capital S.A., a Group captive financial services company, offers both dealer and customer financing for customers of Agricultural Equipment and Construction Equipment. For customer financing, Banco CNH Industrial Capital S.A. mainly acts as an intermediary for funding provided by the Banco Nacional de Desenvolvimento Economico e Social (BNDES), a federally-owned financial institution linked to the Brazilian Ministry of Development, Industry and Foreign Trade. Vendor programmes offered jointly with banking partners are also in place. Starting from January 2014, financial services for Commercial Vehicles' dealers and customers in Latin America are provided directly by Banco CNH Industrial Capital S.A.

In Australia, Agricultural Equipment and Construction Equipment offer dealer and end-customer financing through a captive financial services company.

In China, financial services are provided to dealers and customers of Commercial Vehicles through the FCA Group.

Sources of Funding

The long-term profitability of Financial Services' activities largely depends on the cyclical nature of the industries in which the CNH Industrial Group's Industrial Activities operate, interest rate volatility and the ability to access funding on competitive terms. Financial Services funds its operations and lending activity

through a combination of term receivable securitisations, committed asset-backed and unsecured facilities, secured and unsecured borrowings, affiliated financing and retained earnings.

LEGAL PROCEEDINGS

As a global company with a diverse business portfolio, CNH Industrial is exposed to numerous legal risks, particularly in the areas of product liability (including asbestos-related liability), product performance, retail and wholesale credit, competition and antitrust law, intellectual property matters (including patent infringement), disputes with dealers and suppliers and service providers, environmental risks, and tax and employment matters.

The outcome of any current or future proceedings cannot be predicted with certainty. It is therefore possible that legal judgments could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could affect the Group's financial position and results. Although the ultimate outcome of legal matters pending against CNH Industrial and its subsidiaries cannot be predicted, CNH Industrial believes that the reasonable possible range of losses for these unresolved legal actions in addition to the amounts accrued would not have a material effect on its financial statements.

As of December 31, 2014, contingent liabilities estimated by the Group amounted to approximately \$41 million (compared to approximately \$48 million as of December 31, 2013), for which no provisions have been recognised since an outflow of resources is not considered probable as of that date. When it is probable that an outflow of resources embodying economic benefits will be required to resolve obligations and this amount can be reliably estimated, the Group designates specific provisions for this purpose.

Starting January 2011, Iveco and certain of its competitors have been subject to an investigation being conducted by the European Commission into certain business practices of the leading manufacturers of trucks and commercial vehicles in the European Union in relation to possible anti-competitive behaviour.

On November 20, 2014, Iveco received a Statement of Objections from the European Commission alleging that Iveco and other companies in the heavy and medium truck industry had breached European antitrust rules. The European Commission indicated that it would seek to impose significant fines on the manufacturers. The Statement of Objections is a formal step in the European Commission's investigative process and details the European Commission's preliminary view of the conduct of the companies involved.

The Statement of Objections is not a final decision and, as such, it does not prejudice the final outcome of the proceedings. Under the applicable procedural rules, the European Commission will review the manufacturers' responses before issuing a decision and any decision would be subject to further appeals.

Iveco is evaluating the Statement of Objections and the documents in the European Commission's case file, and intends to issue its response to the European Commission in due course and to avail itself of any opportunity allowed by the procedure to clarify its position in this matter. Given the numerous uncertainties in the next stages of the investigation, CNH Industrial is unable to predict the outcome or to estimate the potential fine at this time.

SELECTED FINANCIAL AND STATISTICAL INFORMATION RELATING TO THE CNH INDUSTRIAL GROUP

The following tables set forth certain key financial and operating data for the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013.

The financial information presented below has been extracted from the audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013, which are incorporated by reference herein.

The audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 reflect the organisation of the CNH Industrial Group's business into five operating segments as presented under IFRS and use U.S. dollars as the presentation currency effective, under IFRS, the first quarter ended March 31, 2014 (as described under "*Presentation of Financial and Other Information – Presentation of Financial Information*" and "*The CNH Industrial Group*"). The comparative data as of and for the financial year ended December 31, 2013 included in such financial statements have been recast in order to be presented in accordance with the aforementioned changes.

Investors are advised to review the full financial statements before making any investment decision.

	Year ended December 31,	
	2014	2013 ⁽¹⁾
(in millions of U.S. dollars, except earnings/(loss) per share)		
Net revenues	32,957	34,231
Trading profit/(loss)	2,399	2,637
Operating profit/(loss)	2,167	2,481
Profit/(loss) before taxes	1,482	2,002
Profit/(loss)	916	1,218
Attributable to:		
<i>Owners of the parent</i>	917	1,048
<i>Non-controlling interests</i>	(1)	170
Basic earnings/(loss) per common share (\$) ⁽²⁾	0.68	0.83
Diluted earnings/(loss) per common share (\$) ⁽²⁾	0.68	0.83
Investments in tangible and intangible assets	1,698	1,985
<i>of which: capitalised R&D costs</i>	676	759
R&D expenditure ⁽³⁾	1,122	1,240

(1) Amounts recast in order to reflect the change in presentation currency from euro to U.S. dollar. Reference should be made to the section "Significant accounting policies," paragraph "Change in presentation currency" in the notes to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

(2) As a consequence of the effective date of the Merger, full-year 2013 basic earnings per share has been calculated on approximately 1,255 million of weighted average number of common shares outstanding. See Note 13 to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus, for additional information on the calculation of basic and diluted earnings per share.

(3) Includes capitalised development costs and R&D charged directly to the income statement.

	As of December 31,	
	2014	2013⁽¹⁾
<hr/>		
(in millions of U.S. dollars, except employees numbers)		
Total assets	54,441	56,462
Net (debt)/cash	(23,590)	(23,290)
<i>of which:</i> net industrial (debt)/cash	(2,874)	(2,195)
Total equity	7,577	7,662
Equity attributable to owners of the parent	7,534	7,591
Employees at year end (number)	69,207	71,192

- (1) Amounts recast in order to reflect the change in presentation currency from euro to U.S. dollar. Reference should be made to the section "Significant accounting policies," paragraph "Change in presentation currency" in the notes to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

CNH INDUSTRIAL GROUP FINANCIAL REVIEW

The following discussion and analysis of the CNH Industrial Group should be read in conjunction with the consolidated financial statements of CNH Industrial for the years ended December 31, 2014 and 2013. See “*Documents Incorporated by Reference*.”

On September 29, 2013, the Merger of Fiat Industrial and CNH Global with and into CNH Industrial was completed. Prior to the Merger, CNH Global was a majority-owned subsidiary of Fiat Industrial. The financial results presented herein for the period on and after September 29, 2013 reflect the Merger. The Merger had no impact on the consolidated activities of the CNH Industrial Group’s predecessor, the Fiat Industrial Group, and therefore the financial results presented herein are consistent and comparable with those previously published by Fiat Industrial. However, starting from September 29, 2013, the closing date of the Merger, net profit and net equity that previously would have been attributed to the minority shareholders of CNH Global have been included in the profit and net equity attributable to the shareholders of CNH Industrial. For additional information on the Merger and the accounting impact thereof, see the notes to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

All references in this discussion and analysis to CNH Industrial prior to the completion of the Merger refer to Fiat Industrial and its consolidated subsidiaries, except as otherwise indicated.

This discussion includes forward-looking statements, which, although based on assumptions that CNH Industrial considers reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. See “*Cautionary Statement Regarding Forward-Looking Statements*” and, for a discussion of risks and uncertainties facing the Group, also see “*Risk Factors*.”

Until December 31, 2013, the CNH Industrial Group’s operations were reported in three operating segments: (i) Agricultural and Construction Equipment (including the segment’s financial services activities); (ii) Trucks and Commercial Vehicles (including the segment’s financial services activities); and (iii) Powertrain.

Beginning the first quarter ended March 31, 2014, the Group realigned its reportable segments under IFRS to reflect the five businesses now directly managed by CNH Industrial, consisting of: (i) Agricultural Equipment, (ii) Construction Equipment, (iii) Commercial Vehicles, (iv) Powertrain, and (v) Financial Services. Segment information for prior years has been recast to conform to the current presentation. In addition, beginning the first quarter ended March 31, 2014, to improve comparability with its main peers, the Group changed its presentation currency under IFRS from euros to U.S. dollars. As a result, the audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 reflect the new segmentation of the Group’s operations and use U.S. dollars as the presentation currency. The comparative data as of and for the financial year ended December 31, 2013 included in such financial statements have been recast in order to be presented in accordance with the aforementioned changes.

Principal changes in the scope of consolidation

There have been no significant changes in the scope of consolidation during 2014.

Efficiency Programme

In July 2014, CNH Industrial launched a comprehensive efficiency programme (the “Efficiency Programme”) designed to enhance the efficiency and competitiveness of its Industrial Activities.

The programme is expected to result in a total cumulative charge of approximately \$280 million over three years, with a non-cash impact of approximately 20.0%. The majority of the restructuring charges impacted or will impact the income statement in 2014 and 2015, respectively. Benefits from this programme started to impact the operating performance in the third quarter of 2014, with annualised savings of approximately \$160 million by the end of 2016.

Restructuring actions in Agricultural Equipment are mainly related to the closure of the joint venture in China, Shanghai New Holland Agricultural Machinery Corporation Limited, as the business model is no

longer viable in the current environment, and cost reduction activities as a result of negative demand conditions.

Actions identified by Construction Equipment are related to the re-tooling of its industrial footprint in connection with the enlargement of the licensing agreements with Sumitomo (S.H.I.) Construction Machinery Co. Ltd., as well as the realignment of the dealer networks in EMEA as a result of the re-positioning of the Case and New Holland brand offerings. The announced closure of the assembly plant in Calhoun, Georgia, United States, represents one of those actions.

Commercial Vehicles actions are focused on selling, general and administrative expenses and business support costs as a result of the transition to CNH Industrial's regional structure, as well as the completion of manufacturing product specialisation programmes.

OPERATING PERFORMANCE OF THE CNH INDUSTRIAL GROUP

Basis of analysis

The following table provides the consolidated statements of income and a breakdown of the Group's results between Industrial Activities and Financial Services. Industrial Activities represent the activities carried out by the four industrial segments Agricultural Equipment, Construction Equipment, Commercial Vehicles, and Powertrain, as well as corporate functions.

The segmentation between Industrial Activities and Financial Services represents a sub-consolidation prepared on the basis of the core activities of each Group company.

Investments held by companies belonging to one segment in companies included in the other segment are accounted for under the equity method and are classified in the income statement under result from intersegment investments.

The parent company, CNH Industrial N.V., is included under Industrial Activities.

The sub-consolidation of Industrial Activities also includes companies that provide centralised treasury services (*i.e.*, raising funding in the market and financing Group companies). The activities of the treasury companies do not include the offer of financing to third parties.

Results of Operations – 2014 Compared to 2013

	2014			2013 ⁽¹⁾		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
(in millions of U.S. dollars)						
Net revenues.....	32,957	31,408	2,086	34,231	32,841	1,950
Cost of sales	26,841	26,051	1,327	27,750	27,078	1,232
Selling, general and administrative costs.....	2,753	2,548	205	2,961	2,754	207
Research and development costs	878	878	-	797	797	-
Other income/(expenses) ..	(86)	(64)	(22)	(86)	(93)	7
Trading profit/(loss)	2,399	1,867	532	2,637	2,119	518
Gains/(losses) on disposal of investments	-	-	-	(25)	(25)	-
Restructuring costs.....	192	192	-	54	54	-
Other unusual income/(expenses).....	(40)	(40)	-	(77)	(36)	(41)
Operating profit/(loss) ...	2,167	1,635	532	2,481	2,004	477
Financial income/(expenses)	(776)	(776)	-	(615)	(615)	-
Result from investments ⁽²⁾ ...	91	73	18	136	121	15
Profit/(loss) before taxes ..	1,482	932	550	2,002	1,510	492
Income taxes	566	378	188	784	632	152
Profit/(loss)	916	554	362	1,218	878	340
Result from intersegment investments	-	362	2	-	340	(1)
Profit/(loss)	916	916	364	1,218	1,218	339
Profit/(loss) attributable to:						
Owners of the parent	917			1,048		
Non-controlling interests ..	(1)			170		

(1) Amounts recast in order to reflect the change in presentation currency from euro to U.S. dollar. For additional information, refer to the section “Significant accounting policies,” paragraph “Change in presentation currency” in the notes to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

(2) Includes income from investments as well as impairment (losses)/reversals on non-intersegment investments accounted for under the equity method.

Net revenues

The Group reported net revenues of \$32,957 million for 2014, a 3.7% decrease compared to 2013 (down 2.0% on a constant currency basis). Net revenues of Industrial Activities were \$31,408 million in 2014, a 4.4% decrease compared to the prior year (down 2.7% on a constant currency basis), with revenue growth for Construction Equipment and Powertrain more than offset by declines in Agricultural Equipment and Commercial Vehicles. Agricultural Equipment reported net revenues of \$15,204 million for 2014, a 9.3% decrease from 2013, mainly due to lower volumes and unfavourable product mix primarily in LATAM and NAFTA. Net revenues for Construction Equipment were up 2.7% to \$3,346 million, due to positive pricing in NAFTA and LATAM, along with positive volume and mix in NAFTA and EMEA. Commercial Vehicles revenues decreased 3.1% from 2013 to \$11,087 million, due to lower volumes and the negative impact of currency translation, partially offset by better pricing in all regions. Powertrain net revenues were \$4,475 million, up 1.2% over 2013, driven by higher volumes. Financial Services recorded net revenues of \$2,086 million in 2014, an increase of 7.0% compared to 2013.

Cost of sales

Cost of sales were \$26,841 million in 2014 (81.4% of net revenues), compared to \$27,750 million in 2013 (81.1% of net revenues). Cost of sales of Industrial Activities were \$26,051 million in 2014 (82.9% of net revenues), compared to \$27,078 million in 2013 (82.5% of net revenues).

Selling, general and administrative costs

Selling, general and administrative (“SG&A”) costs amounted to \$2,753 million in 2014 (8.4% of net revenues), with a decrease of 7.0% from the \$2,961 million recorded in 2013 (8.7% of net revenues), mainly due to cost containment actions at Commercial Vehicles and Construction Equipment.

Research and development costs

In 2014, research and development costs of \$878 million (compared to \$797 million in 2013) comprised research and development costs not recognised as assets in the year, amounting to \$446 million (\$481 million in 2013), the depreciation of capitalised development cost of \$12 million (zero in 2013) and the amortisation of previously capitalised development costs of \$420 million (\$316 million in 2013). The increase was attributable to all segments and mainly linked with launches of new products. During 2014, the Group capitalised new expenditures for development in the amount of \$676 million (\$759 million in 2013).

Other income/(expenses)

In 2014, net other expenses were in line with the previous year amount.

Trading profit/(loss)

The Group’s trading profit for 2014 was \$2,399 million (or 7.3% of net revenues). Trading profit decreased by \$238 million compared to a trading profit of \$2,637 million (or 7.7% of net revenues) in 2013. Trading profit of Industrial Activities was \$1,867 million, a decrease of \$252 million compared to the prior year. Trading profit increases in Construction Equipment and Powertrain were more than offset by declines in Commercial Vehicles and Agricultural Equipment. Construction Equipment benefitted from favourable volume and mix in all regions, positive price realisation, and cost efficiencies. For Powertrain, the improvement was mainly due to an increase in sales, primarily to third parties, and continued industrial cost-efficiencies partially offset by an increase in research and development costs. For Commercial Vehicles, positive performance in EMEA and APAC and significant reductions in SG&A costs were more than offset by the negative effects of challenging trading conditions in LATAM, due to a significant decline in market demand. For Agricultural Equipment, lower volume and negative product mix were partially offset by positive net price realisation, industrial efficiencies and structural cost reductions in SG&A costs. Trading profit for Financial Services totalled \$532 million, an increase of \$14 million compared with \$518 million for 2013, with the positive impact of the higher average portfolio value partially offset by higher provisions for credit losses.

Gains/(losses) on the disposal of investments

Gains/(losses) on the disposal of investments amounted to zero in 2014. In 2013, this item amounted to \$25 million and included an additional loss of \$26 million on the sale of the investment in Kobelco Construction Machinery Co., Ltd., which took place in 2012, following an adverse ruling issued by the arbitrator on the price of the transaction.

Restructuring costs

In 2014, restructuring costs amounted to \$192 million, as part of the Group’s Efficiency Programme announced in July 2014. Agricultural Equipment recorded restructuring costs of \$46 million, primarily for the planned closure of a 60.0%-owned joint venture in China and cost reduction activities as a result of negative demand conditions. Construction Equipment recorded restructuring costs of \$43 million, mainly due to the realignment of the dealer networks in EMEA as a result of the repositioning of the Case and New Holland brand offerings, and the announced closure of an assembly plant in Calhoun, Georgia, United States. Commercial Vehicles recorded restructuring costs of \$103 million, mainly due to actions to reduce SG&A costs and business support costs as a result of the transition to CNH Industrial’s regional structure, and costs related to the completion of manufacturing product specialisation programmes. For 2013, restructuring costs

were \$54 million, mainly related to Commercial Vehicles as a consequence of the actions initiated in 2012 to rationalise the heavy truck and firefighting businesses.

Other unusual income/(expenses)

Other unusual expenses were \$40 million in 2014, mainly due to the closure of an indirect taxes claim, costs for the rationalisation of strategic suppliers and other minor items. Other unusual expenses were \$77 million in 2013, largely reflecting expenses related to the dissolution of the previously existing joint venture with the Barclays group and its consolidation into Financial Services (\$41 million), and costs for the rationalisation of strategic suppliers.

Operating profit/(loss)

The Group recorded an operating profit of \$2,167 million (or 6.6% of net revenues) in 2014, a decrease of \$314 million compared to \$2,481 million (or 7.2% of net revenues) recorded for 2013. Operating profit for Industrial Activities was \$1,635 million, down \$369 million over 2013, with lower trading profit and higher restructuring costs partially offset by lower loss on disposal of investments. Operating profit for Financial Services totalled \$532 million, up \$55 million over 2013, which was affected by other unusual expenses reflecting costs (\$41 million) related to the dissolution of the Financial Services joint venture with Barclays.

Following is a summary of the principal components of operating profit, broken down by segment:

Operating profit by segment

	Trading profit/(loss)		Gains/(losses) on disposal of investments		Restructuring costs		Other unusual income/(expenses)		Operating profit/(loss)	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
<i>(in millions of U.S. dollars)</i>										
Agricultural Equipment ..	1,689	1,949	-	-	46	-	(2)	-	1,641	1,949
Construction Equipment ..	66	(109)	-	(26)	43	(3)	(13)	(8)	10	(140)
Commercial Vehicles	2	145	-	1	103	55	(21)	(18)	(122)	73
Powertrain	220	210	-	-	2	-	-	1	220	209
Eliminations and Other ..	(110)	(76)	-	-	-	-	(4)	(11)	(114)	(87)
Total of Industrial Activities	1,867	2,119	-	(25)	192	54	(40)	(36)	1,635	2,004
Financial Services	532	518	-	-	-	-	-	(41)	532	477
Total for the Group	2,399	2,637	-	(25)	192	54	(40)	(77)	2,167	2,481

Non-operating items

Net financial expenses were \$776 million in 2014, compared to \$615 million for 2013, and included a pre-tax charge of \$71 million due to the re-measurement of Venezuelan assets denominated in bolivar fuerte. Based on changes in the way Venezuela's exchange rate mechanism operates, CNH Industrial changed the bolivar fuerte exchange rate used to re-measure its Venezuelan Commercial Vehicles operations financial statements into U.S. dollars. Excluding this exceptional charge, net financial expenses totalled \$705 million, an increase of \$90 million over the prior year, mainly deriving from higher average net industrial debt, which was partially offset by more favourable interest rates.

Result from investments was a net gain of \$91 million in 2014 (compared to a net gain of \$136 million in 2013). The \$45 million decrease was mainly due to lower earnings from the joint ventures in APAC as a result of more difficult trading conditions.

Income taxes totalled \$566 million in 2014, compared to \$784 million in 2013, representing an effective tax rate of 38.2% for the year (compared to a 2013 effective tax rate of 39.2%). The decrease of the effective tax rate in 2014 was primarily due to the net result of the exceptional pre-tax charge relating to the re-measurement of Venezuelan assets recognised in 2014, for which no corresponding tax benefit was recorded, which was more than offset by the favourable resolution of tax audits recorded in 2014.

Profit/(loss)

Net profit was \$916 million in 2014, compared to \$1,218 million for 2013. Profit attributable to owners of the parent was \$917 million, compared to \$1,048 million for 2013.

Business Segments

The following is a discussion of net revenues and trading profit for each segment.

Revenues—by segment:

	<u>2014</u>	<u>2013</u>	<u>% Change</u>
(in millions of U.S. dollars)			
Agricultural Equipment	15,204	16,763	(9.3)
Construction Equipment	3,346	3,258	2.7
Commercial Vehicles	11,087	11,447	(3.1)
Powertrain	4,475	4,423	1.2
Eliminations and Other	(2,704)	(3,050)	-
Total of Industrial Activities	31,408	32,841	(4.4)
Financial Services	2,086	1,950	7.0
Eliminations	(537)	(560)	-
Total for the Group	32,957	34,231	(3.7)

Trading profit/(loss)—by segment:

	<u>2014</u>	<u>2013</u>	<u>% Change</u>
(in millions of U.S. dollars)			
Agricultural Equipment	1,689	1,949	(260)
Construction Equipment	66	(109)	175
Commercial Vehicles	2	145	(143)
Powertrain	220	210	10
Eliminations and Other	(110)	(76)	(34)
Total of Industrial Activities	1,867	2,119	(252)
Financial Services	532	518	14
Total for the Group	2,399	2,637	(238)
Trading margin (%)	7.3	7.7	

Agricultural Equipment

Net revenues

Agricultural Equipment full-year net revenues were \$15,204 million in 2014, a 9.3% decrease over 2013 (down 7.9% on a constant currency basis), driven by unfavourable volume and product mix, particularly in LATAM and NAFTA with a significant decrease for high horsepower products. This negative impact was partially offset by positive pricing.

The following table shows Agricultural Equipment revenues broken down by geographic region in 2014 compared to 2013:

Agricultural equipment net revenues—by geographic region:

	2014	2013	% Change
(in millions of U.S. dollars)			
NAFTA	6,884	7,460	(7.7)
EMEA	4,719	4,889	(3.5)
LATAM	1,975	2,613	(24.4)
APAC	1,626	1,801	(9.7)
Total	15,204	16,763	(9.3)

Worldwide agricultural equipment industry unit sales were down during 2014, with global demand for tractors and combines down 7.0% and 18.0%, respectively. NAFTA tractor sales were up 3.0%, largely concentrated in the lower horsepower segment (under 140 hp). The over 140 hp segment and combine demand were both down 25.0% year over year. LATAM tractor and combine markets decreased 15.0% and 24.0% respectively. EMEA markets were down 8.0% for tractors and 10.0% for combines. APAC markets decreased 8.0% for tractors and 9.0% for combines.

Agricultural Equipment's worldwide market share performance was flat for tractors and down for combines, mainly due to the transition to Tier 4B engine compliant products in NAFTA and a negative market mix in APAC.

Trading profit/(loss)

The Agricultural Equipment segment's trading profit for 2014 totalled \$1,689 million (with a trading margin of 11.1%), a decrease of \$260 million compared to the \$1,949 million trading profit for 2013 (11.6% trading margin). The decline was due to negative industrial cost absorption (due to decreased volumes) and unfavourable volume and mix (primarily tractors with horsepower over 140 hp and combines in NAFTA) that were only partially offset by net price realisation as well as SG&A cost reductions.

Construction Equipment

Net revenues

Construction Equipment net revenues were \$3,346 million, a 2.7% increase compared to 2013, (up 5.1% on a constant currency basis), due to positive pricing in NAFTA and LATAM, along with positive volume and mix in NAFTA and EMEA. This was partially offset by weakened activity in LATAM and APAC.

The following table shows Construction Equipment revenues broken down by geographic region in 2014 compared to 2013:

Construction equipment net revenues—by geographic region:

	2014	2013	% Change
(in millions of U.S. dollars)			
NAFTA	1,476	1,253	17.8
EMEA	660	633	4.3
LATAM	894	986	(9.3)
APAC	316	386	(18.1)
Total	3,346	3,258	2.7

In 2014, worldwide heavy and light construction equipment industry sales were down 9.0% and up 5.0%, respectively, compared to the prior year. Industry heavy construction equipment sales were up in NAFTA and EMEA but decreased in LATAM and APAC. Industry light construction equipment sales were up in NAFTA and EMEA, flat in APAC and down considerably in LATAM.

Construction Equipment's worldwide market share was flat overall, with increases in all regions for heavy equipment being offset by slight decreases in the light construction equipment markets in APAC and EMEA.

Trading profit/(loss)

Construction Equipment's trading profit for 2014 totalled \$66 million (with a trading margin of 2.0%), up \$175 million over the \$109 million trading loss for 2013, mainly due to favourable pricing in NAFTA and LATAM, positive volume and mix in all regions and continued containment actions in SG&A costs as a result of the realisation of the Group's brand re-alignment initiatives and global excavator strategy.

Commercial Vehicles

Net revenues

In 2014, Commercial Vehicles reported full-year net revenues of \$11,087 million, a decrease of 3.1% from 2013 (-1.3% on a constant currency basis), due to lower volumes and the negative impact of currency translation, partially offset by better pricing in all regions. Net revenues increased in EMEA driven by higher volumes and favourable mix for trucks, despite lower deliveries in the bus business due to the transition to Euro VI applications. In LATAM, net revenues decreased significantly (-31.4%) as a result of overall weak market conditions, production curtailments to realign dealer inventories to market demand, and the negative impact of currency translation. In APAC, net revenues increased due to higher volumes, mainly for buses, partially offset by the negative impact of currency translation.

The following table shows Commercial Vehicles revenues broken down by geographic region in 2014 compared to 2013:

Commercial Vehicles net revenues—by geographic region:

	<u>2014</u>	<u>2013</u>	<u>% Change</u>
(in millions of U.S. dollars)			
EMEA	8,225	7,837	5.0
LATAM	1,773	2,583	(31.4)
APAC	1,089	1,027	6.0
Total	<u>11,087</u>	<u>11,447</u>	<u>(3.1)</u>

During 2014, Commercial Vehicles delivered a total of 128,163 vehicles, including buses and specialty vehicles, representing a 5.5% decrease compared to 2013.

Volumes were higher in the light vehicle segment (+2.1%), primarily as a result of the launch of the new Daily, while volumes declined in the heavy (-8.7%) and medium (-24.5%) segments driven by weak trading conditions in LATAM and Euro V pre-buy demand in the second half of 2013 in EMEA.

Deliveries increased 3.9% in EMEA and 0.9% in APAC, but were down 37.5% in LATAM (with Brazil down approximately 33.0% and Argentina down approximately 39.0%).

The European truck market (GVW \geq 3.5 tons) registered a 1.0% increase over 2013 to approximately 667,700 units. By category, light vehicles (GVW 3.5-6.0 tons) increased 8.4% while the medium vehicles market (GVW 6.1-15.9 tons) and heavy vehicles (GVW \geq 16.0 tons) registrations were down 18.4% and 6.0%, respectively, mainly due to increased sales of Euro V vehicles in the second half of 2013 prior to the introduction of Euro VI emissions regulations in January 2014. The industry continued to experience large variations in demand across markets.

The Group's market share in the European truck market (GVW \geq 3.5 tons) remained unchanged year over year at an estimated 10.9%. In the light segment, the share is estimated to be 10.7% (down 0.6 percentage points). In the medium segment, the Group's market share increased 4.5 percentage points to 29.1%, with gains in nearly all markets, and in the heavy segment was up 0.6 percentage points to 7.5%.

In LATAM, new truck registrations (GVW \geq 3.5 tons), at 188,800 units, were down 16.4% compared to 2013. The largest decrease was registered in Venezuela, down 73.1%, while Argentina was down 26.0% and Brazil decreased 9.4%.

The Group's share of the LATAM market (GVW \geq 3.5 tons) was down 0.9 percentage points from 2013 to 10.1%, mainly driven by a 1.0 percentage point decrease in Brazil to 7.8%. Market share increased 0.8

percentage points and 0.4 percentage points, respectively, in light and medium segments, while market share declined 1.9 percentage points in the heavy segment.

In APAC, registrations decreased by 2.6% compared to 2013, mainly due to the decline in demand in the Russian Federation (down 21.6%). Group market share was down 0.2 percentage points to 1.9%.

Commercial Vehicles deliveries—by geographic area

	<u>2014</u>	<u>2013</u>	<u>% Change</u>
(units in thousands)			
France	18.5	18.3	1.1
Germany and Switzerland.....	17.8	17.5	1.7
UK.....	6.3	6.6	(4.5)
Italy	14.4	14.8	(2.7)
Iberia (Spain and Portugal).....	8.2	6.4	28.1
Rest of EMEA.....	32.2	30.1	6.9
EMEA	97.4	93.7	3.9
LATAM.....	18.8	30.1	(37.5)
APAC	12.0	11.9	0.9
Total	128.2	135.7	(5.5)
Naveco	97.5	126.9	(23.2)
SAIC Iveco Hongyan	25.0	28.0	(10.7)
Grand total	250.7	290.6	(13.7)

Commercial Vehicles deliveries—by product

	<u>2014</u>	<u>2013</u>	<u>% Change</u>
(units in thousands)			
Heavy	30.8	33.7	(8.7)
Medium.....	15.4	20.4	(24.5)
Light	69.5	68.0	2.1
Buses.....	8.6	9.4	(8.0)
Specialty vehicles ⁽¹⁾	3.9	4.2	(7.3)
Total	128.2	135.7	(5.5)

(1) Defence and firefighting vehicles.

Trading profit/(loss)

Commercial Vehicles closed 2014 with a trading profit of \$2 million, compared to a trading profit of \$145 million for 2013, as a result of difficult trading conditions and negative foreign exchange currency impacts in LATAM, which were only partially offset by the recovery of trucks in EMEA and cost control actions within SG&A expenses.

Powertrain

Net revenues

Powertrain reported 2014 revenues of \$4,475 million, an increase of 1.2% over the prior year (up 1.4% on a constant currency basis), primarily attributable to higher volumes of engines sold. For 2014, sales to external customers accounted for 41.0% of total net revenues, up from 34.0% in 2013.

During 2014, Powertrain sold a total of 583,589 engines, an increase of 7.1% year over year. Of the engines sold, 24.0% were supplied to Commercial Vehicles, 24.0% to Agricultural Equipment, 5.0% to Construction Equipment, while the remaining 47.0% were sold to external customers. In addition, Powertrain delivered 64,174 transmissions (+3.3% compared to 2013) and 156,921 axles (in line with the prior year).

Trading profit/(loss)

Powertrain closed 2014 with a trading profit of \$220 million, representing a trading margin of 4.9%, compared to \$210 million (trading margin of 4.7%) for 2013. The improvement was due to an increase in volumes, a larger proportion of third-party business and industrial efficiencies, which was partially offset by an increase in research and development costs.

Financial Services

Net revenues

Financial Services reported net revenues of \$2,086 million in 2014, up 7.0% compared to 2013, primarily due to the increase in the average value of the portfolio.

Trading profit/(loss)

For 2014, Financial Services recorded a trading profit of \$532 million, compared to \$518 million in 2013. The improvement was mainly attributable to higher average portfolio value, partially offset by higher provisions for credit losses.

Liquidity and Capital Resources

The following discussion of liquidity and capital resources principally focuses on CNH Industrial's consolidated statement of financial position and CNH Industrial's consolidated statement of cash flows.

Statement of financial position review

Statement of financial position by activity

	At December 31,					
	2014			2013 ⁽¹⁾		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
(in millions of U.S. dollars)						
Intangible assets:	6,031	5,874	157	6,046	5,893	153
<i>Goodwill</i>	2,494	2,359	135	2,514	2,375	139
<i>Other intangible assets</i>	3,537	3,515	22	3,532	3,518	14
Property, plant and equipment	6,733	6,730	3	6,967	6,962	5
Investments and other financial assets ..	690	3,122	136	758	3,136	129
Leased assets	1,518	20	1,498	1,059	34	1,025
Defined benefit plan assets.....	20	19	1	44	43	1
Deferred tax assets	1,655	1,460	195	1,672	1,485	187
Total non-current assets	16,647	17,225	1,990	16,546	17,553	1,500
Inventories	7,140	6,977	163	7,536	7,440	96
Trade receivables	1,054	1,025	92	1,362	1,338	88
Receivables from financing activities ..	21,472	4,788	22,724	21,986	5,853	23,655
Current taxes receivable	324	200	124	348	332	16
Other current assets	1,434	1,137	588	1,900	1,284	951
Current financial assets:	205	198	9	261	254	10
<i>Current securities</i>	-	-	-	-	-	-
<i>Other financial assets</i>	205	198	9	261	254	10
Cash and cash equivalents	6,141	4,123	2,018	6,489	4,010	2,479
Total current assets	37,770	18,448	25,718	39,882	20,511	27,295
Assets held for sale	24	4	20	34	10	24
Total assets	54,441	35,677	27,728	56,462	38,074	28,819
Equity	7,577	7,577	2,568	7,662	7,662	2,508
Provisions:	6,386	6,329	57	6,528	6,460	68
<i>Employee benefits</i>	2,831	2,800	31	2,713	2,679	34
<i>Other provisions</i>	3,555	3,529	26	3,815	3,781	34
Debt:	29,701	11,666	24,075	29,946	12,088	25,380
<i>Asset-backed financing</i>	13,587	82	13,561	14,727	120	14,711
<i>Other debt</i>	16,114	11,584	10,514	15,219	11,968	10,669
Other financial liabilities	235	221	16	94	78	19
Trade payables	5,982	5,850	197	7,369	7,162	273
Current taxes payable	206	114	92	418	393	25
Deferred tax liabilities	399	191	208	302	197	105
Other current liabilities	3,955	3,729	515	4,143	4,034	441
Liabilities held for sale.....	-	-	-	-	-	-
Total liabilities	46,864	28,100	25,160	48,800	30,412	26,311
Total equity and liabilities	54,441	35,677	27,728	56,462	38,074	28,819

(1) Amounts recast in order to reflect the change in presentation currency from euro to U.S. dollar. For additional information, refer to the section "Significant accounting policies," paragraph "Change in presentation currency" in the notes to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

At December 31, 2014, **total assets** amounted to \$54,441 million, a decrease of \$2,021 million compared to the \$56,462 million at year-end 2013.

Non-current assets totalled \$16,647 million, an increase of \$101 million over year-end 2013, primarily attributable to investments for the period (net of amortisation/depreciation).

Current assets decreased \$2,112 million to \$37,770 million at year-end 2014. The change was primarily attributable to a decrease in receivables from financing activities (\$514 million), in other current assets (\$466 million), in inventories (\$396 million), in trade receivables (\$308 million) and in cash and cash equivalents (\$348 million).

Receivables from financing activities totalled \$21,472 million at December 31, 2014. Net of currency translation differences and write-downs, there was a \$799 million increase mainly relating to increases in retail and wholesale receivables in NAFTA and wholesale receivables in LATAM.

Working capital (net of items relating to vehicles sold under buy-back commitments and vehicles no longer subject to lease agreements that are held in inventory) was positive at \$1,488 million, representing an increase of \$573 million for the year.

	At December 31, 2014	At December 31, 2013	Change
(in millions of U.S. dollars)			
Inventories ^(a)	6,857	7,334	(477)
Trade receivables	1,054	1,362	(308)
Trade payables	(5,982)	(7,369)	1,387
Net current taxes receivable/(payable) and other current receivables/(payables) ^(b)	(441)	(412)	(29)
Working Capital	1,488	915	573

(a) Inventories are reported net of vehicles held for sale by the Commercial Vehicles segment that have been bought back (under buy-back commitments) or returned following expiry of a lease agreement.

(b) Other current payables, included under current taxes receivable/(payable) and other current receivables/(payables), are stated net of amounts due to customers in relation to vehicles sold under buy-back commitments, which consist of the repurchase amount payable at the end of the lease period, together with the value of any lease installments received in advance. The value at the beginning of the contract period, equivalent to the difference between the sale price and the repurchase amount, is recognised on a straight-line basis over the contract period.

Working capital increased \$705 million over the year on a comparable scope of operations and on a constant currency basis.

At December 31, 2014, trade receivables, other receivables and receivables from financing activities falling due after that date and sold without recourse – and, therefore, eliminated from the statement of financial position pursuant to the derecognition requirements of IAS 39 – totalled \$654 million (\$1,091 million at December 31, 2013).

At December 31, 2014, CNH Industrial's debt was \$29,701 million (\$29,946 million at the end of 2013) of which \$13,587 million (\$14,727 million at December 31, 2013) related to asset-backed financing operations. Remaining debt of \$16,114 million at December 31, 2014 (\$15,219 million at the end of 2013) included bonds of \$9,519 million (\$7,329 million at the end of 2013), bank loans of \$5,547 million (\$7,101 million at the end of 2013) and other indebtedness of \$1,048 million (\$789 million at the end of 2013). Debt decreased \$245 million during 2014, mainly reflecting a decrease of \$1,997 million due to currency translation impact, a decrease of \$507 million in asset-backed financing, a net decrease of \$497 million in bank debt, net of \$2,759 million in new bond issues. See Note 27 to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus for additional information on the Group's indebtedness at December 31, 2014, including a table summarising the maturity profile and interest rates payable on CNH Industrial's outstanding bonds at that date.

At December 31, 2014, CNH Industrial's **net debt** (a non-GAAP) measure which is calculated as debt plus other financial liabilities, net of cash, cash equivalents, current securities and other financial assets, all as recorded in CNH Industrial's consolidated statement of financial position) was \$23,590 million, an increase of \$300 million, or 1.3%, compared with the \$23,290 million recorded at the end of 2013. Cash from operating activities was more than offset by an increase in the loan portfolios of the Financial Services

segment, as well as by capital expenditures and dividend distributions during the year. Currency translation differences positively affected net debt by \$1,824 million.

The following table details CNH Industrial's net debt at December 31, 2014 and 2013, and provides a reconciliation of this non-GAAP measure to debt, the most directly comparable measure included in CNH Industrial's consolidated statement of financial position. Net debt is one of management's primary measures for analysing CNH Industrial's debt and managing its liquidity, because CNH Industrial believes this measure illustrates how much indebtedness would remain if all of CNH Industrial's available liquid resources were applied to the repayment of debt. Due to different sources of cash flows used for the repayment of the debt between Industrial Activities and Financial Services (by cash from operations for Industrial Activities and by collection of financing receivables for Financial Services), management separately evaluates the cash flow performance of Industrial Activities using the net debt of Industrial Activities (i.e., net industrial debt). Net industrial debt is the principal indicator of changes in financial structure and, as such, is one of the key targets used to measure Group performance.

	At December 31,					
	2014			2013		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
(in millions of U.S. dollars)						
Debt:	(29,701)	(11,666)	(24,075)	(29,946)	(12,088)	(25,380)
<i>Asset-backed financing</i> ..	(13,587)	(82)	(13,561)	(14,727)	(120)	(14,711)
<i>Other debt</i>	(16,114)	(11,584)	(10,514)	(15,219)	(11,968)	(10,669)
Intersegment financial receivables ⁽¹⁾	-	4,692	1,348	-	5,707	1,815
Debt, net of intersegment balances	(29,701)	(6,974)	(22,727)	(29,946)	(6,381)	(23,565)
Other financial assets ⁽²⁾	205	198	9	261	254	10
Other financial liabilities ⁽²⁾	(235)	(221)	(16)	(94)	(78)	(19)
Liquidity:						
<i>Cash and cash equivalents</i> ..	6,141	4,123	2,018	6,489	4,010	2,479
Net (debt)/cash	(23,590)	(2,874)	(20,716)	(23,290)	(2,195)	(21,095)

(1) As a result of the role played by the central treasury, debt for Industrial Activities also includes funding raised by the central treasury on behalf of consolidated Financial Services companies (included under intersegment financial receivables). Intersegment financial receivables for Financial Services companies, on the other hand, represent loans or advances to Industrial Activities companies – for receivables sold to Financial Services companies that do not meet the derecognition requirements of IAS 39 – as well as cash deposited temporarily with the central treasury. The net intersegment receivable/payable balance owed by Financial Services to Industrial Activities amounted to \$3,344 million and \$3,892 million as of December 31, 2014 and 2013, respectively.

(2) Other financial liabilities and other financial assets include, respectively, the negative and positive fair values of derivative financial instruments.

At December 31, 2014, **liquidity** totalled \$6,141 million, down \$348 million compared to the \$6,489 million recorded at year-end 2013. At December 31, 2014, cash and cash equivalents included \$978 million (\$922 million at December 31, 2013) of restricted cash the use of which is primarily limited to the repayment of the debt relating to securitisations classified as asset-backed financing.

Based on changes in the way Venezuela's exchange rate mechanism operates, CNH Industrial changed the bolivar fuerte exchange rate used to re-measure its Venezuelan Commercial Vehicles operations financial statements into U.S. dollars. Effective March 31, 2014, CNH Industrial started to use the exchange rate determined by U.S. dollar auctions conducted under Venezuela's Complementary System of Foreign Currency Administration (SICAD I). At December 31, 2014, CNH Industrial used the SICAD I exchange rate of 12.0 bolivar fuerte to one U.S. dollar, instead of the official exchange rate of 6.3 bolivar fuerte to one U.S. dollar previously used before March 31, 2014. At December 31, 2014, CNH Industrial's Venezuelan subsidiary had net monetary assets of \$125 million calculated at the exchange rate of 12.0 bolivar fuerte to one U.S. dollar, including \$106 million of cash and cash equivalents. As the SICAD I rate is based on

periodic auctions, there may be significant changes to the currency exchange rate in future years, as well as other related developments in Venezuela, which may impact CNH Industrial's consolidated financial statements.

Total **available liquidity** (including \$2,716 million and \$2,224 million in undrawn committed facilities at year-end 2014 and 2013, respectively) increased \$144 million to \$8,857 million, as proceeds from three capital markets issuances ((i) an offering of €1 billion of 2.75% bonds due March 2019; (ii) an offering of €700 million 2.875% bonds due September 2021, both issued by CNH Industrial Finance Europe S.A., and (iii) an offering of \$500 million 3.375% bonds due July 2019, issued by CNH Industrial Capital LLC), more than offset cash utilised by increase in working capital, by capital expenditures, by reduction of bank debt, and by dividend payments and negative currency translation. In 2014, a €1.75 billion five-year committed revolving credit facility was signed, replacing an existing €2 billion three-year committed revolving credit facility due to mature in February 2016.

CNH Industrial has traditionally relied upon the ABS market and committed asset-backed facilities as primary sources of funding and liquidity. The Group carried out term securitisations for a total amount of \$3,448 million in 2014 and \$5,332 million in 2013. CNH Industrial also established or renewed wholesale securitised credit facilities for a total commitment amount of \$4,946 million in 2014 (\$2,245 million in 2013) and retail securitised credit facilities for a total commitment amount of \$2,167 million in 2014 (\$2,401 million in 2013).

In January 2014, CNH Industrial and BNP Paribas reached an agreement to extend the joint venture services relating to retail financing to the Commercial Vehicles' business in Italy, Germany, France, the UK and in other major European markets. As a result of this increase in scope, CNH Industrial Capital Europe S.a.S. is now the captive finance company for all the Group's current businesses in major European countries.

In 2013, Financial Services further diversified its sources of funding for the Commercial Vehicle business (end-customers and dealers) through new arrangements, including receivables factoring agreements and revolving unsecured credit facilities. A pan-European securitisation programme established in 2011, with a maximum amount of \$827 million, continued to ensure the funding of dealer financing activities.

Changes in net industrial debt

	<u>2014</u>	<u>2013</u>
(in millions of U.S. dollars)		
Net industrial (debt)/cash at beginning of the year	(2,195)	(2,166)
Profit/(loss)	916	1,218
Amortisation and depreciation (net of vehicles sold under buy-back commitments and operating lease).....	1,145	994
Change in provisions for risks and charges and similar	(115)	84
Change in working capital	(942)	192
Investments in property, plant and equipment and intangible assets (net of vehicles sold under buy-back commitments and operating lease).....	(1,681)	(1,979)
Change in consolidation scope and other changes.....	(193)	20
Net industrial cash flow	(870)	529
Capital increases and dividends	(364)	(374)
Currency translation differences.....	555	(184)
Change in net industrial debt	(679)	(29)
Net industrial (debt)/cash at end of year	(2,874)	(2,195)

During 2014, net industrial debt totalled \$2,874 million, an increase of \$679 million over 2013. Cash generation in the operations before changes in working capital contributed for \$1,946 million. Changes in working capital negatively impacted by \$942 million, mainly due to lower payables as a result of the relevant production curtailments in Agricultural Equipment in the fourth quarter, and of Commercial Vehicles in EMEA returning to normalised levels of production as compared to prior year's Euro V pre-buy activity, as well as in LATAM operations. Capital expenditures activity totalled \$1,681 million and dividend payments,

net of capital increases, were \$364 million. Currency translation differences positively affected net industrial debt by \$555 million.

Changes in net debt of Financial Services

Net debt of Financial Services at December 31, 2014 was \$379 million lower than year-end 2013. The decrease mainly reflected positive currency translation differences (\$1,269 million) and cash from operating activities (\$329 million), partially offset by the increase in the Group's lending portfolio (\$1,004 million) and dividend distributions of \$160 million.

Cash Flow Analysis

CNH Industrial's operations are capital intensive and subject to seasonal variations in financing requirements for dealer receivables and dealer and Company inventories.

CNH Industrial finances its operations through cash flows generated by operations, issuance of bonds and other medium-term borrowings, as well as securitisation transactions which principally provide funding and liquidity to Financial Services.

In 2014, operating activities generated \$1,173 million in cash. Investing activities absorbed a total of \$2,380 million of cash to fund capital expenditures of \$1,698 million and increases in receivables from financing activities of \$923 million. Financing activities generated a total of \$1,373 million in cash.

In 2013, operating activities generated \$2,437 million in cash. Investing activities absorbed a total of \$4,555 million of cash to fund capital expenditures of \$1,985 million and increases in receivables from financing activities of \$2,399 million. Financing activities generated a total of \$2,532 million in cash.

The following table summarises the changes to cash flows from operating, investing and financing activities for each of the financial years ended December 31, 2014 and 2013. Full statements of cash flows are presented in the financial statements that are incorporated by reference in this Base Prospectus.

Statement of cash flows by activity

	At December 31,					
	2014			2013		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
(in millions of U.S. dollars)						
A) Cash and Cash Equivalents At Beginning of the Year	6,489	4,010	2,479	6,084	3,890	2,194
B) Cash From/(Used In) Operating Activities:						
Profit/(loss)	916	916	364	1,218	1,218	339
Amortisation and depreciation (net of vehicles sold under buy-back commitments and operating lease).....	1,151	1,145	6	997	994	3
(Gains)/losses on disposal of non-current assets (net of vehicles sold under buy-back commitments) and other non-cash items	156	(340)	132	66	(383)	110
Dividends received	88	248	-	81	344	7
Change in provisions	(70)	(66)	(4)	132	128	4
Change in deferred taxes	108	35	73	(49)	(52)	3
Changes relating to buy-back commitments ^(a)	111	4	107	105	44	61
Changes relating to operating lease ^(b)	(582)	4	(586)	(210)	3	(213)
Change in working capital	(705)	(942)	237	97	192	(95)
Total	1,173	1,004	329	2,437	2,488	219
C) Cash From/(Used In) Investing Activities:						
Investments in:						
<i>Property, plant and equipment and intangible assets (net of vehicles sold under buy-back commitments and operating lease)</i>	(1,698)	(1,681)	(17)	(1,985)	(1,979)	(6)
<i>Subsidiaries and other investments</i>	(104)	(117)	-	(113)	(124)	-
Proceeds from the sale of non-current assets (net of vehicles sold under buy-back commitments)	25	25	-	7	7	-
Net change in receivables from financing activities	(923)	81	(1,004)	(2,399)	(41)	(2,358)
Change in current securities.....	-	-	-	5	-	5
Other changes.....	320	559	(239)	(70)	582	(652)
Total	(2,380)	(1,133)	(1,260)	(4,555)	(1,555)	(3,011)
D) Cash From/(Used In) Financing Activities:						
Net change in debt and other financial assets/liabilities.....	1,737	995	742	2,906	(467)	3,373
Increase in share capital	18	18	13	4	4	11
Dividends paid	(382)	(382)	(160)	(368)	(368)	(270)
(Purchase)/sale of treasury shares	-	-	-	8	8	-
(Purchase)/sale of ownership interests in subsidiaries.....	-	-	-	(18)	(18)	-
Total	1,373	631	595	2,532	(841)	3,114
Currency translation differences	(514)	(389)	(125)	(9)	28	(37)
E) Net Change in Cash and Cash Equivalents	(348)	113	(461)	405	120	285
F) Cash and Cash Equivalents At End of the Year	6,141	4,123	2,018	6,489	4,010	2,479

(a) Cash generated from the sale of vehicles under buy-back commitments, net of amounts included in profit/(loss), are recognised under operating activities in a single line item, which includes changes in working capital, capital expenditure, depreciation and impairment losses. The item also includes gains and losses arising from the sale of vehicles subject to buy-back commitments before the end of the agreement and without repossession of the vehicle.

(b) Cash from operating lease is recognised under operating activities in a single line item, which includes capital expenditure, depreciation, write-downs and changes in inventory.

Net cash from operating activities

Cash generated by operating activities in 2014 totalled \$1,173 million, compared to \$2,437 million in 2013, and comprised the following elements:

- \$916 million in profits for 2014;
- plus \$1,151 million in non-cash charges for depreciation and amortisation (net of vehicles sold under buy-back commitments and operating lease);
- plus \$156 million in (gains)/losses on disposal and other non-cash items;
- plus \$88 million in dividends received, minus changes in provisions of \$70 million, and plus change in deferred income taxes of \$108 million;
- plus \$111 million for changes in items due to buy-back commitments, minus \$582 million for changes in operating lease items, minus \$705 million in changes in working capital.

In 2013, \$2,340 million of the \$2,437 million in cash generated by operating activities during the year was from income-related cash inflows (calculated as profit plus amortisation and depreciation, dividends, changes in provisions and deferred taxes, various items related to sales with buy-back commitments and operating lease, net of gains/losses on disposals and other non-cash items) with \$97 million resulting from an increase in working capital (calculated on a comparable scope of operations and on a constant currency basis).

Net cash from investing activities

In 2014, investing activities absorbed \$2,380 million in cash (compared to \$4,555 million in cash absorbed by investing activities in 2013). The negative flows were mainly generated by:

- investments in tangible and intangible assets that used \$1,698 million in cash (compared to \$1,985 million used in 2013), including \$676 million in capitalised development costs. Investments in tangible and intangible assets are net of investments in vehicles for CNH Industrial's long-term rental operations and of investments relating to vehicles sold under buy-back commitments, which are reflected in cash flows relating to operating activities; and
- \$923 million increase in receivables from financing activities, primarily as a result of higher levels of financing provided to both dealers and customers in NAFTA and dealers in LATAM.

In 2013, cash used in investing activities totalled \$4,555 million. Expenditure on tangible and intangible assets (including \$759 million in capitalised development costs) totalled \$1,985 million. The increase in receivables from financing activities, which accounts for cash absorption of \$2,399 million, related primarily to dealer and customer financing for Agricultural Equipment and Construction Equipment.

The following table summarises CNH Industrial's investments in tangible and intangible assets by segment for each of the years ended December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
(in millions of U.S. dollars)		
Agricultural Equipment	730	879
Construction Equipment.....	129	157
Commercial Vehicles	625	732
Powertrain.....	192	210
Eliminations and Other.....	5	1
Total of Industrial Activities	<u>1,681</u>	<u>1,979</u>
Financial Services.....	17	6
Total	<u>1,698</u>	<u>1,985</u>

The Group incurred these capital expenditures to acquire property, plant and equipment necessary to introduce and manufacture new products, enhance CNH Industrial's manufacturing efficiency and implement further environmental and safety programmes.

Net cash from financing activities

In 2014, cash generated from financing activities totalled \$1,373 million (compared to a total of \$2,532 million cash generated in 2013). New bond issues (\$2,759 million) and the issuance of medium-term borrowings (\$2,306 million) were partially offset by repayments and by dividend payments of \$382 million.

Cash generated from financing activities totalled \$2,532 million in 2013. New bond issues (\$1,100 million) and the issuance of medium-term borrowings (\$2,520 million) were partially offset by repayments and by dividend payments of \$368 million.

Statement of cash flows by activity

For 2014, **Industrial Activities** generated cash and cash equivalents totalling \$113 million. In particular:

- Operating activities generated \$1,004 million in cash, primarily related to profit adjusted for amortisation and depreciation, gains/losses on disposals and other non-cash items, changes in provisions, deferred taxes, items related to vehicles sold under buy-back commitments and operating lease, and dividends received, totalling \$1,946 million, and to an increase in working capital of \$942 million (on a comparable scope of operations and on a constant currency basis);
- Investing activities absorbed a total of \$1,133 million in cash, primarily related to investments in fixed assets and in subsidiaries and other equity investments (\$1,798 million), partially offset by changes in financial receivables from/debt payable to Financial Services (included under other changes); and
- Financing activities generated cash of \$631 million, essentially due to new bond issues (\$2,259 million), medium-term borrowing issuances (\$1,032 million), partially offset by borrowing repayments (\$2,093 million) and by the distribution of dividends (\$382 million).

At December 31, 2014, cash and cash equivalents for **Financial Services** totalled \$2,018 million, down \$461 million over December 31, 2013. Changes in cash for Financial Services were attributable to:

- Operating activities, which generated \$329 million in cash, mainly deriving from income-related cash inflows;
- Investing activities (including changes in financial receivables from/debt payable to Industrial Activities), which absorbed \$1,260 million in cash, with a \$1,004 million increase in the loan portfolio; and
- Financing activities, which generated a total of \$595 million in cash, mainly from proceeds from a new bond issuance (\$500 million).

Capital Resources

Funding policy

The funding requirements and liquidity of the Group's companies are managed on a standard and centralised basis. This centralised system is aimed at optimising the efficiency, effectiveness and security of CNH Industrial's management of capital resources.

In the major jurisdictions where CNH Industrial operates, its subsidiaries participate in a Group-wide cash management system. In these jurisdictions, the cash balances of all CNH Industrial companies are aggregated at the end of each business day to central pooling accounts. The central treasury offers CNH Industrial high levels of professional financial and systems expertise, as well as providing related services and consulting to its business segments.

In the continuing environment of uncertainty in the financial markets, CNH Industrial's policy is to keep a high degree of flexibility with its funding and investment options in order to maintain its desired level of liquidity. In managing its liquidity requirements, CNH Industrial is pursuing a financing strategy that includes open access to a variety of financing sources, including capital markets, bank credit lines and ABS transactions.

The following is a summary of CNH Industrial's strategy:

- To fund Industrial Activities' short-term financing requirements and to ensure near-term liquidity, Industrial Activities will continue to sell certain of its receivables to Financial Services and rely on internal cash flows including managing working capital. CNH Industrial will also supplement its short-term financing by drawing on existing or new credit lines with banks.
- To the extent funding needs of Industrial Activities are determined to be of a longer-term nature, CNH Industrial may access public medium-term debt markets as well as avail itself of private investors and banks, as appropriate, to refinance borrowings and replenish its liquidity.
- Financial Services' funding strategy is to maintain a sufficient level of liquidity and flexible access to a wide variety of financial instruments. CNH Industrial expects securitisations, intersegment borrowings and sale of receivables (factoring) to continue to represent a substantial portion of its capital structure. However, CNH Industrial will continue to diversify its funding sources and expand its investor base within Financial Services to create a stand-alone funding profile and support the target of investment grade credit ratings. CNH Industrial will continue to look at the public ABS market as an important source of funding in North America and Australia. In addition to its current funding and liquidity sources, which include a combination of term receivables, securitizations, committed asset-backed facilities and unsecured and secured borrowings, CNH Industrial expects changes to its funding profile as costs and terms of accessing the unsecured term market are favourable. In addition to offering unsecured notes and accessing unsecured committed bank facilities, Financial Services will continue to evaluate financing alternatives to further diversify its funding base. CNH Industrial will tailor its offerings to improve investor interest in the Group's securities while optimizing economic factors and reducing execution risks.

On a global level, CNH Industrial will continue to evaluate alternatives to ensure that Financial Services has access to capital on favourable terms to support its business, including agreements with global or regional partners, new funding arrangements or a combination of the foregoing.

CNH Industrial's access to external sources of financing, as well as the cost of financing, is dependent on various factors, including its credit ratings. Currently, CNH Industrial is rated below investment grade, with long-term corporate credit ratings of "BB+" (with a stable outlook) and a short-term rating of "B" from S&P, and a "Ba1" corporate family rating with a stable outlook from Moody's. A credit rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to revision or withdrawal at any time by the assigning rating organization, and each rating should be evaluated independently of any other rating. A deterioration in CNH Industrial's ratings could impair its ability to obtain debt financing and would increase the cost of such financing. Ratings are influenced by a number of factors, including, among others: financial leverage on an absolute basis or relative to peers, the composition of the balance sheet and/or capital structure, material changes in earnings trends and volatility, ability to distribute dividends from subsidiaries, and CNH Industrial's competitive position. Material deterioration in any one, or a combination, of these factors could result in a downgrade of CNH Industrial's ratings, thus increasing the cost, and limiting the availability, of financing.

Consolidated debt

At December 31, 2014, CNH Industrial's **debt** was \$29,701 million (\$29,946 million at December 31, 2013) of which \$13,587 million (\$14,727 million at December 31, 2013) related to asset-backed financing operations. The remaining debt of \$16,114 million at December 31, 2014 (\$15,219 million at December 31, 2013) included bonds of \$9,519 million (\$7,329 million at December 31, 2013), bank loans of \$5,547

million (\$7,101 million at December 31, 2013) and other indebtedness of \$1,048 million (\$789 million at December 31, 2013).

At December 31, 2014, the principal amount of bonds outstanding amounted to \$9,339 million, net of hedge accounting effect and amortised cost valuation of \$180 million. For additional information on the terms and conditions of the bonds, including applicable financial covenants, see Note 27 to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

Global Medium Term Note (GMTN) Programme. CNH Industrial has a global medium-term note programme that is the subject of this Base Prospectus allowing for the placement of debt securities with institutional investors for a total authorised amount of €10 billion, equivalent to \$12 billion. The programme was established by Fiat Industrial and its subsidiaries in February 2011. At December 31, 2014, €3,900 million (\$4,735 million) was outstanding under the programme, all such debt having been issued by CNH Industrial Finance Europe S.A. and guaranteed by CNH Industrial.

Euro 2.0 billion Revolving Credit Facility. On November 21, 2014, CNH Industrial refinanced the three-year €2.0 billion (\$2.4 billion), multi-currency revolving credit facility due in February 2016 with a €1.75 billion (\$2.1 billion) five-year multi-currency revolving credit facility. This facility expires in November 2019 and includes typical provisions for contracts of this type and size, such as:

- financial covenants (Net debt/EBITDA and EBITDA/Net interest ratios relating to Industrial Activities) and other customary covenants (including a negative pledge and *pari passu* clauses, as well as restrictions on the incurrence of indebtedness by certain subsidiaries);
- customary events of default (some of which are subject to minimum thresholds and customary mitigants), including cross-default provisions, failure to pay amounts due or to comply with certain provisions under the loan agreement and the occurrence of certain bankruptcy-related events; and
- mandatory prepayment obligations upon a change in control of CNH Industrial or the borrowers.

Failure to comply with the above provisions, in certain cases if not suitably remedied, can lead to the requirement to make early repayment of the outstanding loans.

CNH Industrial has guaranteed any borrowings under the revolving credit facility with cross-guarantees from each of the borrowers (*i.e.*, CNH Industrial Finance S.p.A., CNH Industrial Finance Europe S.A. and CNH Industrial Finance North America, Inc.).

For additional information on CNH Industrial's outstanding indebtedness, see Note 27 to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013.

During 2014, CNH Industrial Capital LLC (formerly known as CNH Capital LLC, a Financial Services subsidiary in NAFTA), continued to diversify its funding sources and issued debt securities in the amount of \$500 million, at an annual fixed rate of 3.375%, due in 2019. In 2013, CNH Industrial Capital LLC entered into two issuances of debt securities, for an aggregate amount of \$1.1 billion. The first issue of debt securities was in the amount of \$600 million, at an annual fixed rate of 3.625% due 2018; the second debt offering was in the amount of \$500 million, at an annual fixed rate of 3.25% due in 2017.

CNH Industrial also sells certain of its finance, trade and tax receivables to third parties in order to improve liquidity, to take advantage of market opportunities and, in certain circumstances, to reduce credit and concentration risk in accordance with its risk management objectives.

The sale of financial receivables is executed primarily through securitisation transactions and involves mainly accounts receivable from final (retail) customers and from the network of dealers to CNH Industrial's Financial Services companies.

At December 31, 2014, CNH Industrial's current receivables included receivables sold and financed through both securitisation and factoring transactions of \$15,301 million (\$15,916 million at December 31, 2013), which do not meet IAS 39 de-recognition requirements and therefore must be recorded on CNH Industrial's statement of financial position. These receivables are recognised as such in CNH Industrial's financial statements even though they have been legally sold; a corresponding financial liability is recorded in the consolidated statement of financial position as debt in asset-backed financing, as described above (see Note 19 to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013).

At December 31, 2014, the Group had discounted receivables without recourse having due dates after December 31, 2014 (and meeting IAS 39 requirements for de-recognition) amounting to \$654 million (\$1,091 million at December 31, 2013, with due dates after that date), which refer to trade receivables and other receivables for \$585 million (\$1,043 million at December 31, 2013) and receivables from financing activities for \$69 million (\$48 million at December 31, 2013).

Future Liquidity

CNH Industrial has adopted formal policies and decision-making processes aimed at optimising its overall financial situation and the allocation of financial funds, cash management processes and financial risk management. CNH Industrial's liquidity needs could increase in the event of an extended economic slowdown or recession that would reduce its cash flow from operations and impair the ability of its dealers and retail customers to meet their payment obligations. Any reduction of CNH Industrial's credit ratings would increase its cost of funding and potentially limit its access to the capital markets and other sources of financing.

CNH Industrial believes that funds available under its current liquidity facilities, those realised under existing and planned asset-backed securitisation programmes and issuances of debt securities and those expected from ordinary course refinancing of existing credit facilities, together with cash provided by operating activities, will allow CNH Industrial to satisfy its debt service requirements for the coming year. At December 31, 2014 CNH Industrial had available committed lines of credit expiring after twelve months of \$2.7 billion.

CNH Industrial's securitised debt is repaid with the cash generated by the underlying amortising receivables. Accordingly, additional liquidity is not normally necessary for the repayment of such debt. CNH Industrial has traditionally relied upon the term ABS market and committed asset-backed facilities as a primary source of funding and liquidity.

If CNH Industrial were unable to obtain ABS funding at competitive rates, its ability to conduct financing business would be limited.

Off-Balance Sheet Arrangements

CNH Industrial uses certain off-balance sheet arrangements with unconsolidated third parties in the ordinary course of business, including financial guarantees. CNH Industrial's arrangements are described in more detail below. For additional information, see Note 30 to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

Financial guarantees

CNH Industrial's financial guarantees require it to make contingent payments upon the occurrence of certain events or changes in an underlying instrument that is related to an asset, a liability or the equity of the guaranteed party. These guarantees include arrangements that are direct obligations, giving the party receiving the guarantee a direct claim against CNH Industrial, as well as indirect obligations, under which CNH Industrial has agreed to provide the funds necessary for the party in the interest of which the guarantee was issued to satisfy an obligation.

At December 31, 2014, CNH Industrial had granted guarantees on the debt or commitments of third parties or unconsolidated subsidiaries, joint ventures and associated entities totalling \$383 million (\$513 million at

December 31, 2013). These guarantees mainly consist of obligations of certain CNH Industrial companies in favour of certain dealers in relation to bank financings, as well as performance guarantees in favour of a joint venture in the Commercial Vehicles segment.

Contractual Obligations and Commitments

The following table sets forth CNH Industrial's contractual obligations and commercial commitments with definitive payment terms that will require significant cash outlays in the future, as of December 31, 2014.

(in millions of U.S. dollars)	At December 31,									
	2014					2013				
	within one year	between one and three years	between three and five years	beyond five years	Total	within one year	between one and three years	between three and five years	beyond five years	Total
Long-term debt obligations ⁽¹⁾ :										
Bonds	2,112	2,788	3,769	850	9,519	148	2,886	4,295	-	7,329
Borrowings from banks....	1,218	1,885	1,237	163	4,503	837	3,660	716	240	5,453
Asset-backed financing	6,173	5,526	1,824	64	13,587	7,534	5,151	1,888	154	14,727
Other debt	322	199	142	52	715	(11)	343	110	48	490
Total long-term debt obligations	9,825	10,398	6,972	1,129	28,324	8,508	12,040	7,009	442	27,999
Capital (Finance) lease obligations	7	13	14	30	64	8	15	12	39	74
Operating lease obligations	72	95	51	35	253	65	88	54	48	255
Purchase obligations	1,080	572	146	20	1,818	1,038	525	134	30	1,727
Uncertain tax positions ⁽²⁾ ..	18	-	138	-	156	15	-	237	-	252
Total contractual obligations	11,002	11,078	7,321	1,214	30,615	9,634	12,668	7,446	559	30,307

(1) Amounts presented exclude the related interest expense that will be paid when due. The table above does not include short term debt obligations; furthermore, it does not include obligations for pension plans, health care plans, other post-employment benefits and other employee benefits. CNH Industrial's best estimate of expected contributions in 2015 to pension plans and healthcare plans is \$28 million and zero, respectively. Potential outflows in the years after 2015 are subject to a number of uncertainties, including future asset performance and changes in assumptions, and therefore CNH Industrial is unable to make sufficiently reliable estimates of future contributions beyond that period.

(2) The total amount of CNH Industrial's tax contingencies was \$156 million at December 31, 2014. Payment of these liabilities would result from settlements with tax authorities. CNH Industrial estimates that settlements with tax authorities may result in payment of \$18 million of these liabilities in 2015 and a final refund of \$20 million from Canada related to the 2013 transfer pricing settlement reached with the U.S. and Canada competent authorities. Because of the high degree of uncertainty relating to the timing of future cash outflows associated with these liabilities, CNH Industrial is unable to reasonably estimate the timing of any settlement with tax authorities after 2015.

Long-term debt obligations

For information on CNH Industrial's long-term debt obligations, see "*Capital Resources*" above and Note 27 to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

The long-term debt obligations reflected in the table above can be reconciled to the amount in the December 31, 2014 statement of financial position as follows:

	Note	At December 31, 2014	At December 31, 2013
(in millions of U.S. dollars)			
Debt reflected in the statement of financial position	(27)	29,701	29,946
<i>Less:</i> Capital (Finance) lease obligations	(27)	(64)	(74)
Total debt obligations		29,637	29,872
<i>Less:</i> Short-term debt obligations		(1,313)	(1,873)
Long-term debt obligations as reported		28,324	27,999

The amount reported as long-term debt obligations in the table above is that of CNH Industrial's bonds, borrowings from banks, asset-backed financing and other debt (excluding finance lease obligations, which are reported in a separate line item in the table above), that at inception had a contractual maturity greater than one year.

Capital (finance) lease obligations

CNH Industrial's capital leases consist mainly of industrial buildings and plant, machinery and equipment used in CNH Industrial's businesses. The amounts reported above include the minimum future lease payments and payment commitments due under such leases. For information on CNH Industrial's capital leases, see Note 27 to the consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

Operating lease obligations

CNH Industrial's operating leases consist mainly of leases for commercial and industrial properties used in carrying out CNH Industrial's businesses. The amounts reported above under "Operating lease obligations" include the minimal rental and payment commitments due under such leases.

Purchase obligations

CNH Industrial's purchase obligations at December 31, 2014, included the following:

- the repurchase price guaranteed to certain customers on sales with a buy-back commitment which is included in the line item "other current receivables" in CNH Industrial's consolidated statement of financial position in an aggregate amount of \$1,421 million; and
- commitments to purchase tangible fixed assets, largely in connection with planned capital expenditures of various Group companies, in an aggregate amount of approximately \$397 million.

Significant Recent Events:

On April 10, 2015, CNH Industrial announced that, in line with the ongoing Efficiency Programme launched in 2014, it plans to focus the operations of its Iveco commercial vehicles manufacturing facilities in Madrid and Valladolid, Spain. Under the announced plan, Madrid will be fully dedicated to the assembly of Stralis and Trakker heavy commercial vehicles and Valladolid will be transformed into a center of excellence for heavy commercial vehicles cab production. The transfer of cab operations from Madrid to Valladolid will be executed in two steps beginning mid-2015 and concluding at the end of 2016. In addition, the production of the extra heavy special vehicles and the chassis cab versions of the Iveco Daily, light duty commercial vehicles, currently carried out, respectively, in Madrid and in Valladolid, will be transferred to the existing facilities in Italy. The Iveco Astra plant, located in Piacenza, Italy, will assume production of the extra heavy special vehicles from Madrid in the second half of 2015 and the CNH Industrial's facility in Suzzara, Italy will become the central production hub for the Iveco Daily by the end of 2016.

MANAGEMENT AND CORPORATE GOVERNANCE

Overview of Corporate Governance

CNH Industrial (in this section also referred to as the “Company”) is a company organised under the laws of The Netherlands and qualifies as a foreign private issuer under the New York Stock Exchange (“NYSE”) listing standards. In accordance with the NYSE Listed Company Manual, CNH Industrial is permitted to follow home country practice with regard to certain corporate governance standards.

CNH Industrial’s board of directors (the “Board of Directors”) has established an Audit Committee, a Compensation Committee and a Governance and Sustainability Committee, and has approved and adopted a set of regulations on meetings of the board of directors (the “Board Regulations”).

On certain key industrial matters the Board of Directors is advised by the Group Executive Council (“GEC”). The GEC is an operational decision-making body of CNH Industrial, which is responsible for reviewing the operating performance of the businesses, and making decisions on certain operational matters.

The Group’s corporate governance structure comprises the Group’s code of conduct and insider trading policy. Furthermore, CNH Industrial has in place a system of internal controls.

CNH Industrial has adopted the best practice provisions of the Dutch corporate governance code issued by the Dutch Corporate Governance Code Committee, which entered into force on January 1, 2009 (the “Dutch Corporate Governance Code”) and contains principles and best practice provisions that regulate relations between the board of directors of a company and its shareholders. While CNH Industrial endorses the principles and best practice provisions of the Dutch Corporate Governance Code, its current corporate governance structure deviates from the best practice provisions of the Dutch Corporate Governance Code, only with respect to minor aspects. CNH Industrial discloses any material departure from the best practice provisions of the Dutch Corporate Governance Code in its annual reports.

Board of Directors

Pursuant to CNH Industrial’s articles of association (the “Articles of Association”), the Board of Directors may have three or more members. At the general meeting of the shareholders held on April 15, 2015, upon recommendation of the Board of Directors, CNH Industrial’s shareholders confirmed the number of the members of the Board of Directors, which is set at eleven, and re-appointed the members of the Board of Directors elected in April 2014. The term of office of the current Board of Directors will expire on the date of the CNH Industrial annual general meeting of shareholders called to approve the 2015 financial statements.

At the date of this Base Prospectus, the Board of Directors was composed of two executive directors (*i.e.*, the Chairman and the Chief Executive Officer), having responsibility for the day-to-day management of the Company, and nine non-executive directors, who do not have such day-to-day responsibility within CNH Industrial or the Group. The Board of Directors is composed of seven members (representing a majority) who qualify as independent for purposes of NYSE rules, Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the Dutch Corporate Governance Code.

At the date of this Base Prospectus, the members of the Board of Directors are as follows:

Name	Position
Sergio Marchionne	Chairman
John P. Elkann ⁽²⁾⁽³⁾	Senior Non-Executive Director
Mina Gerowin ⁽²⁾	Director
Maria Patrizia Grieco ⁽³⁾⁽⁴⁾	Director
Léo W. Houle ⁽³⁾⁽⁴⁾	Director
Peter Kalantzis ⁽¹⁾⁽³⁾⁽⁴⁾	Director
John B. Lanaway ⁽¹⁾⁽⁴⁾	Director
Guido Tabellini ⁽⁴⁾	Director
Jacqueline A. Tammenoms Bakker ⁽²⁾⁽⁴⁾	Director
Jacques Theurillat ⁽¹⁾⁽⁴⁾	Director
Richard J. Tobin	Chief Executive Officer

-
- (1) Member of the Audit Committee
(2) Member of the Governance and Sustainability Committee
(3) Member of the Compensation Committee
(4) Independent member of the Board of Directors

The Chairman is an executive director. He also serves as chairman of CNH Industrial's principal subsidiaries, such as Iveco S.p.A. and FPT Industrial S.p.A., but has no operational powers with regard to those companies.

Some directors also hold positions at other companies. Excluding the positions held by the executive directors within the CNH Industrial Group, the most significant are as follows:

- (i) Sergio Marchionne: CEO of Fiat Chrysler Automobiles N.V., chairman and CEO of FCA US LLC, chairman of Ferrari S.p.A., chairman of SGS S.A., director of EXOR S.p.A., Philip Morris International Inc., Peterson Institute for International Economics, chairman of the Council for the United States and Italy;
- (ii) John P. Elkann: chairman of Fiat Chrysler Automobiles N.V., chairman and CEO of EXOR S.p.A., chairman of Giovanni Agnelli & C. S.a.p.az, chairman of Cushman & Wakefield and Italiana Editrice, director of News Corporation, Banca Leonardo and The Economist Group, member of the IAC of Brookings Institution and of MoMA, vice chairman of the Italian Aspen Institute and the Giovanni Agnelli Foundation;
- (iii) Mina Gerowin: director of EXOR S.p.A. and Lafarge S.A., member of the Global Advisory Committee of Samsung Asset Management;
- (iv) Maria Patrizia Grieco: chairman of Enel S.p.A., director of Anima Holding S.p.A., Bocconi University and Save the Children, member of the advisory board of British Telecom Italy;
- (v) Léo W. Houle: director of FCA US LLC;
- (vi) Peter Kalantzis: chairman of Von Roll Holding Ltd., Lamda Development Ltd., Clair Ltd., Elpe-Thraki S.A. and Deussa Sonne/Mond Goldhandel AG, director of Movenpick-Holding Ltd., Paneuropean Oil and Industrial Holdings, Consolidated Lamda Holdings, SGS Ltd. and Hardstone Services S.A.;
- (vii) John B. Lanaway: director of FCA US LLC;
- (viii) Guido Tabellini: director of CIR S.p.A.;
- (ix) Jacqueline A. Tammenoms Bakker: director of TomTom, chairman of the Van Leer Group Foundation and vice chairman of the advisory board of the Rotterdam School of Management; and
- (x) Jacques Theurillat: partner of Ares Life Sciences.

At the date of this Base Prospectus, the senior managers of CNH Industrial are as follows:

Name	Position
Sergio Marchionne.....	Chairman
Richard J. Tobin.....	Chief Executive Officer
	President of the Case Construction Equipment brand
	President of the New Holland Construction brand
	President of Construction Equipment Products Segment
Brad Crews	Chief Operating Officer of the NAFTA region
	President of Agricultural Equipment Products Segment
Andreas Klauser	President of Case IH Agricultural Equipment brand
Vilmar Fistarol.....	Chief Operating Officer of the LATAM region
Stefano Pampalone	Chief Operating Officer of the APAC region
Giovanni Bartoli	President of the FPT Industrial brand
	President of Powertrain Products Segment
Carlo Lambro.....	President of the New Holland Agriculture Equipment brand
Pierre Lahutte	President of the Iveco brand
Derek Neilson	Chief Operating Officer of the EMEA region
	President of Commercial Vehicles Products Segment
Adrian Pipe	Chief Quality Officer
Annalisa Stupenengo	Chief Purchasing Officer
Alessandro Nasi.....	President of Specialty Vehicles
	Executive Coordinator of the GEC
Oddone Incisa	President of Financial Services
Massimiliano Chiara	Chief Financial Officer
Linda Knoll	Chief Human Resources Officer
Luc Billiet	President of Parts & Service and Precision Solutions & Telematics
Tom Verbaeten	Chief Manufacturing Officer

The term of office of the members of the Board of Directors is approximately one year after the relevant appointment, such period expiring on the day on which the first annual general meeting of shareholders is held in the following calendar year.

On September 9, 2013, the Board of Directors appointed John P. Elkann as Senior Non-Executive Director in accordance with Section III.8.1 of the Dutch Corporate Governance Code. The Board of Directors also appointed certain officers of CNH Industrial, including the Chief Financial Officer, the Chief Human Resources Officer, the Chief Purchasing Officer, the Corporate Controller, Chief Accounting Officer, the Treasurer, the Secretary of the Board of Directors, the Chief Quality Officer and the Chief Manufacturing Officer.

The business address of the Board of Directors and the senior managers is c/o CNH Industrial, Cranes Farm Road, Basildon, Essex, SS143AD, United Kingdom.

Save as disclosed in this section “*Board of Directors*” and in Note 24 to the audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013, at the date of this Base Prospectus, as far as CNH Industrial is aware, neither the directors nor the senior managers of CNH Industrial have any potential conflicts of interest between any duties to CNH Industrial and private interests or other duties.

Under Article 16 of CNH Industrial’s Articles of Association, the general authority to represent CNH Industrial shall be vested in the Board of Directors, as well as in each of the executive directors to whom the title Chairman or Chief Executive Officer has been granted.

In addition, CNH Industrial’s corporate governance structure provides for the formation of committees with responsibility for issues relating to internal control, governance and compensation, as established in the

Dutch Corporate Governance Code, as well as the adoption of the Board Regulations and a remuneration policy for the Company's directors. The charters of the Audit Committee, Compensation Committee, Governance and Sustainability Committee, and the Board Regulations are all available on the Governance section of the Group's website at: http://www.cnhindustrial.com/en-US/governance/corporate_regulations/Pages/default.aspx.

The remuneration policy for the Company's directors which is included in the Annual Report 2014 is available on the Investors section of the Group's website at: http://www.cnhindustrial.com/en-US/investor_relations/financial_information/annual_reports/FiatDocuments/CNHIndustrial_Annual_Report_2014.pdf

The Audit Committee

The Audit Committee is responsible for assisting the Board of Directors' oversight of: (i) the integrity of the Company's financial statements, (ii) the Company's policy on tax planning, (iii) the Company's financing, (iv) the Company's applications of information and communication technology, (v) the systems of internal controls that management and the Board of Directors have established, (vi) the Company's compliance with legal and regulatory requirements, (vii) the Company's compliance with recommendations and observations of internal and external auditors, (viii) the Company's policies and procedures for addressing certain actual or perceived conflicts of interest, (ix) the independent auditors' qualifications, independence, remuneration and any non-audit services for the Company, (x) the performance of the Company's internal audit function and of the independent auditors, (xi) risk management guidelines and policies, and (xii) the implementation and effectiveness of the Company's ethics and compliance programme.

The Audit Committee currently consists of Messrs. Theurillat (Chairman), Kalantzis, and Lanaway. The Audit Committee is elected by the Board of Directors and is comprised of at least three members who may be appointed for terms of up to two years; each member must be a non-executive director. Audit Committee members are also required (i) not to have any material relationship with the Company or to serve as auditors or accountants for the Company, (ii) to be "independent," for purposes of NYSE rules, Rule 10A-3 of the Exchange Act and the Dutch Corporate Governance Code, and (iii) to be "financially literate" and have "accounting or selected financial management expertise" (as determined by the Board of Directors). At least one member of the Audit Committee shall be a "financial expert" as defined in the Sarbanes-Oxley Act and the rules of the SEC and best practice provision III.5.7 of the Dutch Corporate Governance Code. No Audit Committee member may serve on more than four audit committees for other public companies, absent a waiver from the Board of Directors, which must be disclosed in the annual report on Form 20-F. Unless decided otherwise by the Audit Committee, the independent auditors of the Company as well as the Chief Financial Officer attend its meetings.

The Compensation Committee

The Compensation Committee is responsible for, among other things, assisting the Board of Directors in: (i) determining executive compensation consistent with CNH Industrial's remuneration policy, (ii) reviewing and recommending for approval the compensation of executive directors, (iii) administering equity incentive plans and deferred compensation benefit plans, and (iv) discussing with management the Company's policies and practices related to compensation and issuing recommendations thereon.

The Compensation Committee currently consists of Mr. Elkann (Chairman), Ms. Grieco, and Messrs. Houle and Kalantzis. The Compensation Committee is elected by the Board of Directors and is comprised of at least three directors. No more than one member may be non-independent under the Dutch Corporate Governance Code. The members of the Compensation Committee are appointed for terms of up to two years. Unless decided otherwise by the Compensation Committee, the Chief Human Resources Officer for the Company attends its meetings.

The Governance and Sustainability Committee

The Governance and Sustainability Committee is responsible for, among other things, assisting the Board of Directors with: (i) the identification of the criteria, professional and personal qualifications for candidates to serve as directors of the Company, (ii) periodic assessment of the size and composition of the Board of

Directors, (iii) periodic assessment of the performance of the members of the Board of Directors and reporting the results of such assessment to the Board of Directors, (iv) proposals for appointment of executive and non-executive directors, (v) supervision of the selection criteria and appointment procedure for senior management, (vi) monitoring and evaluating reports on the Group's sustainable development policies and practices, management standards, strategy, performance and governance globally, and (vii) reviewing, assessing and making recommendations as to strategic guidelines for sustainability-related issues, and reviewing the annual Sustainability Report.

The Governance and Sustainability Committee currently consists of Mr. Elkann (Chairman), Ms. Gerowin and Ms. Tammenoms Bakker. The Governance and Sustainability Committee is elected by the Board of Directors and is comprised of at least three directors. No more than two members may be non-independent, and none of the members may be executive directors. The members of the Governance and Sustainability Committee are appointed for terms of up to two years.

The Group Executive Council

The Group Executive Council ("GEC") became effective on September 29, 2013. The GEC is an operational decision-making body of the CNH Industrial Group, which is responsible for reviewing the operating performance of the businesses, making decisions on certain operational matters and providing advice to the Board of Directors on certain key industrial matters. The GEC divides its responsibilities into the following categories: (i) operating units, (ii) brands, (iii) industrial and commercial functions, and (iv) support and corporate functions.

The GEC currently consists of Mr. Marchionne (Chairman), Mr. Tobin (Chief Executive Officer), the leaders (Chief Operating Officers) of the four regions (*i.e.*, the Chief Operating Officer of EMEA, who is also President of the Commercial Vehicles Products Segment; the Chief Operating Officer of APAC; the Chief Operating Officer of LATAM; and the Chief Operating Officer of NAFTA, who is also President of the Agricultural Equipment Products Segment), the leaders (Presidents) of the brands (*i.e.*, the President of Case IH Agriculture Equipment; the President of New Holland Agriculture Equipment; the President of Case & New Holland Construction Equipment, who is also President of the Construction Equipment Products Segment; the President of Iveco; and the President of FPT Industrial, who is also President of the Powertrain Products Segment), the Chief Manufacturing Officer, the Chief Quality Officer, the Chief Purchasing Officer, the President of Financial Services, the President of Parts & Service and Precision Solutions & Telematics, the President of Specialty Vehicles and GEC Executive Coordinator, the Chief Financial Officer and the Chief Human Resources Officer.

Major Shareholders

At April 27, 2015 the fully subscribed and paid-in shares of CNH Industrial amount to 1,834,970,230 divided into 1,360,495,954 common shares and 474,474,276 special voting shares of €0.01 each. At April 27, 2015, on the basis of the information published on the Netherlands Authority for the Financial Markets's website (*Autoriteit Financiële Markten* or AFM) and in reference to the updated information on the files of CNH Industrial, the following institutions were considered as the major shareholders of CNH Industrial since they held 3% or more of the aggregate number of outstanding common and special voting shares:

Outstanding common and special voting shares:

EXOR S.p.A.	41.35%
Harris Associates LP	10.43%
Southeastern Asset Management, Inc.	3.23%

At April 27, 2015 there were 1,360,495,954 common shares and 414,240,516 special voting shares outstanding since CNH Industrial held 60,233,760 special voting shares equal to 3.28% of the total issued shares.

The percentage of the aggregate number of common and special voting shares of CNH Industrial held by its major shareholders was calculated by using the number of beneficially-owned shares (as published on the AFM's website and considering the updated information on the files of CNH Industrial) of the above-

mentioned shareholders as the numerator, and the aggregate number of outstanding common shares and special voting shares as of April 27, 2015 as the denominator (1,774,736,470).

CNH Industrial has in place certain measures to prevent the abuse of control of majority shareholders.

On April 15, 2015, CNH Industrial's shareholders elected seven out of 11 directors who qualify as independent for purposes of NYSE rules, Rule 10A-3 of the Exchange Act and the Dutch Corporate Governance Code. Independent directors therefore represent a majority of the members of the Board of Directors.

In addition, as described above, the charters of the Audit Committee, Compensation Committee and Governance and Sustainability Committee set forth independence requirements for their members for purposes of the Dutch Corporate Governance Code. Audit Committee members are also required to qualify as independent for purposes of NYSE rules and Rule 10A-3 of the Exchange Act.

Loyalty Voting Structure

In accordance with the Merger Agreement, CNH Industrial implemented a loyalty voting structure, pursuant to which the former shareholders of each of Fiat Industrial and CNH Global were able to elect to receive one CNH Industrial special voting share with a nominal value of €0.01 per share for each CNH Industrial common share they were entitled to receive in the Merger, provided that they fulfilled the requirements described in the terms and conditions of the special voting shares. Such shareholders had their CNH Industrial common shares registered in a separate register (the "Loyalty Register") of CNH Industrial's share register. Following the completion of the Merger, new shareholders of CNH Industrial may at any time elect to participate in the loyalty voting structure by requesting that CNH Industrial register all or some of their CNH Industrial common shares in the Loyalty Register. If these CNH Industrial common shares have been registered in the Loyalty Register (and thus blocked from trading in the regular trading system) for an uninterrupted period of three years in the name of the same shareholder, such shares become eligible to receive special voting shares (the "Qualifying Common Shares") and the relevant shareholder will be entitled to receive one special voting share for each such Qualifying Common Share. If at any time such CNH Industrial common shares are de-registered from the Loyalty Register for whatever reason, the relevant shareholder shall lose its entitlement to hold a corresponding number of special voting shares.

A holder of Qualifying Common Shares may at any time request the de-registration of some or all such shares from the Loyalty Register, which will allow such shareholder to freely trade its CNH Industrial common shares. Any de-registration request would automatically trigger a mandatory transfer requirement pursuant to which the special voting shares will be acquired by CNH Industrial for no consideration (*om niet*) in accordance with the terms and conditions of the special voting shares.

CNH Industrial's common shares are freely transferable. However, any transfer or disposal of CNH Industrial's common shares with which special voting shares are associated would trigger the de-registration of such common shares from the Loyalty Register and the transfer of all relevant special voting shares to CNH Industrial. Special voting shares are not admitted to listing and are transferable only in very limited circumstances.

A shareholder must promptly notify CNH Industrial upon the occurrence of a change of control, which is defined in Article 4(1)(n) of the Articles of Association as including any direct or indirect transfer, carried out through one or a series of related transactions, by a CNH Industrial shareholder that is not an individual (*natuurlijk persoon*) of (i) the ownership or control of 50% or more of the voting rights of such shareholder, (ii) the de facto ability to direct the casting of 50% or more of the votes which may be expressed at the general meetings of such shareholder, or (iii) the ability to appoint or remove half or more of the directors, executive directors or board members or executive officers of such shareholder or to direct the casting of 50% or more of the voting rights at meetings of the board, governing body or executive committee of such shareholder. In accordance with Article 4(1)(n) of the Articles of Association, no change of control shall be deemed to have occurred if (i) the transfer of ownership and/or control is the result of the succession or the liquidation of assets between spouses or the inheritance, *inter vivos* donation or other transfer to a spouse or a relative up to and including the fourth degree or (ii) the fair market value of the Qualifying Common Shares held by the relevant CNH Industrial's shareholder represents less than 20% of the total assets of the

Transferred Group at the time of the transfer and the Qualifying Common Shares, in the sole judgment of CNH Industrial, are not otherwise material to the Transferred Group or the change of control transaction. Article 4(1)(n) of the Articles of Association defines “Transferred Group” as comprising the relevant shareholder together with its affiliates, if any, over which control was transferred as part of the same change of control transaction, as such term is defined in Article 4(1)(n) of the Articles of Association. A change of control will trigger the de-registration of the relevant Qualifying Common Shares from the Loyalty Register and the suspension of the special voting rights attached to the Qualifying Common Shares.

Internal Control System

The Group has in place an internal control system (the “System”), based on the model provided by the COSO Report (Committee of Sponsoring Organizations of the Treadway Commission Report – Enterprise Risk Management model) and the principles of the Dutch Corporate Governance Code, which consists of a set of policies, procedures and organisational structures aimed at identifying, measuring, managing and monitoring the principal risks to which CNH Industrial is exposed. The System is integrated within the organisational and corporate governance framework adopted by CNH Industrial and contributes to the protection of corporate assets, as well as to ensuring the efficiency and effectiveness of business processes, reliability of financial information and compliance with laws, regulations, the Articles of Association and internal procedures.

CNH Industrial – which is listed on the NYSE and, consequently, is subject to Section 404 of the United States Sarbanes-Oxley Act – has a system of administrative and accounting procedures in place that seeks to ensure a highly reliable system of internal control over financial reporting.

Code of Conduct

On July 31, 2014, the Board of Directors adopted a new code of conduct (the “Code of Conduct”), which forms an integral part of the internal control system and sets out the principles of business ethics to which CNH Industrial adheres and which directors, employees, consultants and business “partners” are required to observe. In particular, the Code of Conduct includes specific guidelines on issues relating to the environment, health and safety, business ethics and anti-corruption, suppliers, management of human resources and the respect of human rights.

The CNH Industrial Group uses its best endeavors to ensure that suppliers, consultants and any third party with whom the CNH Industrial Group has a business relationship be informed of the adoption of the principles set forth in the Code of Conduct.

The Code of Conduct is available on the Governance section of the Group’s website http://www.cnhindustrial.com/en-US/governance/FiatDocuments/Code_of_Conduct_English.pdf.

Insider Trading Policy

On September 9, 2013, the Board of Directors adopted an insider trading policy setting forth guidelines and recommendations to all directors, officers and employees of the CNH Industrial Group with respect to transactions in CNH Industrial’s securities. This policy, which also applies to immediate family members and members of the households of persons covered by the policy, is designed to prevent insider trading or allegations of insider trading, and to protect CNH Industrial’s reputation for integrity and ethical conduct.

The insider trading policy is available on the Governance section of the Group’s website http://www.cnhindustrial.com/en-US/governance/corporate_regulations/FiatDocuments/CNHI_Insider_Trading_Policy.pdf.

Sustainability Practices

The CNH Industrial Group is committed to operating in an environmentally and socially-responsible manner.

As discussed above, the Governance and Sustainability Committee is responsible for strategic oversight of sustainability-related issues and reviews the annual Sustainability Report, which discloses the Group’s environmental and social performance, expanding on and completing the information provided in the CNH Industrial’s annual report. The GEC defines the strategic approach, evaluates the congruity of the action

priorities and commitments of sustainability with business objectives, and is regularly updated on the Group's sustainability performance.

In 2014, CNH Industrial's values and commitment were recognised internationally, as evidenced by the appraisals of major sustainability rating agencies and international organisations. CNH Industrial's achievements were recognised through the inclusion in leading sustainability indexes, such as the Dow Jones Sustainability (DJSI) World and Dow Jones Sustainability Europe as Industry Leader, ECPI EMU Ethical Equity, ECPI Euro Ethical Equity, ECPI Global Agriculture Equity, ECPI Global Developed ESG Best in Class Equity, EURO STOXX Sustainability Index, Euronext Vigeo Europe 120, Euronext Vigeo Eurozone 120, Euronext Vigeo World 120, FTSE ECPI Italia SRI Benchmark, FTSE ECPI Italia SRI Leaders, FTSE4Good, MSCI Global Sustainability Indexes, STOXX Europe Sustainability Index, STOXX Global ESG Environmental Leaders Index, STOXX Global ESG Leaders Index, and STOXX Global ESG Social Leaders Index. Furthermore, CNH Industrial received a top disclosure score in the CDP Italy Climate Disclosure Leadership Index (CDLI) 2014, and the highest score in climate change performance in the CDP Climate Performance Leadership Index (CPLI) 2014. It also achieved the RobecoSAM Gold Class 2015 award, the RobecoSAM Industry Leader 2015 award, and the Oekom PRIME status.

FINANCIAL INFORMATION RELATING TO CNH INDUSTRIAL N.V.

The following financial information has been extracted from the audited statutory financial statements of CNH Industrial as of and for the financial years ended December 31, 2014 and 2013, which are incorporated by reference herein.

The audited statutory financial statements of CNH Industrial as of and for the financial years ended December 31, 2014 and 2013 have been prepared in accordance with the legal requirements set forth in Title 9, Book 2 of the Dutch Civil Code. Section 362(8), Book 2 of the Dutch Civil Code allows companies that apply IFRS as adopted by the European Union in their consolidated financial statements to use the same measurement principles in their statutory financial statements. However, as allowed by applicable law, subsidiaries are accounted for using the net equity value in the statutory financial statements. For additional information on such accounting policies, please see section “*Significant accounting policies*” set forth in the audited statutory financial statements of CNH Industrial as of and for the financial years ended December 31, 2014 and 2013, incorporated by reference in this Base Prospectus.

During 2014, CNH Industrial acquired the activities of the plant located in Basildon, United Kingdom. These activities, which were previously held by a subsidiary, were transferred to CNH Industrial. The principal activity of the plant is (i) the manufacture and sale of tractors, and (ii) the sale of agricultural and construction equipment and machinery in the local market acting as a distributor of products manufactured in other Group companies. With effect May 1, 2014 and as a consequence of the transfer, CNH Industrial shows in its notes to the statutory financial statements the figures related to the operations of the Basildon plant. As a consequence of the acquisition of the manufacturing activity carried out in Basildon, CNH Industrial presents an income statement using a classification based on the function of the expenses (also referred to as the “cost of sales” method) rather than one based on their nature, as this is believed to provide information that is more relevant. In 2014, the presentation within certain income statement headings has been modified with respect to the previous year. The comparative data as of and for the financial year ended December 31, 2013 have been reclassified accordingly.

STATEMENT OF FINANCIAL POSITION

	As of December 31,	
	2014	2013
(in thousands of euros)	(Audited)	
Assets		
Intangible assets	69,569	430
Property, plant and equipment	62,288	45
Equity investments	10,270,608	9,180,971
Other financial assets	458,693	11,175
Deferred tax assets	88,158	3,339
Total fixed assets	10,949,316	9,195,960
Inventories	197,239	-
Trade receivables	177,798	5,233
Current financial receivables	190,526	366
Other current assets	168,211	149,310
Cash and cash equivalents	5,579	765
Total current assets	739,353	155,674
Total assets	11,688,669	9,351,634

Equity and liabilities**Equity**

Share capital	18,297	18,245
Capital reserve	2,372,100	2,330,703
Legal reserve	2,614,736	2,044,936
Retained profit/(loss)	510,150	321,677
Profit/(loss) for the year	690,137	788,962
Total equity	6,205,420	5,504,523
Provision for employee benefits.....	254,682	1,120
Non-current debt.....	137,728	11,175
Deferred tax liabilities	6,582	-
Total non-current liabilities	398,992	12,295
Other provisions	55,446	6,658
Trade payables	269,728	16,567
Current debt	4,642,116	3,675,564
Other debt.....	116,967	136,027
Total current liabilities	5,084,257	3,834,816
Total equity and liabilities	11,688,669	9,351,634

INCOME STATEMENT

	As of December 31,	
	2014	2013
(in thousands of euros)	(Audited)	
Net revenues	1,007,130	-
Cost of sales	868,182	-
Gross profit	138,948	-
Selling, general and administrative costs	99,496	54,361
Research and development costs	21,173	-
Other income/(expenses)	23,922	10,962
Restructuring expenses.....	1,900	-
Operating profit/(loss)	40,301	(43,399)
Financial income/(expenses)	(111,313)	(116,959)
Results from investments	691,230	979,967
Profit/(loss) before taxes	620,218	819,609
Income taxes.....	69,919	(30,647)
Profit/(loss) from continuing operations	690,137	788,962
Profit/(loss) from discontinued operations.....	-	-
Profit/(loss)	690,137	788,962

FINANCIAL INFORMATION RELATING TO THE CNH INDUSTRIAL GROUP

The following financial information has been extracted from the audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013, which are incorporated by reference herein.

The audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 reflect the organisation of the CNH Industrial Group's business into five operating segments as presented under IFRS and use U.S. dollars as the IFRS presentation currency effective, under IFRS, the first quarter ended March 31, 2014 (as described under "*Presentation of Financial and Other Information – Presentation of Financial Information*" and "*The CNH Industrial Group*"). The comparative data as of and for the financial year ended December 31, 2013 included in such financial statements have been recast in order to be presented in accordance with the aforementioned changes.

Investors are advised to review the full financial statements before making any investment decision.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As of December 31,	
	2014	2013 ⁽¹⁾
(in millions of U.S. dollars)	(Audited)	
Assets		
Intangible assets	6,031	6,046
Property, plant and equipment	6,733	6,967
Investments and other financial assets:	690	758
<i>Investments accounted for using the equity method</i>	633	674
<i>Other investments and financial assets</i>	57	84
Leased assets	1,518	1,059
Defined benefit plan assets.....	20	44
Deferred tax assets	1,655	1,672
Total non-current assets	16,647	16,546
Inventories	7,140	7,536
Trade receivables	1,054	1,362
Receivables from financing activities.....	21,472	21,986
Current tax receivables	324	348
Other current assets	1,434	1,900
Current financial assets:	205	261
<i>Current securities</i>	-	-
<i>Other financial assets</i>	205	261
Cash and cash equivalents	6,141	6,489
Total current assets	37,770	39,882
Assets held for sale.....	24	34
Total assets	54,441	56,462

Equity and liabilities		
Issued capital and reserves attributable to owners of the parent	7,534	7,591
Non-controlling interests	43	71
Total equity	7,577	7,662
Provisions:	6,386	6,528
<i>Employee benefits</i>	2,831	2,713
<i>Other provisions</i>	3,555	3,815
Debt:	29,701	29,946
<i>Asset-backed financing</i>	13,587	14,727
<i>Other debt</i>	16,114	15,219
Other financial liabilities	235	94
Trade payables	5,982	7,369
Current tax payables.....	206	418
Deferred tax liabilities	399	302
Other current liabilities.....	3,955	4,143
Liabilities held for sale.....	-	-
Total liabilities	46,864	48,800
Total equity and liabilities	54,441	56,462

(1) Following the change of the presentation currency from euro to U.S. dollar, the figures reported for the full-year 2013 have been recast for comparative purposes. For additional information, see the section “Significant accounting policies,” paragraph “Changes in presentation currency” set forth in the notes to the audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

CONSOLIDATED INCOME STATEMENT

	For the years ended	
	December 31,	
	2014	2013⁽¹⁾
(in millions of U.S. dollars)	(Audited)	
Net revenues	32,957	34,231
Cost of sales	26,841	27,750
Selling, general and administrative costs	2,753	2,961
Research and development costs	878	797
Other income/(expenses)	(86)	(86)
Trading profit/(loss)	2,399	2,637
Gains/(losses) on the disposal of investments	-	(25)
Restructuring costs	192	54
Other unusual income/(expenses)	(40)	(77)
Operating profit/(loss)	2,167	2,481
Financial income/(expenses)	(776)	(615)
Result from investments:	91	136
<i>Share of the profit/(loss) of investees accounted for using the equity method ...</i>	90	135
<i>Other income/(expenses) from investments</i>	1	1
Profit/(loss) before taxes	1,482	2,002
Income taxes.....	566	784
Profit/(loss) from continuing operations	916	1,218
Profit/(loss) from discontinued operations.....	-	-
Profit/(loss)	916	1,218
Profit/(loss) attributable to:		
Owners of the parent	917	1,048
Non-controlling interests	(1)	170

- (1) Following the change of the presentation currency from euro to U.S. dollar, the figures reported for the full-year 2013 have been recast for comparative purposes. For additional information, see the section "Significant accounting policies," paragraph "Changes in presentation currency" set forth in the notes to the audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

	For the years ended December 31,	
	2014	2013⁽¹⁾
(in U.S. dollars)	(Audited)	
Basic earnings/(loss) per common share	0.68	0.83
Diluted earnings/(loss) per common share	0.68	0.83

- (1) Following the change of the presentation currency from euro to U.S. dollar, the figures reported for the full-year 2013 have been recast for comparative purposes. For additional information, see the section "Significant accounting policies," paragraph "Changes in presentation currency" set forth in the notes to the audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the years ended December 31,	
	2014	2013⁽¹⁾
(in millions of U.S. dollars)	(Audited)	
Profit/(loss) (A)	<u>916</u>	<u>1,218</u>
Other comprehensive income that will not be reclassified subsequently to profit or loss:		
Gains/(losses) on the remeasurement of defined benefits plans	(417)	155
Income tax relating to Other comprehensive income that will not be reclassified subsequently to profit or loss	<u>102</u>	<u>(88)</u>
Total Other comprehensive income that will not be reclassified subsequently to profit or loss, net of tax (B1)	<u>(315)</u>	<u>67</u>
Other comprehensive income that may be reclassified subsequently to profit or loss:		
Gains/(losses) on cash flow hedges	(215)	144
Gains/(losses) on fair value of available-for-sale financial assets	-	-
Gains/(losses) on exchange differences on translating foreign operations.....	(141)	(520)
Share of other comprehensive income of entities consolidated by using the equity method	(45)	(23)
Income tax relating to components of Other comprehensive income that may be reclassified subsequently to profit or loss	<u>63</u>	<u>(42)</u>
Total Other comprehensive income that may be reclassified subsequently to profit or loss, net of tax (B2)	<u>(338)</u>	<u>(441)</u>
Total Other comprehensive income, net of tax (B) = (B1) + (B2)	<u>(653)</u>	<u>(374)</u>
Total comprehensive income (A) + (B)	<u>263</u>	<u>844</u>
Total comprehensive income attributable to:		
Owners of the parent	269	663
Non-controlling interests	(6)	181

- (1) Following the change of the presentation currency from euro to U.S. dollar, the figures reported for the full-year 2013 have been recast for comparative purposes. For additional information, see the section "Significant accounting policies," paragraph "Changes in presentation currency" set forth in the notes to the audited consolidated financial statements of the CNH Industrial Group as of and for the financial years ended December 31, 2014 and 2013 incorporated by reference in this Base Prospectus.

BOOK-ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of, the rules, regulations and procedures of DTC, Euroclear, Clearstream and the CMU Service (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuers and the Guarantor believe to be reliable, but none of the Issuers, the Guarantor or any Dealer takes any responsibility for the accuracy thereof. Each Issuer and the Guarantor confirms that this information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuers, the Guarantor or any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Book-Entry Systems

DTC

DTC has advised the Issuers that it is a limited purpose trust company organised under the New York Banking Law, a “banking organisation” within the meaning of the New York Banking Law, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants (“Direct Participants”) deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Direct Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by certain U.S. stock exchanges and other self-regulatory organisations. Access to the DTC system is also available to others such as securities brokers, dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants,” and together with Direct Participants, “Participants”).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “Rules”), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC’s book-entry settlement system (“DTC Notes”) as described below and receives and transmits distributions of principal and interest on DTC Notes. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (“Owners”) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interests in the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC’s records. The ownership interest of each actual purchaser of each DTC Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration

in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the relevant Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the relevant Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "*Subscription and Sale, and Selling and Transfer Restrictions.*"

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear and Clearstream

Euroclear and Clearstream each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream also deal with domestic securities markets in several countries through established depository and custodial relationships.

Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

CMU Service

The CMU is a central depository service provided by the HKMA for the custody and electronic clearing and settlement between the members of this service (“CMU Members”) of capital markets instruments (“CMU Instruments”) which are specified in the CMU Service Reference Manual as capable of being held within the CMU Service. The CMU Service is only available for CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU Service is open to all members of the Hong Kong Capital Markets Association, “authorised institutions” under the Banking Ordinance (Cap. 155) of Hong Kong and other domestic and overseas financial institutions at the discretion of the HKMA.

Compared to clearing services provided by Euroclear and Clearstream, the standard custody and clearing service provided by the CMU Service is limited. In particular (and unlike the European clearing systems), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, CMU Instruments. Instead, the HKMA advises the CMU Lodging and Paying Agent (or a designated paying agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU Instruments are credited, whereupon the CMU Lodging and Paying Agent (or the designated paying agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU Members.

Similarly, the HKMA will not obtain certificates of non-U.S. beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging and Paying Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream have with the CMU.

Book-Entry Ownership of and Payments in Respect of DTC Notes

The Issuers will apply to DTC in order to have each Tranche of Notes represented by Rule 144A Global Notes accepted in its book-entry settlement system. Upon the issue of any Rule 144A Global Notes, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Rule 144A Global Notes to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in a Rule 144A Global Note will be limited to Direct Participants or Indirect Participants. Ownership of beneficial interests in a Rule 144A Global Note will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Rule 144A Global Note registered in the name of DTC’s nominee will be made to the order of such nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC’s nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Notes in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants’ account.

The Issuers expect DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuers also expect that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Principal Paying Agent, the Registrar or the Issuer. Payments of principal, premium, if any, and interest, if any, on Notes to DTC is the responsibility of the Issuer.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear, Clearstream and the CMU Service will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some states within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form.

Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note to pledge such Notes to persons or entities that do not participate in the DTC system or to otherwise take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under “*Subscription and Sale, and Selling and Transfer Restrictions,*” cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream or Euroclear or the CMU Service accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Principal Paying Agent and any custodian (“Custodian”) with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Principal Paying Agent and the Custodian receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Euroclear and the CMU Service have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream, Euroclear and the CMU Service. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Guarantor, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream, Euroclear or the CMU Service or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAXATION

The following is a general summary of certain tax consequences of acquiring, holding and disposing of the Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to the decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of the Notes, some of which may be subject to special rules, nor with Notes that are not held and accounted for as financial assets.

This summary is based upon the tax laws and/or practice at the date of this offering, subject to any changes in law and/or practice occurring after such date, which could be made on a retroactive basis. This summary will not be updated to reflect changes in law or practice and, if any such change occurs, the information in this summary could be superseded.

Prospective purchasers of the Notes should consult their tax advisers as to the overall tax consequences of acquiring, holding and disposing of the Notes.

United Kingdom Taxation

The following comments are of a general nature, based on current UK tax law and published practice of Her Majesty's Revenue & Customs ("HMRC") as at the date of this Base Prospectus, all of which are subject to change, possibly with retrospective effect. The following is a general summary only of the UK withholding tax treatment of payments of and in respect of interest on the Notes together with some general statements about certain information reporting requirements and stamp duty and stamp duty reserve tax. The comments are not exhaustive, and do not deal with other UK tax aspects of acquiring, holding, disposing of or dealing in the Notes. The comments below only apply to persons who are beneficial owners of the Notes and do not necessarily apply where any payment on the Notes is deemed for tax purposes to be the income of any other person. Any prospective purchasers of any Notes who are in doubt as to their own tax position, or who may be subject to tax in a jurisdiction other than the UK, should consult their own professional adviser.

Withholding or deduction of UK tax on payments of interest by the Issuer or under the Guarantee

References to "interest" under this heading "United Kingdom Taxation" mean interest as understood under UK tax law. For example, any redemption premium may be "interest" for UK withholding tax purposes, depending upon the particular terms and conditions of the relevant Notes.

(i) Payments of interest by the Issuer

If the interest on the Notes does not have a UK source, interest on the Notes may be paid by the relevant Issuer without withholding or deduction for or on account of UK income tax. The source of a payment is a complex matter. It is necessary to have regard to case law and HMRC practice. Case law has established that in determining the source of interest, all relevant factors must be taken into account. Where the Issuer is CNH Industrial, payments of interest made in respect of Notes issued by it should generally be expected to be regarded by HMRC as having a UK source. Where the Issuer is CIFE, the source of the interest payment would need to be analysed in light of the particular facts and circumstances of the relevant issuance.

If the interest on the Notes is regarded as having a UK source, it may be paid by the relevant Issuer without withholding or deduction for or on account of UK tax if the Notes are and continue to be "quoted Eurobonds" as defined in section 987 of the Income Tax Act 2007. The Notes will constitute "quoted Eurobonds" if they carry a right to interest and are listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. The Irish Stock Exchange is a recognised stock exchange for these purposes. The Notes will be treated as listed on the Irish Stock Exchange if they are both officially listed in Ireland in accordance with provisions corresponding to those generally applicable in EEA states and admitted to trading on the Main Securities Market of the Irish Stock Exchange.

If the Notes are not or cease to be so listed, interest on the Notes regarded as having a UK source will generally be paid by the relevant Issuer under deduction of UK income tax at the basic rate (currently 20%) unless (i) any other relief applies, or (ii) the relevant Issuer have received a direction to the contrary from HMRC in respect of such relief as may be available pursuant to the provisions of any applicable double taxation treaty. However this withholding will not apply if the relevant interest is paid on Notes with a

maturity date of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Notes part of a borrowing intended to be capable of remaining outstanding for a year or more. If interest on the Notes regarded as having a UK source were paid under deduction of UK income tax, holders of Notes who are not resident in the UK may be able to recover all or part of the tax deducted if there is an appropriate provision in an applicable double taxation treaty.

If a payment in respect of interest on the Notes has a UK source, it may accordingly be chargeable to UK tax by direct assessment, even where paid without withholding or deduction. Where interest on the Notes regarded as having a UK source is paid without withholding or deduction, such interest will generally not be assessed to UK tax in the hands of holders of the Notes (other than certain trustees) who are not resident in the UK, except where the holder of Notes carries on a trade, profession or vocation through a branch or agency in the UK, or, in the case of a corporate holder, carries on a trade through a permanent establishment in the UK, in connection with which the interest is received or to which the Notes are attributable, in which case (subject to exemptions for interest received by certain categories of agent) tax may be levied on the UK branch or agency, or permanent establishment. Holders of Notes should note that, if HMRC sought to assess UK tax directly against the person entitled to the relevant interest, the provisions relating to additional amounts referred to in “*Terms and Condition of the Notes—Taxation*” above would not apply. However, exemption from, or reduction of, such UK tax liability might be available under an applicable double tax treaty.

(ii) Payments under the guarantee

If CNH Industrial, as Guarantor, makes any payments in respect of interest on Notes issued by CIFE, it is possible that such payments may be subject to UK withholding tax at the basic rate (currently 20%). Any such withholding would be subject to any relief that may be available and claimed under any applicable double tax treaty, or to any other exemption which may apply. Such payments by a guarantor may not be eligible for the exemption described above in respect of the Notes being listed on a recognised stock exchange.

UK Provision of information requirements

HMRC has powers to obtain information and documents relating to securities in certain circumstances. This may include details of the beneficial owners of the Notes (or the persons for whom the Notes are held), details of the persons to whom payments derived from the Notes are or may be paid and information and documents in connection with transactions relating to the Notes. Information may be required to be provided by, amongst others, the holders of the Notes, persons by or through whom payments derived from the Notes are made or credited or who receive such payments (or who would be entitled to receive such payments if they were made), persons who effect or are a party to transactions relating to the Notes on behalf of others and certain registrars or administrators. In certain circumstances, the information obtained by HMRC may be exchanged with tax authorities in other countries.

Stamp duty and stamp duty reserve tax (“SDRT”)

If no register of the Notes is maintained in the UK, no stamp duty or SDRT will be payable in the United Kingdom on (i) the issue and delivery into Euroclear, Clearstream, DTC or CMU (as applicable) of Registered Notes or Bearer Notes that constitute loan capital for UK stamp duty purposes, or (ii) an electronic book-entry transfer of Notes in accordance with the normal rules and procedures of Euroclear, Clearstream, DTC or CMU (as applicable) such that there is no written instrument in respect of that transfer.

The Netherlands

This is a general summary and the tax consequences as described here may not apply to a holder of Notes. Any potential investors should consult their own tax advisers for more information about the tax consequences of acquiring, owning and disposing of Notes in their particular circumstances.

This taxation summary solely addresses the principal Netherlands tax consequences of the acquisition, the ownership and disposition of Notes issued by CNH Industrial and the payments made by CNH Industrial under the Guarantee after the date hereof held by a holder of Notes who is not a resident of The Netherlands. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special

circumstances or who is subject to special treatment under applicable law. Where in this summary English terms and expressions are used to refer to Netherlands concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Netherlands concepts under Netherlands tax law.

This summary is based on the tax laws of the part of the Kingdom of The Netherlands located in Europe as they are in force and in effect on the date of this Base Prospectus. The laws upon which this summary is based are subject to change, potentially with retroactive effect. A change to such laws may invalidate the contents of this summary, which will not be updated to reflect any such change. This summary assumes that each transaction with respect to Notes is at arm's length.

Withholding Tax

All payments by CNH Industrial under the Notes and the Guarantee can be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein.

Taxes on Income and Capital Gains

A holder of Notes will not be subject to any Netherlands taxes on income or capital gains in respect of Notes issued by CNH Industrial, including such tax on any payment under such Notes or in respect of any gain realised on the disposal, deemed disposal or exchange of such Notes, provided that:

- (i) such holder is neither a resident nor deemed to be a resident of The Netherlands;
- (ii) such holder does not have an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in The Netherlands and to which enterprise or part of an enterprise, as the case may be, Notes are attributable;
- (iii) if such holder is an individual, neither such holder nor any of the holder's spouse, partner, a person deemed to be the holder's partner, or other persons sharing such holder's house or household, or certain other of such holder's relatives (including foster children), whether directly and/or indirectly as (deemed) settlor, grantor or similar originator (the "Settlor"), or upon the death of the Settlor, the Settlor's beneficiaries (the "Beneficiaries") in proportion to their entitlement to the estate of the Settlor, of a trust, foundation or similar arrangement (a "Trust"), (a) indirectly has control of the proceeds of the Notes in The Netherlands, nor (b) has a substantial interest in CNH Industrial and/or any other entity that legally or *de facto*, directly or indirectly, has control of the proceeds of the Notes in The Netherlands. For purposes of this clause (iii), a substantial interest is generally not present if a holder does not hold, alone or together with the holder's spouse, partner, a person deemed to be such holder's partner, other persons sharing such holder's house or household, certain other of such holder's relatives (including foster children), or a Trust of which the holder or any of the aforementioned persons is a Settlor or a Beneficiary, whether directly or indirectly, (a) the ownership of, certain other rights, such as usufruct, over, or rights to acquire (whether or not already issued), shares representing five percent or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of a company; (b) the ownership of, or certain other rights, such as usufruct, over profit participating certificates (*winstbewijzen*), or membership rights in a co-operative association, that relate to five percent or more of the annual profit of a company or co-operative association or to five percent or more of the liquidation proceeds of a company or co-operative association; or (c) membership rights representing five percent or more of the voting rights in a co-operative association's general meeting;
- (iv) if such holder is a company, such holder (a) has no (deemed) substantial interest in CNH Industrial, or (b) has a (deemed) substantial interest in CNH Industrial that is not held with the avoidance of Netherlands income tax or dividend withholding tax as (one of) the main purpose(s), or (c) has a (deemed) substantial interest in CNH Industrial that can be allocated to its business assets. For purposes of this clause (iv), a substantial interest is generally not present

- if a holder does not hold, whether directly or indirectly, (a) the ownership of, certain other rights, such as usufruct, over, or rights to acquire (whether or not already issued) shares representing five percent or more of the total issued and outstanding capital (or of the issued and outstanding capital of any class of shares) of a company; or (b) the ownership of, or certain other rights, such as usufruct, over profit participating certificates (*winstbewijzen*) that relate to five percent or more of the annual profit of a company or to five percent or more of the liquidation proceeds of a company. A holder of Notes will generally have a deemed substantial interest if such holder has the ownership of, or other rights over, shares in, or profit certificates issued by, a company that represent less than 5 percent of the relevant aggregate that either (a) qualified as part of a substantial interest as set forth above and where shares, profit certificates and/or rights thereover have been, or are deemed to have been, partially disposed of, or (b) have been acquired as part of a transaction that qualified for non-recognition of gain treatment; and
- (v) if such holder is an individual, such income or capital gain does not form a “benefit from miscellaneous activities” in The Netherlands (*resultaat uit overige werkzaamheden*) which, for instance, would be the case if the activities in The Netherlands with respect to the Notes exceed “normal active asset management” (*normaal, actief vermogensbeheer*) or if income and gains are derived from the holding, whether directly or indirectly, of (a combination of) shares, debt claims or other rights (together, a *lucratief belang*) that the holder thereof has acquired under such circumstances that such income and gains are intended to be remuneration for work or services performed by such holder (or a related person) in The Netherlands, whether within or outside an employment relation, where such lucrative interest provides the holder thereof, economically speaking, with certain benefits that have a relation to the relevant work or services.

A holder of Notes will not be subject to taxation in The Netherlands by reason only of the execution, delivery and/or enforcement of the documents relating to an issue of Notes or the performance by CNH Industrial of its obligations thereunder or under the Notes.

Gift, Estate or Inheritance Taxes

No gift, estate or inheritance taxes will arise in The Netherlands with respect to an acquisition of Notes by way of a gift by, or on the death of, a holder who is neither resident nor deemed to be resident in The Netherlands for Netherlands inheritance and gift tax purposes, unless in the case of a gift of Notes by an individual who at the date of the gift was neither resident nor deemed to be resident in The Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in The Netherlands.

For purposes of Netherlands gift and inheritance tax, an individual with the Netherlands nationality will be deemed to be resident in The Netherlands if such individual has been resident in The Netherlands at any time during the ten years preceding the date of the gift or the individual’s death.

For purposes of Netherlands gift tax, an individual not holding the Netherlands nationality will be deemed to be resident in The Netherlands if such individual has been resident in The Netherlands at any time during the twelve months preceding the date of the gift.

For purposes of Netherlands gift and inheritance tax, a gift that is made under a condition precedent is deemed to have been made at the moment such condition precedent is satisfied. If the condition precedent is fulfilled after the death of the donor, the gift is deemed to be made upon the death of the donor.

For purposes of Netherlands gift, estate and inheritance taxes, (i) a gift by a Trust, will be construed as a gift by the Settlor, and (ii) upon the death of the Settlor, as a rule, the Settlor’s Beneficiaries, will be deemed to have inherited directly from the Settlor. Subsequently, the Beneficiaries will be deemed the Settlor of the Trust for purposes of the Netherlands gift, estate and inheritance tax in case of subsequent gifts or inheritances.

Value Added Tax

There is no Netherlands value added tax payable in respect of payments in consideration for the issue of Notes, in respect of the payment of interest or principal under the Notes, or the transfer of Notes.

Other Taxes and Duties

There is no Netherlands registration tax, capital tax, stamp duty or any other similar tax or duty payable in The Netherlands by a holder of Notes in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of The Netherlands) of the Notes or the performance of the obligations of CNH Industrial under the Notes.

Residence

A holder of Notes will not be treated as a resident of The Netherlands by reason only of the holding of Notes or the execution, performance, delivery and/or enforcement of Notes.

Luxembourg

The following discussion addresses certain Luxembourg tax consequences for potential purchasers or holders of Notes, based on current law and practice in Luxembourg. This discussion is for general information purposes only and does not purport to be a comprehensive description of all possible tax consequences that may be relevant. Potential purchasers of Notes should consult their own professional advisers as to the consequences of making an investment in, holding or disposing of the Notes and the receipt of any amount in connection with the Notes and Coupons.

Please be aware that the residence concept used in this section applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Withholding Tax

Under Luxembourg tax laws currently in effect and, subject to certain exceptions (as described below), there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest) under the Notes.

In accordance with the law of November 25, 2014, Luxembourg elected out of the withholding tax system in favour of an automatic exchange of information under the Savings Directive as from January 1, 2015. Payments of interest under the Notes by Luxembourg paying agents to non-resident individual Noteholders and to certain residual entities are thus no longer subject to any Luxembourg withholding tax.

In accordance with the law of December 23, 2005, as amended (the "Law"), payments of interest of similar income made or ascribed by Luxembourg paying agents to Luxembourg individual residents and to certain residual entities are subject to a 10 percent withholding tax (the "10 percent Luxembourg Withholding Tax"). Payments of interest under the Notes coming within the scope of the Law will be subject to the 10 percent withholding tax. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent.

Taxes on Income and Capital Gains

Holders of Notes will not become residents, or be deemed to be residents, in Luxembourg by reason only of the holding of the Notes.

Holders of Notes who are non-residents of Luxembourg and who do not hold the Notes through a permanent establishment, a permanent representative or a fixed base of business in Luxembourg with which the holding of the Notes is connected, are not liable for Luxembourg income tax on payments of principal or interest (including accrued but unpaid interest), payments received upon redemption, repurchase or exchange of the Notes or the realisation of capital gains on the sale or exchange of any Notes.

Luxembourg resident individuals acting in the course of the management of their private wealth are subject to Luxembourg income tax at the progressive rate in respect of interest received, redemption premiums or issue discounts under the Notes unless such payments have been subject to withholding tax (see above “*Withholding Tax*”) or to the self-applied tax, if applicable. Indeed, pursuant to the Law, Luxembourg resident individuals, acting in the framework of their private wealth, can opt to self-declare and pay a 10 percent tax (the “10 percent Tax”) on payments of interest or similar income made or ascribed after December 31, 2007 by paying agents located in an EU member state other than Luxembourg, a member state of the European Economic Area or in a state or territory which has concluded an international agreement directly related to the Savings Directive. The 10 percent Luxembourg Withholding Tax or the 10 percent Tax represents the final tax liability on interest received for the Luxembourg resident individuals receiving the interest payment in the framework of their private wealth.

Individual holders of Notes resident in Luxembourg and receiving the interest under the Notes as business or professional income must for income tax purposes include any interest received (or accrued) under the Notes in their taxable income; if applicable, the 10 percent Luxembourg Withholding Tax levied will be credited against their final income tax liability. Holders of Notes will not be liable to any Luxembourg taxation on income on repayment of principal of the Notes.

Individual Luxembourg resident holders of Notes are not subject to taxation on capital gains upon the disposal of the Notes owned in the framework of their private wealth, unless the disposal of the Notes precedes their acquisition or the Notes are disposed of within six months of their acquisition. The portion of the sale, repurchase, redemption or exchange price corresponding to capitalised or accrued but unpaid interest will, however, be subject to the 10 percent Luxembourg Withholding Tax or, upon option by the Luxembourg resident holder of Notes, to the 10 percent Tax. Individual Luxembourg resident holders of Notes receiving the interest as business income must include the portion of the sale, repurchase, redemption or exchange price corresponding to accrued but unpaid interest in their taxable income. The 10 percent Luxembourg Withholding Tax levied will be credited against their final income tax liability, if applicable.

A corporate entity (“*organisme à caractère collectif*”), which is a Luxembourg resident holder of Notes and which is subject to corporate taxes in Luxembourg without the benefit of a special tax regime in Luxembourg or a foreign entity of the same type which has a Luxembourg permanent establishment or a permanent representative in Luxembourg with which the holding of Notes is connected, will need to include in its taxable income any interest (including accrued but unpaid interest) and in case of sale, repurchase, redemption or exchange, the difference between the sale, repurchase, redemption or exchange price (including accrued but unpaid interest) and the lower of cost or book value of the Notes sold, repurchased, redeemed or exchanged. These holders of Notes should not be liable for any Luxembourg income tax on repayment of principal upon repurchase, redemption or exchange of the Notes.

Luxembourg resident corporate holders of Notes which are benefiting from a special tax regime (such as family wealth management companies subject to the law of May 11, 2007, as amended, undertakings for collective investment subject to the law of December 17, 2010, as amended or specialised investment funds subject to the law of February 13, 2007, as amended) are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg tax (*i.e.*, corporate income tax, municipal business tax and net wealth tax) other than the annual subscription tax calculated on their (paid up) share capital (and share premium) or net asset value.

Other Taxes

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by a holder of Notes as a consequence of the issuance of the Notes, nor will any of these taxes be payable

as a consequence of a subsequent transfer, exchange or redemption or repurchase of the Notes, unless the documents relating to the Notes are registered in Luxembourg.

Luxembourg net wealth tax will not be levied on a corporate holder of Notes, unless (a) such holder of Notes is a Luxembourg resident other than a holder of Notes governed by (i) the law of December 17, 2010 on undertakings for collective investment, as amended, (ii) the law of February 13, 2007 on specialised investment funds, as amended; (iii) the law of March 22, 2004 on securitisation, as amended; (iv) the law of June 15, 2004 on the investment company in risk capital, as amended; or (v) the law of May 11, 2007 on family wealth management companies, as amended or (b) the Notes are attributable to an enterprise or part thereof which is carried on in Luxembourg through a permanent establishment or a permanent representative.

An individual holder of the Notes, whether he/she is resident of Luxembourg or not, is not subject to net wealth tax on such Notes.

No Luxembourg estate or inheritance taxes are levied on the transfer of the Notes upon the death of a holder of Notes in cases where the deceased was not a resident of Luxembourg for inheritance law purposes.

No Luxembourg gift tax will be levied on the transfer of the Notes by way of gift unless the gift is registered in Luxembourg.

Taxation of CIFE

CIFE is a company subject to corporate income tax and municipal business tax in Luxembourg at the standard rate.

CIFE will not be subject to VAT in Luxembourg in respect of payments in consideration for the issue of the Notes or in respect of payments of interest or principal under the Notes or the transfer of the Notes.

Luxembourg VAT may however be payable in respect of fees charged for certain services rendered to CIFE if, for Luxembourg VAT purposes, such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg VAT does not apply with respect to such services.

Italy

Law Decree of April 24, 2014, No. 66 (“Decree No. 66”), as converted, with amendments, into Law of June 23, 2014, No. 89, partially amended the tax regime applicable to income earned in connection with financial instruments, including, but not limited, the Notes, as illustrated, where applicable, below. Such new rules are effective as of July 1, 2014.

Prospective investors are urged to consult their own tax advisors as to the consequences arising thereto in connection with the purchase, holding and/or disposal of the Notes as a result of the changes introduced by Decree No. 66.

Interest Income

Legislative Decree No. 239 of April 1, 1996, as amended (“Legislative Decree 239”) provides for the tax treatment applicable to interest, premium and other income (including the difference between the redemption amount and the issue price; such interest, premium and other income collectively referred to as the “Notes Income”) arising from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by foreign companies, such as the Notes, provided that these securities are deposited with banks, qualified financial intermediaries (SIMs), fiduciary companies, asset management companies (SGRs), stockbrokers and other entities identified by a decree of the Ministry of Economy and Finance (each, an “Intermediary”). An Intermediary must (i) be resident in Italy or be the Italian permanent establishment of a non-Italian resident financial intermediary and (ii) intervene, in any way, in the collection of interest accrued on, or in the transfer of, the notes. For the purpose of Legislative Decree 239, a transfer of notes includes any assignment or transfer, made either with or without consideration, which results in a change of the ownership of the relevant notes or in a change of the Intermediary with which the notes are deposited.

Italian Resident Holders

Where an Italian resident holder of the Notes is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the discretionary investment portfolio regime - see under section “*Capital Gains*” below), (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income tax, any Notes Income accrued by such holder during the relevant holding period is subject to a final withholding tax referred to as “*imposta sostitutiva*,” levied at the rate of 26%, when the Notes Income is cashed or deemed to be cashed upon the disposal for a consideration of the Notes.

In case the holders falling under (i) or (iii), above, are engaged in an entrepreneurial activity to which the Notes are connected, the Notes Income is currently included in their overall year-end taxable income on an accrual basis and taxed at progressive rates of personal income tax (IRPEF) with respect to individuals doing business either directly or through a partnership (currently, the marginal rate equals 43%, plus an additional surcharge of up to 3.2% depending on the municipality of residence and an extraordinary surcharge — called “*contributo di solidarietà*”—of 3% on any income in excess of €300,000, such extraordinary surcharge being deductible from taxable income and currently applicable for the 2014-2016 tax periods) or corporate income tax (IRES), with respect to private and public institutions, currently levied at a rate of 27.5%. In such cases, the *imposta sostitutiva* is levied as a provisional tax creditable against the overall income tax due.

Where an Italian resident holder is a company or similar commercial entity, the Notes Income would not be subject to the *imposta sostitutiva*, but currently included in the holder’s overall year-end income as accrued and is therefore subject to corporate income tax and, in addition, in certain circumstances, depending on the “status” of the holder (*i.e.*, generally, in the case of banks or financial institutions), to a regional quasi-income tax (IRAP), generally levied at a rate that may vary between 3.90% and 6.82%, depending on the holder’s actual “status” and region of residence.

The Notes Income received by (i) Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of January 25, 1994 or pursuant to Article 14-*bis* of Law No. 86 of January 25, 1994, or Italian real estate investment companies with fixed capital (“Real Estate SICAFs”), or (ii) pursuant to Law Decree No. 225 of December 29, 2010, an Italian resident open-ended or a closed-ended investment fund, a SICAF or a SICAV, is exempt from taxation at the level of such entities.

Where an Italian resident holder is a pension fund subject to the regime provided for by Article 17 of Legislative Decree No. 252 of December 5, 2005, the Notes Income accrued during the holding period is not subject to the *imposta sostitutiva* but is included in the year-end result of the fund’s relevant portfolio, which is subject to a substitute tax currently levied at a rate of 20%. For the 2014 tax period, this 20% substitute tax is levied on a tax base reduced by an amount equal to 48% of the difference between the redemptions made in 2014 and the value of the individual positions accrued at 31 December in 2013, increased of any contributions paid in 2014.

The *imposta sostitutiva* is levied by the Intermediary with which the Notes are deposited that intervenes in the collection of the Notes Income.

Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying the Notes Income to a Notes’ holder.

Non-Italian Resident Holders

No Italian tax is applicable to payments of Notes Income made to a non-Italian resident holder that does not have a permanent establishment in Italy through which the Notes are held, provided that such holder makes a statement to that effect, if and when required according to the applicable Italian tax regulations.

Capital Gains

Italian Resident Holders

Capital gains realised upon the sale or redemption of the Notes is currently included in the overall taxable income of an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an

entrepreneurial activity to which the Notes are connected. As such, it is subject to corporate or personal income tax, as the case may be, at the rates illustrated above. In addition, in certain circumstances, depending on the “status” of the holder, it may also be subject to IRAP.

Capital gains arising from the sale or redemption of the Notes realised by an Italian resident holder who is an individual not engaged in an entrepreneurial activity to which the Notes are connected, are subject to a capital gains tax (*imposta sostitutiva sulle plusvalenze azionarie*), levied at the rate of 26%, pursuant to one of the following regimes:

- (i) under the tax return regime (*regime della dichiarazione*), which is the default regime for Italian resident individuals not engaged in an entrepreneurial activity to which the Notes are connected, the capital gains tax is chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by any such holder on all sales or redemptions of the Notes occurring in any given tax year. Capital losses in excess of capital gains may be carried forward and offset against capital gains realised in any of the four succeeding years. Pursuant to Decree No. 66, carried-forward capital losses may be offset against gains realised as of July 1, 2014 for an amount equal to (i) 48.08%, if realised up to December 31, 2011, and (ii) 76.92%, if realised between January 1, 2012 and June 30, 2014. Capital gains, net of any relevant incurred deductible capital loss, must be reported in the year-end tax return and the tax must be paid on the capital gain together with any income tax due for the relevant tax year; or
- (ii) under the non-discretionary portfolio regime (*regime del risparmio amministrato*), the holder may elect to pay the tax separately on capital gains realised on each sale or redemption of the Notes. This separate taxation of capital gains is allowed subject to (x) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (y) the holder making a timely election in writing for the *regime del risparmio amministrato*, addressed to any such intermediary. The depository is then responsible for accounting for the tax in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, withholding and remitting it to the Treasury the tax due. Capital losses in excess of capital gains realised within the depository relationship may be carried forward and offset against capital gains realised in any of the four succeeding years. Pursuant to Decree No. 66, carried-forward capital losses may be offset against gains realised as of July 1, 2014 for an amount equal to (i) 48.08%, if realised up to December 31, 2011, and (ii) 76.92%, if realised between January 1, 2012 and June 30, 2014; or
- (iii) under the discretionary portfolio regime (*regime del risparmio gestito*), eligible when the Notes are included in a portfolio discretionarily managed by an authorised intermediary, the capital gains tax is paid on the appreciation of the overall investment portfolio of the holder managed by such intermediary accrued in any given year (including the gains realised on the sale or redemption of the Notes). The tax is paid by the authorised intermediary. Any depreciation of the investment portfolio accrued at year-end may be carried forward and netted against the appreciation accrued in any of the four succeeding tax years. Pursuant to Decree No. 66, carried-forward depreciations may be offset against increases in value accrued as of July 1, 2014 for an amount equal to (i) 48.08%, if accrued up to December 31, 2011, and (ii) 76.92%, if accrued between January 1, 2012 and June 30, 2014.

Capital gains realised by (i) Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 1994 or pursuant to Article 14-*bis* of Law No. 86 of 1994, or Real Estate SICAFs, or (ii) pursuant to Law Decree No. 225 of 2010, an Italian resident open-ended or a closed-ended investment fund, a SICAF or a SICAV, is exempt from taxation at the level of such entities.

Any capital gains realised by a holder that is an Italian pension fund (subject to the regime provided for by Article 17 of Legislative Decree No. 252 of 2005) is included in the balance of the fund’s relevant portfolio accrued at the end of the tax period, to be subject to the 20% substitute tax. For the 2014 tax period, this 20% substitute tax is levied on a tax base reduced by an amount equal to 48% of the difference between the redemptions made in 2014 and the value of the individual positions accrued at 31 December in 2013, increased of any contributions paid in 2014.

Non-Italian Resident Holders

Capital gains realised by non-Italian resident holders from the sale or redemption of the Notes are not subject to Italian taxation, provided that the Notes are held outside Italy.

Inheritance and Gift Taxes

Pursuant to Law Decree No. 262 of October 3, 2006, as converted in law, with amendments, pursuant to Law No. 286 of November 24, 2006, a transfer of the Notes by reason of death or gift is subject to an inheritance and gift tax levied on the value of the inheritance or gift, as follows:

- Transfers to a spouse or direct descendants or ancestors up to €1,000,000 to each beneficiary are exempt from inheritance and gift tax. Transfers in excess of such threshold will be taxed at a 4% rate on the value of the Notes exceeding such threshold;
- Transfers between relatives up to the fourth degree other than siblings, and direct or indirect relatives by affinity up to the third degree are taxed at a rate of 6% on the value of the Notes (where transfers between siblings up to a maximum value of €100,000 for each beneficiary are exempt from inheritance and gift tax); and
- Transfers by reason of gift or death of Notes to persons other than those described above will be taxed at a rate of 8% on the value of the Notes.

If the beneficiary of any such transfer is a disabled individual, whose handicap is recognised pursuant to Law No. 104 of February 5, 1992, the tax is applied only on the value of the assets (including the Notes) received in excess of €1,500,000 at the rates illustrated above, depending on the type of relationship existing between the deceased or donor and the beneficiary.

Stamp Duty on the Notes

Pursuant to Article 13(2-ter) of the Tariff (*tariffa*) attached to Presidential Decree No. 642 of October 26, 1972 (as amended with Law Decree No. 201 of December 6, 2011, converted into law with Law No. 214 of December 22, 2011, and subsequently with Law Decree No. 16 of March 2, 2012, converted into law with Law No. 44 of April 26, 2012, with Law No. 228 of December 24, 2012 and with Law No. 147 of December 27, 2013), regulating the Italian stamp duty, a proportional stamp duty applies on the periodic reporting communications sent by Italian-based financial intermediaries to their clients with respect to any financial instruments (including bonds, such as the Notes). The stamp duty does not apply to the communications sent or received by pension funds and health funds.

Such stamp duty is generally levied by the above-mentioned financial intermediaries, and computed on the fair market value of the financial instruments or, in case the fair market value cannot be determined, on their face or redemption values (or purchase cost) at a rate of, as of 2014, 0.2% with a cap of €14,000 for clients other than individuals. The stamp duty is levied on an annual basis. In case of reporting periods of less than 12 months, the stamp duty is pro-rated.

Moreover, pursuant to Article 19(18-23) of Law Decree No. 201 of December 6, 2011 (as amended with Law No. 228 of December 24, 2012 and with Law No. 147 of December 27, 2013), a similar duty applies on the fair market value (or, in case the fair market value cannot be determined, on their face or redemption values, or purchase cost) of any financial asset (including bonds such as the Notes) held abroad by Italian resident individuals. Such duty will apply at a rate of 0.2% as of 2014. A tax credit is granted for any foreign property tax levied abroad on such financial assets.

Prospective investors are urged to consult their own tax advisors as to the tax consequences of the application of the new stamp duty on their investment in Notes.

Payments made by the Guarantor

There is no authority directly addressing the Italian tax regime of payments made by the Guarantor under the Guarantee.

According to one interpretation of Italian tax law, payments in lieu of interest made by the Guarantor under the Guarantee may be subject to the same regime described above under section “*Interest Income.*”

According to another interpretation of Italian tax law, any payments made by the Guarantor under the Guarantee to such holders may be subject to a 26% tax levied by means of a final or provisional withholding, depending on “status” of the relevant holder of the Notes.

No Italian taxation would apply with respect to payments made to a non-Italian resident holder that does not have a permanent establishment in Italy through which the Notes are held.

Prospective investors are urged to consult their own tax advisors as to the tax consequences of any such withholding, including the potential availability of foreign tax credits or deductions for such withholding.

Implementation in Italy of the Savings Directive

Italy has implemented the Savings Directive through Legislative Decree No. 84 of April 18, 2005 (“Decree 84”). Under Decree 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another member state, Italian qualified paying agents shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner and shall not apply the withholding tax. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

European Union Directive on Taxation of Savings Income

Under the Savings Directive, each member state of the European Union is required to provide to the tax authorities of another member state details of payments of interest or other similar income paid by a person within its jurisdiction to, or secured by such a person for, an individual beneficial owner resident in, or certain limited types of entity established in, that other member state. However, for a transitional period, Austria will (unless during such period it elects otherwise) instead operate a withholding system in relation to such payments. The rate of withholding is 35%. However, the beneficial owner of the interest (or similar income) payment may elect that certain provision of information procedures should be applied instead of withholding, provided that certain conditions are met. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to exchange of information procedures relating to interest and other similar income.

A number of non-EU countries and certain dependent or associated territories of certain member states have adopted similar measures to the Savings Directive.

The Council of the European Union has adopted a Directive amending the Savings Directive (the “Amending Directive”) which, if implemented, would broaden the Savings Directive’s scope. The member states will have until January 1, 2016 to adopt national legislation necessary to comply with the Amending Directive, which legislation must apply from January 1, 2017. The changes made under the Amending Directive include extending the scope of the Savings Directive to payments made to, or secured for, certain other entities and legal arrangements (including certain trusts and partnerships), where certain conditions are satisfied. They also broaden the definition of “interest payment” to cover certain additional types of income.

Investors who are in any doubt as to their position should consult their professional advisers.

However, the European Commission has proposed the repeal of the Savings Directive from January 1, 2017 in the case of Austria and from January 1, 2016 in the case of all other member states (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, member states will not be required to apply the new requirements of the Amending Directive.

The proposed Financial Transactions Tax

The European Commission has published a proposal (the “Commission’s Proposal”) for a Directive for a common financial transactions tax (“FTT”) in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the “Participating Member States”).

The Commission’s Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of the Notes should, however, be exempt.

Following the FTT Participating Member States’ joint statement, it is unclear which aspect of the draft FTT proposed will be implemented. Under the Commission’s Proposal, the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, “established” in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State, or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

The FTT proposal remains subject to negotiation between the Participating Member States and the legality of the proposal is uncertain. It may therefore be altered prior to any implementation. Additional European member states may decide to participate and/or certain of the Participating Member States may decide to withdraw.

Joint Statements issued by several Participating Member States indicate an intention to implement the FTT by January 1, 2016.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (“FATCA”) and related intergovernmental agreements impose a reporting regime and a 30 percent withholding tax, which applies to certain payments from sources within the United States and may apply as early as January 1, 2017 to “foreign passthru payments” (a term not yet defined) made with respect to obligations issued or materially modified after the date that is six months after the date on which final regulations defining the term “foreign passthru payment” are enacted (the “Grandfathering Date”). We do not expect that payments made on Notes issued on or before the Grandfathering Date will be subject to withholding tax under FATCA or these intergovernmental agreements, but there is uncertainty regarding whether and how the withholding tax on foreign passthru payments will be implemented, and there can be no assurance in this regard or that Notes issued after the Grandfathering Date will not be subject to such withholding. As provided in Condition 8, we will not pay additional amounts on account of any withholding tax imposed under FATCA.

Hong Kong

The following is a general description of certain tax considerations relating to the Notes and is based on law and relevant interpretations thereof in effect as at the date of this Base Prospectus, all of which are subject to change, and does not constitute legal or taxation advice. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective holders of Notes who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction are advised to consult their own professional advisers.

Withholding tax

Under the existing Hong Kong law, no withholding tax in Hong Kong is payable on payments of principal or interest with respect to the Notes.

Profits tax

Profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business.

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the “Inland Revenue Ordinance”) as it is currently applied, interest on the Notes may be deemed to be profits arising in or derived

from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or
- (ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a company (other than a financial institution) carrying on a trade, profession or business in Hong Kong; or
- (iii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person (other than a company) carrying on a trade, profession or business in Hong Kong and is in respect of the funds of the trade, profession or business.

Sums derived from the sale, disposal or redemption of the Notes will be subject to Hong Kong profits tax where received by or accrued to a person who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source.

Stamp duty

No Hong Kong stamp duty will be chargeable upon the issue or transfer of a Note.

People's Republic of China

The following summary describes the principal PRC tax consequences of ownership of the Notes by beneficial owners who, or which, are residents of mainland China for PRC tax purposes or who may be otherwise subject to PRC income tax if the interests on other gains are regarded as income derived from sources within the PRC. Holders of Notes should consult their own tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction.

If the holder of the Notes is a PRC entity or individual who, or which, is a resident of the PRC, for PRC tax purposes, pursuant to the PRC Enterprise Income Tax Law and the PRC Individual Income Tax Law and their implementation rules, an income tax shall be levied on both capital gains and payment of interest gained by a PRC resident in respect of the Notes. The current rates of such income tax are twenty percent (20%) for individual PRC resident and twenty five percent (25%) for any enterprise incorporated in the PRC.

In addition, pursuant to the PRC Enterprise Income Tax Law, if an enterprise incorporated outside the PRC has its “*de facto* management body” located within the PRC, such enterprise may be regarded as a “PRC resident enterprise” and thus may be subject to the enterprise income tax at the rate of twenty five percent (25%) on its worldwide income. Under the Implementation Rules on the PRC Enterprise Income Tax Law, “*de facto* management body” is defined as the bodies that substantially exert comprehensive management and control on the business, personnel, accounts and assets of an enterprise. If any holder of the Notes is determined as a “PRC resident enterprise” because its “*de facto* management body” is located in the territory of the PRC, any interest and capital gains paid to such holders may be subject to PRC enterprise income tax at a rate of twenty five percent (25%).

PRC income tax are generally applicable at the rate of 10% to interest and other gains payable to holders that are non-resident enterprises of the PRC, or at the rate of 20% to interest and other gains payable to holders that are non-resident individuals of the PRC, to the extent such interest or gains are regarded as income derived from sources within the PRC. Such 10% or 20% tax rate could be reduced by applicable treaties between PRC and the jurisdiction of the holder.

The holders of Notes who are not resident in the PRC for PRC tax purposes are generally not subject to withholding tax, income tax or any other taxes or duties imposed by any governmental authority in the PRC in respect of their Notes or any repayment of principal and payment of interest made thereon. However, if any of the Issuers or the Guarantor is deemed as a PRC tax resident enterprise for PRC tax purposes, such payment of interest or other gains may be deemed to be derived from sources within PRC and subject to PRC income tax.

SUBSCRIPTION AND SALE, AND SELLING AND TRANSFER RESTRICTIONS

The Dealers have, in an amended and restated programme agreement (such amended and restated programme agreement as amended and/or supplemented and/or restated from time to time, the “Programme Agreement”) dated April 28, 2015, agreed with the Issuers and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes and resell such Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*.” In the Programme Agreement, each of the Issuers (including the Guarantor) has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

In order to facilitate the offering of any Tranche of the Notes, certain persons participating in the offering of the Tranche may engage in transactions that stabilise, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Tranche. Specifically such persons may over-allot or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the relevant Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may stabilise or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilisation transactions or otherwise. The effect of these transactions may be to stabilise or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof. No representation is made as to the magnitude or effect of any such stabilising or other transactions. Such transactions, if commenced, may be discontinued at any time.

Transfer Restrictions

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Registered Notes (other than a person purchasing an interest in a Registered Global Note with a view to holding it in the form of an interest in the same Global Note) or person wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or vice versa, will be required to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (i) that either: (a) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A or (b) it is outside the United States and is not a U.S. person;
- (ii) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- (iii) that, unless it holds an interest in a Regulation S Global Note and either is a person located outside the United States or is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, prior to the date which is one year after the later of the last Issue Date for the Series and the last date on which the relevant Issuer or an affiliate of the relevant Issuer was the owner of such Notes, only (a) to the Issuer or any affiliate thereof, (b) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (c) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act, (d) pursuant to the exemption from registration provided by Rule 144 under the

Securities Act (if available) or (e) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. State securities laws;

- (iv) that it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (iii) above, if then applicable;
- (v) that Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes;
- (vi) that the Notes, other than the Regulation S Global Notes, will bear a legend to the following effect unless otherwise agreed to by the relevant Issuer:

“THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT REFERRED TO HEREIN AND, PRIOR TO THE DATE WHICH IS ONE YEAR AFTER THE LATER OF THE LAST ISSUE DATE FOR THE SERIES AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF SUCH SECURITIES OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).”;

- (vii) if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Notes prior to the expiration of the distribution compliance period (defined as 40 days after the

later of the commencement of the offering and the closing date with respect to the Tranche of which such Registered Notes form part), it will do so only (a)(i) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (ii) to a QIB in compliance with Rule 144A and (b) in accordance with all applicable U.S. State securities laws; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the relevant Issuer:

“THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.”; and

- (viii) that the relevant Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the relevant Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

No sale of Legended Notes in the United States to any one purchaser will be for less than U.S.\$250,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$250,000 (or its foreign currency equivalent) of Registered Notes.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Unless otherwise indicated herein, terms used in this section that are defined in Rule 144A or in Regulation S are used herein as defined therein.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph and the following two paragraphs have the meanings given to them by the Code and regulations thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules (each as defined under “*Form of the Notes—Bearer Notes*”) apply (including any relevant selling restrictions) or whether TEFRA is not applicable.

In connection with any Notes which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S (“Regulation S Notes”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver such Regulation S Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Regulation S Notes are a part or (iii) in the event of a distribution of a Tranche that is fungible therewith, until 40 days after the completion of the distribution of such fungible Tranche, as determined by the parties described in clause (ii), within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further

Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Regulation S Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Dealers may arrange for the resale of Notes to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Notes which may be purchased by a QIB pursuant to Rule 144A is U.S.\$100,000 (or the approximate equivalent thereof in any other currency). If such purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$100,000 (or the approximate equivalent thereof in any other currency) principal amount of the Notes. To the extent that the relevant Issuer is not subject to or does not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the relevant Issuer has agreed to furnish to holders of Notes and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

Public Offer Selling Restriction under the Prospectus Directive

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State (the “Securities”), except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Securities to the public in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (a) to (c) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that member state and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

The European Economic Area selling restriction is in addition to any other selling restrictions set out below.

Canada

The Notes have not been, and will not be, qualified for sale under the securities laws of any province or territory of Canada. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold, solicited an offer to purchase, or delivered, and that it will not offer, sell, solicit an offer to purchase or deliver, any Notes, directly or indirectly, in Canada or to, or for the benefit of, any resident thereof in contravention of the securities laws of any province or territory of Canada and also without the written permission of the Issuers. Each Dealer has also represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not distributed, and will not distribute, the Base Prospectus or any other offering material relating to the Notes in Canada without the written permission of the Issuers. If the applicable Final Terms or any other offering materials relating to the Notes provide that the Notes may be offered, sold or distributed in Canada, the issue of the Notes will be subject to such additional selling restrictions as the relevant Issuer and the relevant Dealer may agree. Each Dealer will be required to agree that it will offer, sell and distribute such Notes only in compliance with such additional Canadian selling restrictions.

Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended (the “Financial Services Act”) and Article 34-*ter*, first paragraph, letter b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time (“Regulation No. 11971”); or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of October 29, 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended (the “Banking Act”);
- (b) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and
- (c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

United Kingdom

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their business where the issue

of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (“FSMA”) by the relevant Issuer;

- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the relevant Issuer or the Guarantor; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA, with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

The Netherlands

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that unless the applicable Final Terms specify that Article 5:20(5) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) is not applicable, it will not make an offer of Notes to the public in The Netherlands in reliance on Article 3(2) of the Prospectus Directive (as defined under “*Public Offer Selling Restriction under the Prospectus Directive*” above) unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Dutch Financial Supervision Act or (ii) standard exemption wording is disclosed as required by Article 5:20(5) of the Dutch Financial Supervision Act, provided that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Zero Coupon Notes (as defined below) in definitive form of any Issuer may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either such Issuer or a member firm of Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of May 21, 1985 (as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into The Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution or immediately thereafter. As used herein Zero Coupon Notes are Notes that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenure but only at maturity or on which no interest is due whatsoever.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended (the “FIEA”)) and each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Hong Kong

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that: (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571)

of Hong Kong (“SFO”) and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under that Ordinance.

People’s Republic of China

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions of the People’s Republic of China or Taiwan), except as permitted by the securities laws of the PRC.

Singapore

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes may not be circulated or distributed, nor may any Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “Securities and Futures Act”), (b) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where any Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the Securities and Futures Act or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the Securities and Futures Act; or
- (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuers, the Guarantor nor any of the other Dealers shall have any responsibility therefor.

None of the Issuers, the Guarantor or the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the relevant Issuer and the relevant Dealer shall agree.

GENERAL INFORMATION

Authorisation

The renewal of the Programme by the Issuer and the Guarantor has been duly authorised by resolutions of the board of directors of each of CNH Industrial and CIFE, dated, respectively (i) September 9, 2013 and January 30, 2014; and (ii) April 21, 2015.

Listing of Notes on the Irish Stock Exchange

The Base Prospectus has been approved by the Central Bank of Ireland (the “Central Bank”), as competent authority under the Prospectus Directive. The Central Bank only approves this Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC, as amended and/or which are to be offered to the public in any member state of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the official list (the “Official List”) and trading on its regulated market.

However, Notes may be issued pursuant to the Programme which will not be listed on the Irish Stock Exchange or any other stock exchange or which will be listed on such stock exchange as the relevant Issuer and the relevant Dealer(s) may agree.

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuers in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.

Documents Available

Copies of the following documents may be physically inspected at the offices of the Paying Agent in Ireland for the life of the Base Prospectus:

- (i) the constitutional documents, including the Articles of Association (in the case of CNH Industrial, with an English translation thereof) of each of CNH Industrial and CIFE;
- (ii) the audited consolidated financial statements of the CNH Industrial Group, as of and for the financial years ended December 31, 2014 and 2013, prepared in accordance with IFRS as adopted by the European Union;
- (iii) the audited consolidated financial statements of the CNH Industrial Group, as of and for the financial years ended December 31, 2013 and 2012, prepared in accordance with IFRS as well as IFRS as adopted by the European Union;
- (iv) the audited statutory financial statements of CNH Industrial as of and for the financial years ended December 31, 2014 and 2013, prepared in accordance with the legal requirements set forth in Title 9, Book 2 of the Dutch Civil Code;
- (v) the audited statutory financial statements of CNH Industrial as of and for the financial years ended December 31, 2013 and 2012, prepared in accordance with the legal requirements set forth in Title 9, Book 2 of the Dutch Civil Code;
- (vi) the independent auditors’ report on (a) the audited consolidated financial statements of the CNH Industrial Group as of and for the financial year ended December 31, 2014, and (b) the audited statutory financial statements of CNH Industrial as of and for the financial year ended December 31, 2014;
- (vii) the independent auditors’ report on (a) the audited consolidated financial statements of the CNH Industrial Group as of and for the financial year ended December 31, 2013, and (b) the audited statutory financial statements of CNH Industrial as of and for the financial year ended December 31, 2013;

- (viii) the audited statutory financial statements of CIFE as of and for the financial years ended December 31, 2014 and 2013, prepared in accordance with Luxembourg legal and regulatory requirements and the independent auditors' report thereon;
- (ix) the audited statutory financial statements of CIFE as of and for the financial years ended December 31, 2013 and 2012, prepared in accordance with Luxembourg legal and regulatory requirements and the independent auditors' report thereon;
- (x) the Programme Agreement, the Agency Agreement, the Guarantee, the Deed of Covenant, the Deed Poll and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (xi) a copy of the Base Prospectus;
- (xii) any future prospectuses, information memoranda and supplements to the Base Prospectus and any other documents incorporated herein or therein by reference, including Final Terms (save for Final Terms relating to unlisted Notes, which will only be available for inspection by holders of the relevant Notes upon the production of evidence satisfactory to the relevant Issuer and the Paying Agent as to its holding of such Notes and identity); and
- (xiii) in the case of each issue of listed Notes subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document).

Clearing Systems

Notes, other than CMU Notes, in bearer form have been accepted for clearance through Euroclear and Clearstream. The appropriate Common Code and ISIN for each Tranche of Bearer Notes allocated by Euroclear and Clearstream will be specified in the applicable Final Terms.

CMU Notes have been accepted for clearance through the CMU Service. The appropriate CMU instrument number for each Tranche of CMU Notes will be specified in the applicable Final Terms.

In addition, the relevant Issuer may make an application for any Notes in registered form to be accepted for trading in book-entry form by DTC. The CUSIP and/or CINS numbers for each Tranche of Registered Notes, together with the relevant ISIN and Common Code, will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is Clearstream Banking, 42, Avenue John F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg. The address of CMU Service is 55th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

Conditions for Determining Price

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Significant or Material Change

Except as disclosed in the sections "*Presentation of Financial and Other Information-Presentation of Financial Information*" and "*CNH Industrial Group Financial Review*" above, there has been no significant change in the financial or trading position of each CIFE, CNH Industrial or the Group since December 31, 2014.

Except as disclosed in the aforementioned sections, there has been no material adverse change in the prospects of the Issuers or of the Guarantor since December 31, 2014.

Litigation

Except as disclosed in the sections "*Risk Factors—The Group's business operations may be impacted by various types of claims, lawsuits and other contingent obligations*" and "*The CNH Industrial Group-Legal*"

Proceedings” above, none of the Issuers nor the Guarantor nor any other member of the Group is or has been involved in any legal, governmental or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuers or the Guarantor are aware) which is reasonably likely to have or have had in the 12 months preceding the date of this document a significant effect on the financial position or profitability of the Issuers, the Guarantor or the Group.

Material Contracts

None of the Issuers nor the Guarantor nor any other member of the Group has entered into any material contracts outside the ordinary course of business which could result in its being under an obligation or entitlement which is, or may be, material to the ability of the Issuers, the Guarantor or any member of the Group to meet its obligations in respect of the Notes.

Auditors

The independent auditors of CIFE as of and for the financial years ended December 31, 2014 and 2013 are Ernst & Young S.A. – Cabinet de révision agréé.

Ernst & Young S.A. – Cabinet de révision agréé is a public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg, with its registered office at 7, rue Gabriel Lippmann, Parc d’Activité Syrdall 2, L-5365 Munsbach, Luxembourg, Grand-Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B-47.771 (*réviseur d’entreprises agréé*). Ernst & Young S.A. – Cabinet de révision agréé is a member of the Institute of Registered Auditors (“*Institut des Réviseurs d’Entreprises*”) which is the Luxembourg member of the International Federation of Accountants and is registered in the public register of approved audit firms held by the *Commission de Surveillance du Secteur Financier* as competent authority for public oversight of approved statutory auditors and audit firms.

From the effective date of the Merger, *i.e.* September 29, 2013, the independent auditors of the CNH Industrial Group, with respect to the consolidated and the statutory financial statements of CNH Industrial prepared in accordance with, respectively (x) IFRS as adopted by the European Union, and (y) the legal requirements set forth in Title 9, Book 2 of the Dutch Civil Code, are Ernst & Young Accountants LLP, with registered office at Boompjes 258, 3011 XZ, Rotterdam, The Netherlands.

The “*Registeraccountants*” of Ernst & Young Accountants LLP are members of the NBA (*Nederlandse Beroepsorganisatie van Accountants* – the Netherlands Institute of Chartered Accountants), which is the Dutch member of the International Federation of Accountants. Ernst & Young Accountants LLP is a registered audit firm holding a permit issued by the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten* or AFM) as competent authority for public oversight of approved statutory auditors and audit firms in The Netherlands.

Dealers Transacting with any of the Issuers and the Guarantor

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in lending and in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer, its affiliates, and investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer’s affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect

future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the purposes of this paragraph, the term “affiliates” also includes parent companies.

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