



Caterpillar Financial Services Corporation

(A company incorporated in the State of Delaware)

Caterpillar International Finance Limited

(A company incorporated with limited liability in Ireland with registered number 241565)

Caterpillar Finance Corporation

(A company incorporated in Japan)

Caterpillar Financial Australia Limited

(A company incorporated in Australia)

Caterpillar Financial Services Limited

(A company incorporated in Province of Ontario, Canada)

€4,000,000,000

Euro Medium Term Note Programme

With maturities of one month or longer unconditionally and irrevocably guaranteed in the case of Notes issued by Caterpillar International Finance Limited, Caterpillar Finance Corporation, Caterpillar Financial Australia Limited and Caterpillar Financial Services Limited by Caterpillar Financial Services Corporation

On 17th December, 1997, Caterpillar Financial Services Corporation ("Cat Financial") and Caterpillar International Finance Limited ("CIF") (previously Caterpillar International Finance p.l.c.) established a Euro Medium Term Note Programme (the "Programme") and issued an offering circular on that date describing the Programme. On 15 March 2013, Caterpillar Financial Australia Limited and Caterpillar Financial Services Limited were added as Issuers to the Programme. This Offering Circular supersedes any offering circular with respect to the Programme published prior to the date hereof. Any Notes (as defined below) issued under the Programme on or after the date of this Offering Circular are issued subject to the provisions described herein, but this Offering Circular does not affect the terms of any Notes issued prior to the date hereof.

Under the Programme, Cat Financial, or CIF, Caterpillar Finance Corporation ("CFC"), Caterpillar Financial Australia Limited ("CFA") and Caterpillar Financial Services Limited ("CFS") (each an "Issuer" and together the "Issuers") may from time to time issue Euro Medium Term Notes unconditionally and irrevocably guaranteed by Cat Financial in respect of Notes issued by CIF, CFC, CFA and CFS. The Notes will have maturities of one month or longer (or such minimum or maximum maturity as may be allowed or required from time to time by the relevant central bank (or equivalent body however called) or any laws or regulations applicable to the relevant currency) and, subject as set out herein, the maximum aggregate principal amount of all Notes from time to time outstanding will not exceed €4,000,000,000 (or its equivalent in other currencies calculated as described in the Dealer Agreement described herein) subject to increase as described herein. The Notes may be issued in bearer or registered form (respectively, "Bearer Notes" and "Registered Notes" and together the "Notes"). Absent further clarification of relevant U.S. tax law, it is unlikely that Cat Financial and CIF will issue Bearer Notes.

The Notes will be issued on a continuing basis to one or more of the initial Dealers specified under "Overview of the Programme" (each a "Dealer" and together the "Dealers"), which expression shall include any person appointed as a Dealer under the Programme from time to time.

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

The relevant Issuer may agree with any Dealer and the Fiscal Agent (as defined herein) that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a drawdown offering circular to this Offering Circular will be made available which will describe the effect of the agreement reached in relation to such Notes.

Application has been made to the Commission de Surveillance du Secteur Financier (the "CSSF"), in its capacity as competent authority under the Luxembourg Act dated 10th July, 2005 on prospectuses for securities (the "Prospectus Act 2005"), to approve this document as a base prospectus for each of the Issuers. According to the Prospectus Act 2005, the CSSF is not competent to approve prospectuses for the listing of money market instruments having a maturity upon issuance of less than 12 months and complying with the definition of securities. The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Offering Circular or the quality or solvency of each Issuer in accordance with Article 7(7) of the Prospectus Act 2005. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Bourse de Luxembourg, which is the Luxembourg Stock Exchange's regulated market (the "Regulated Market") and to be listed on the Official List of the Luxembourg Stock Exchange.

The requirement to publish a prospectus under the Prospectus Directive (as defined below) only applies to Notes which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 3.2 of the Prospectus Directive (as implemented in the relevant Member State(s)). References in this Offering Circular to "Exempt Notes" are to Notes for which no prospectus is required to be published under the Prospectus Directive. The CSSF has neither approved nor reviewed information contained in this Offering Circular in connection with Exempt Notes.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (each defined herein) of Notes will (other than in the case of Exempt Notes, as defined above) be set out in a final terms document (the "Final Terms"), which will be filed with the CSSF.

Copies of Final Terms in relation to Notes to be listed on the Luxembourg Stock Exchange will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). In the case of Exempt Notes, notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche will be set out in a pricing supplement document (the "Pricing Supplement").

References in this Offering Circular to notes being "listed" (and all related references) shall mean that such notes have been admitted to trading on the Regulated Market and have been listed on the Official List of the Luxembourg Stock Exchange. The Regulated Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC ("MiFID")). The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the relevant Issuer and the relevant Dealer(s). Each Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. The relevant Final Terms (as defined below) in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Luxembourg Stock Exchange (or any other stock exchange).

The Programme has been rated A (stable) by S&P and A2 (stable) by Moody's. Neither S&P nor Moody's is established in the European Union nor registered in accordance with Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation"). However, Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Limited, each of which is established in the European Union and registered under the CRA Regulation, has endorsed the global sale ratings assigned by their respective non-EU entities, including Moody's and S&P. Notes issued under the Programme may be rated or unrated by any one or more of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be disclosed in the Final Terms (or Pricing Supplement, in the case of Exempt Notes) and will not necessarily be the same as the rating assigned to the Programme by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Arranger
Barclays

Dealers

Barclays
J.P. Morgan

Goldman Sachs International
Société Générale Corporate & Investment Banking

Offering Circular dated 15 March, 2013.

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This Offering Circular comprises five base prospectuses, one for each of the Issuers, in respect of all Notes other than Exempt Notes issued under the Programme for the purposes of Article 5.4 of Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area) (the "Prospectus Directive").

The Issuers accept responsibility for the information contained in this Offering Circular and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge and belief of the Issuers (each having taken all reasonable care to ensure that such is the case), the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference" on page 29). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.

No person is or has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Notes or the giving of the Guarantee (as defined in Condition 3(b)) and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuers or any of the Dealers or the Arranger (as defined in "Overview of the Programme"). Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that the information contained herein concerning the Issuers 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 on which it is supplied or, if different, the date indicated in the document containing the same.

Neither the Notes nor the Guarantee have been or will be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any U.S. state securities laws, and the Notes may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act ("Regulation S") unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. The Notes have also not been, and will not be, qualified for sale under the securities laws of any province or territory of Canada and the Notes may not be offered, sold or delivered, directly or indirectly, in Canada or to, or for the benefit of any resident of Canada unless in accordance with all applicable Canadian provincial and/or territorial securities laws, or an available exemption therefrom, and, in the case of Notes issued by CFS, with the written permission of CFS. See "Form of the Notes" for a description of the manner in which Notes will be issued. The Notes are subject to certain restrictions on transfers (see "Subscription and Sale").

The Bearer Notes 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. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the regulations promulgated thereunder.

This Offering Circular 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 this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuers, the Arranger and the Dealers do not represent that this Offering Circular 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 been taken by the Issuers, the Arranger or the Dealers which is intended to permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be

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distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom, Ireland and France), Hong Kong, the People's Republic of China, Australia, Japan and Canada (see "Subscription and Sale").

This Offering Circular has been prepared on a basis that would permit an offer of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) only in circumstances where there is an exemption from the obligation under the Prospectus Directive to publish a prospectus. As a result, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") must be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer of Notes in that Relevant Member State may only do so in circumstances in which no obligation arises for any 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, in each case, in relation to such offer. None of the Issuers or Dealers has authorised, nor do any of them authorise, the making of any offer of Notes in circumstances in which an obligation arises for any Issuer or any Dealer to publish or supplement a prospectus for such offer.

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 may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has 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 this Offering Circular or any applicable supplement;
- (ii) has 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) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal 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.

Among other restrictions, the Notes issued by CFC are not, as part of the initial distribution by the Dealers at any time, to be directly or indirectly offered or sold to, or for the benefit of, any person other than a Gross Recipient. A "Gross Recipient" for this purpose is (i) a beneficial owner that is, for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an

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individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with CFC as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957) (as amended) (the "Act on Special Measures Concerning Taxation") (a "specially-related person of CFC"), (ii) a Japanese financial institution, as designated in Article 3-2-2 paragraph (29) of the Cabinet Order (Cabinet Order No. 43 of 1957) (as amended) (the "Cabinet Order") relating to the Act on Special Measures Concerning Taxation, that will hold Notes issued by CFC for its own proprietary account or (iii) an individual resident of Japan or a Japanese corporation whose receipt of interest on the Notes issued by CFC will be made through a payment handling agent in Japan, as defined in Article 2-2 paragraph (2) of the Cabinet Order.

BY SUBSCRIBING FOR THE NOTES ISSUED BY CFC, AN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED THAT IT IS A GROSS RECIPIENT.

In addition, interest payment on the Notes issued by CFC will be subject to Japanese withholding tax unless it is established that the Notes issued by CFC are held by or for the account of a beneficial owner that is (i) for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of CFC or (ii) a Japanese designated financial institution, as described in Article 6, paragraph (9) of the Act on Special Measures Concerning Taxation, which complies with the requirement for tax exemption under that paragraph. For withholding tax with respect to the Notes issued by CFC due and payable in Japan during the period beginning on 1st January, 2013 and ending on 31st December, 2037, a special additional withholding tax is imposed. See "Taxation – Japan".

CFC will not, under this Programme, issue "Taxable Linked Securities", being securities of which the amount of interest is to be calculated by reference to certain indexes (as prescribed by the Cabinet Order under Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation) relating to CFC or a specially-related person of CFC.

The Arranger and the Dealers have not separately verified the information contained in this Offering Circular. Neither the Arranger nor any of the Dealers makes any representation, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Offering Circular or any other information provided by the Issuers in connection with the Programme. Neither this Offering Circular 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 Arranger or the Dealers that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular or any other information supplied in connection with the Programme or any Notes and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of any Issuer during the life of the arrangements contemplated by this Offering Circular, or to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arranger or the Dealers. Neither the Arranger nor any of the Dealers accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by the Issuers in connection with the Programme.

Certain of the Dealers have engaged, and may in the future engage, in investment banking and/or commercial banking transactions and may perform services for the Issuers and their respective affiliates in the ordinary course of business.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) appointed as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) may, outside Australia and on a market operated outside Australia, 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

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or after the date on which adequate public disclosure of the final 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 must 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.

According to the Prospectus Act 2005, the CSSF is not competent to approve prospectuses for the listing of money market instruments having a maturity upon issuance of less than 12 months and complying with the definition of securities.

Notwithstanding anything to the contrary contained herein, a prospective purchaser (and each employee, representative or other agent of a prospective purchaser) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions addressed in this Offering Circular and all materials of any kind that are provided to the prospective purchaser relating to such tax treatment and tax structure (as such terms are defined in U.S. Treasury Regulation Section 1.6011-4). This authorisation of tax disclosure is retroactively effective to the commencement of discussions with prospective purchasers.

PRESENTATION OF INFORMATION

In this Offering Circular, all references to:

- (i) "U.S. dollars", "U.S.\$" and "\$" are to United States dollars;
- (ii) "Yen" and "¥" are to the lawful currency of Japan;
- (iii) "Renminbi" and "CNY" are to the lawful currency of the People's Republic of China (the "PRC"), excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan;
- (iv) "Sterling" and "£" are to pounds sterling;
- (v) "euro" and "€" are 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;
- (vi) "Australian dollars", "AUD" and "A\$" are to the currency of Australia; and
- (vii) "Canadian dollars", "CAD" and "C\$" are to the currency of Canada.

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RISK FACTORS

In purchasing Notes, investors assume the risk that each Issuer and the Guarantor may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in each Issuer and the Guarantor becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as each Issuer and the Guarantor may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside each Issuer's and the Guarantor's control. Each Issuer and the Guarantor have identified in this Offering Circular a number of factors which could materially adversely affect their businesses and ability to make payments due under the Notes.

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

Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

References in these Risk Factors to "Issuers" shall be to CIF, CFC, CFA, CFS and Cat Financial and, unless the context otherwise requires, references to "Cat Financial" shall be deemed to be references to it in its capacity both as an issuer of Notes under the Programme and as the Guarantor. References in these Risk Factors to "Financing Issuers" shall be to CFC, CFA, CFS and Cat Financial only. Unless the context otherwise requires, for purposes of these Risk Factors, "Cat Financial" shall mean Caterpillar Financial Services Corporation and its consolidated subsidiaries. In addition, unless the context otherwise requires, for purposes of these Risk Factors, "Caterpillar" shall mean Caterpillar Inc. and its subsidiaries other than Cat Financial.

Words and expressions defined in "Form of the Notes" and "Terms and Conditions of the Notes" below shall have the same meanings in this section.

Factors that may affect the Issuers' ability to fulfil their respective obligations under Notes issued under the Programme

Disruptions or volatility in global financial markets could adversely impact the industries and markets in which the Issuers serve and operate.

Global economic conditions may cause volatility and disruptions in the capital and credit markets. Should global economic conditions deteriorate or access to credit markets be reduced, the Issuers could experience reduced levels of liquidity and increased credit spreads in the markets they serve. During the last global economic downturn, financial markets decreased the availability of liquidity, credit and credit capacity for certain issuers, including certain customers of the Financing Issuers as well as Caterpillar dealers and suppliers. Continuing to meet the Financing Issuers' cash requirements over the long-term could require substantial liquidity and access to sources of funds, including capital and credit markets. The Issuers have continued to maintain access to key global medium-term note and commercial paper markets, but there can be no assurance that such markets will continue to represent a reliable source of financing. If global economic conditions were to deteriorate, the Issuers could face materially higher financing costs, become unable to access adequate funding to operate and grow their respective businesses and/or meet their respective debt service obligations as they mature and be required to draw upon contractually committed lending agreements primarily provided by global banks and/or by seeking other funding sources. However, under extreme market conditions, there can be no assurance that such agreements and other funding sources would be available or sufficient. Any of these events could negatively impact their respective businesses, results of operations and financial condition.

The extent of any impact on the Issuers' ability to meet funding or liquidity needs would depend on several factors, including their respective operating cash flows, the duration of any market disruptions, changes in counterparty credit risk, the impact of government intervention in financial markets, including the effects of any programmes or legislation designed to increase or restrict liquidity for certain areas of the market, general credit conditions, the volatility of equity and debt markets, any credit ratings and the credit capacity of the Issuers and cost of financing, and other general economic and business conditions. Market disruption and volatility may also lead to a number of other risks in connection with these events, including but not limited to:

- (i) market developments may affect customer confidence levels and may cause declines in the demand for financing and adverse changes in payment patterns, causing increases in delinquencies and default rates, which could impact the Financing Issuers' write-offs and provision for credit losses;
- (ii) the process the Financing Issuers use to estimate losses inherent in their respective credit exposure requires a high degree of management's judgement regarding numerous subjective, qualitative factors, including forecasts of economic conditions and how economic predictors might impair the ability of their borrowers to repay their loans. If financial market disruption and volatility are experienced, the accuracy of these judgements may be impacted;
- (iii) the Issuers' ability to engage in routine funding transactions or borrow from other financial institutions on acceptable terms or at all could be adversely affected by disruptions in the capital markets or other events, including actions by rating agencies and deteriorating investor expectations; and
- (iv) since the Issuers' funding counterparties are financial institutions, their ability to perform in accordance with any of the underlying agreements could be adversely affected by market volatility and/or disruptions in the equity and credit markets.

Changes in government monetary or fiscal policies may negatively impact the Issuers' results.

Most countries have established central banks to regulate monetary systems and influence economic activities, generally by adjusting interest rates. Interest rate changes affect overall economic growth, which in turn affects Caterpillar's sales and the financing activities of the Financing Issuers. Interest rate changes can also affect customers' ability to finance machine purchases, change the optimal time to keep machines in a fleet and impact the ability of Caterpillar's suppliers to finance the production of parts and components necessary to manufacture and support Caterpillar products. An increase in interest rates could result in lower sales of Caterpillar's products and adversely impact the business, results of operations and financial condition of the Issuers.

Central banks and other policy arms of many countries may take various actions to vary the amount of liquidity and credit available in an economy. Changes in liquidity and credit policies could have a material impact on the customers and markets served by the Issuers and their respective business, which could adversely impact their businesses, results of operations and financial condition.

Government policies on taxes and spending also affect the Issuers' business. Throughout the world, government spending finances a significant portion of infrastructure development, such as highways, airports, sewer and water systems, and dams. Tax regulations determine depreciation lives and the amount of money users of Caterpillar's products can retain, both of which influence investment decisions. Unfavourable developments, such as declines in government revenues, decisions to reduce public spending or increases in taxes, could negatively impact the Issuers' respective results.

The Issuers' operations are exposed to political and economic risks, commercial instability and events beyond their control in the countries in which they operate.

The Issuers' operations are dependent upon products manufactured, purchased, sold and financed in the U.S. and internationally, including in countries with political and economic instability. In some cases, these countries have greater political and economic volatility and greater vulnerability to infrastructure and labour disruptions than in the Issuers' other markets. Operating and seeking to

expand business in a number of different regions and countries exposes them to a number of risks, including:

- (i) multiple and potentially conflicting legal and regulatory requirements that are subject to change;
- (ii) increased exposure to currency fluctuations and imposition of currency restrictions, restrictions on repatriation of earnings or other similar restraints;
- (iii) difficulty of enforcing agreements and collecting receivables through foreign legal systems;
- (iv) difficulty in staffing and managing (including ensuring compliance with internal policies and controls) geographically widespread operations and applying foreign labour regulations;
- (v) natural disasters, embargoes, catastrophic events and national and international conflicts, including acts of terrorism; and
- (vi) political and economic instability or civil unrest that may severely disrupt economic activity in affected countries, particularly in emerging markets.

The occurrence of one or more of these events may negatively impact the Issuers' respective business, results of operations and financial condition.

Failure to maintain the credit ratings relating to the Issuers' debt (including, without limitation, the Notes) would increase their cost of borrowing and could adversely affect their access to the capital markets.

Caterpillar's and the Issuers' costs of borrowing and ability to access the capital markets is affected not only by market conditions but also by the short-term and long-term debt ratings assigned to Caterpillar's and the Issuers' debt (including, without limitation, the Notes) by the major credit rating agencies. These ratings are based, in significant part, on Caterpillar's and the Issuer's performance as measured by financial metrics such as interest coverage and leverage ratios, as well as transparency with rating agencies and timeliness of financial reporting. In 2009, two of the major credit rating agencies modified their outlooks for Cat Financial and Caterpillar. Also in 2009, one major credit rating agency that had previously rated Cat Financial and Caterpillar slightly higher than the others downgraded its ratings to a comparable level and assigned a stable outlook. While the two rating agencies that had modified their outlooks subsequently improved their outlooks to stable, there can be no assurance that Caterpillar's or Cat Financial's credit ratings and/or outlooks will not be lowered in the future.

Although Caterpillar and the Issuers have committed credit facilities to provide liquidity, any downgrades of the credit ratings of Caterpillar, Cat Financial or the Issuers' debt (including, without limitation, the Notes) could increase the Issuers' cost of borrowing and could have an adverse effect on their access to the capital markets, including restricting, in whole or in part, their access to the commercial paper market. There can be no assurance that the commercial paper market will continue to be a reliable source of short-term financing for the Issuers. An inability of the Issuers to access the capital markets could have a material adverse effect on the Issuers' respective cash flow, results of operations and financial condition.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the "CRA Regulation") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings is set out on the cover of this

Offering Circular. The list of registered and certified rating agencies published by the European Securities and Markets Authority ("ESMA") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 of Australia ("Australian Corporations Act") and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with any applicable law in any jurisdiction in which the person may be located.

Changes in interest rates, foreign currency exchange rates or market liquidity conditions could adversely affect the Issuers' respective earnings and cash flows.

Changes in interest rates, foreign currency exchange rates and market liquidity conditions could have a materially adverse effect on the Issuers' respective earnings and cash flows. Because a significant number of the Financing Issuers' loans are made at fixed interest rates, the business of the Financing Issuers is subject to fluctuations in interest rates. Changes in market interest rates may influence the Issuers' financing costs, returns on financial investments and the valuation of derivative contracts and could reduce their respective earnings and/or cash flows. In addition, since the Financing Issuers make a significant number of loans in currencies other than the U.S. dollar, fluctuations in foreign currency exchange rates could also reduce the Issuers' respective earnings and cash flow. Cat Financial also relies on a number of diversified global debt capital markets and funding programmes to provide liquidity for its global operations, including commercial paper, medium-term notes, retail notes, variable denomination floating rate demand notes, asset-backed securitisations and bank loans.

Significant changes in market liquidity conditions could impact Cat Financial's access to funding and the associated funding cost and reduce its earnings and cash flow.

Although the Issuers manage interest rate, foreign currency exchange rate and market liquidity risks with a variety of techniques, including a match funding programme, the selective use of derivatives and a broadly diversified funding programme, there can be no assurance that fluctuations in interest rates, currency exchange rates and market liquidity conditions will not have a material adverse effect on the Issuers' respective earnings and cash flows. If any of the variety of instruments and strategies an Issuer uses to hedge its respective exposure to these various types of risk are ineffective, the relevant Issuer may incur losses.

An increase in delinquencies, repossessions or net losses could adversely affect the Financing Issuers' results.

The business of the Financing Issuers is significantly influenced by the credit risk associated with their respective customers. The creditworthiness of each customer and the rate of delinquencies, repossessions and net losses on customer obligations are directly impacted by several factors, including, but not limited to, relevant industry and economic conditions and the availability of capital. Any increase in delinquencies, repossessions and net losses on customer obligations could have a material adverse effect on their respective earnings and cash flows.

In addition, although the Financing Issuers evaluate and adjust their allowance for credit losses related to past due and non-performing receivables on a regular basis, adverse economic conditions or other factors that might cause deterioration of the financial health of the Financing Issuers' respective customers could change the timing and level of payments received and thus necessitate an increase in the Financing Issuers' estimated losses, which could also have a material adverse effect on their respective earnings and cash flows.

A decrease in the residual value of the equipment that a Financing Issuer finances could adversely affect its results.

Declines in the residual value of equipment financed by a Financing Issuer may reduce its respective earnings. Financing Issuers recognise the residual value of leased equipment, which is the estimated

future wholesale market value of leased equipment at the time of the expiration of the lease term. Each Financing Issuer estimates the residual value of leased equipment at the inception of the lease based on a number of factors, including historical wholesale market sales prices, past remarketing experience and any known significant market/product trends. If estimated future market values significantly decline due to economic factors, obsolescence or other adverse circumstances, the relevant Financing Issuer may not realise such residual value, which could reduce such Financing Issuer's earnings, either through an increase in depreciation expense or a decrease in finance revenue.

The success of the Issuers' businesses depends upon the demand for Caterpillar's products.

The primary businesses of each of the Financing Issuers is to provide retail and wholesale financing alternatives for Caterpillar products to customers and Caterpillar dealers. The primary activity of CIF is to provide financing and factoring services to Cat Financial through its subsidiary, Caterpillar International Finance Luxembourg S.a.r.l., to Cat Financial and Caterpillar subsidiaries in Europe, the Middle East and Russia.

The demand for Caterpillar's products and the Financing Issuers' products and services is influenced by a number of factors, including:

- (i) general world economic conditions and the level of mining, construction and manufacturing activity;
- (ii) changes and uncertainties in the monetary and fiscal policies of various governmental and regulatory entities;
- (iii) fluctuations in demand and prices for certain commodities;
- (iv) fluctuations in currency exchange rates and interest rates;
- (v) political, economic and legislative changes;
- (vi) Caterpillar's ability to produce products that meet the customers' needs;
- (vii) Caterpillar's ability to maintain key dealer relationships;
- (viii) the ability of Caterpillar dealers to sell Caterpillar products and their practices regarding inventory control; and
- (ix) changes in pricing policies by Caterpillar or its competitors.

Any significant adverse changes to these factors could negatively impact the Issuers' results.

Changes in the marketing, operational or administrative support that the Issuers receive from Caterpillar could adversely affect their respective results.

The Financing Issuers participate in certain marketing programmes sponsored by Caterpillar and/or Caterpillar dealers that allow them to offer financing to customers at interest rates that are below market rates through financial merchandising programmes from Caterpillar and/or Caterpillar dealers. These marketing programmes provide the Financing Issuers with a significant competitive advantage in financing Caterpillar products. Any elimination of these marketing programmes or reduction in the Financing Issuers' respective ability to offer competitively priced financing to customers could reduce the percentage of Caterpillar products financed by the Financing Issuers, which could have a material adverse effect on their respective business, financial condition, results of operations and cash flows. Caterpillar also provides the Issuers with other types of operational and administrative support, such as the administration of employee benefit plans, that is integral to the conduct of their respective business. Any changes in the level of support from Caterpillar could also negatively impact their respective results.

Changes in financial regulation legislation could adversely impact Cat Financial and its results of operations and financial condition.

The U.S. Dodd–Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank") was signed into law in July 2010 and includes extensive provisions regulating the financial services industry. Cat Financial continues to monitor and evaluate the impact of this legislation, as regulators continue to propose, adopt and enforce implementing rules. Cat Financial is also monitoring other U.S. and international initiatives to further regulate the financial services industry. While many of the regulations implementing Dodd–Frank have not yet been adopted, these and other regulatory initiatives are expected to impose additional reporting, capital and other financial requirements that could result in significant costs or restrictions and have an adverse effect on Cat Financial's results of operations and financial condition.

Cat Financial's operations are subject to extensive anti-corruption laws and regulations

The U.S. Foreign Corrupt Practices Act and similar foreign anti-corruption laws generally prohibit companies and their intermediaries from making improper payments or providing anything of value to improperly influence foreign government officials for the purpose of obtaining or retaining business, or obtaining an unfair advantage. Recent years have seen a substantial increase in the global enforcement of anti-corruption laws. Cat Financial's continued operation and expansion outside the United States, including in developing countries, could increase the risk of such violations. Violations of these laws may result in severe criminal or civil sanctions, could disrupt our business, and result in an adverse effect on our reputation, business and results of operations or financial condition.

Cat Financial may incur additional tax expense or become subject to additional tax exposure.

Cat Financial is subject to income taxes in the United States and numerous foreign jurisdictions, and its domestic and international tax liabilities are dependent upon the distribution of income among these different jurisdictions. Cat Financial's provision for income taxes and related tax payments in the future could be adversely affected by numerous factors, including, but not limited to, income before taxes being lower than anticipated in countries with lower statutory tax rates and higher than anticipated in countries with higher statutory tax rates, changes in the valuation of deferred tax assets and liabilities, and changes in tax laws and regulations. Cat Financial is also subject to the continuous examination of its income tax returns by the U.S. Internal Revenue Service and other tax authorities. The results of audits and examinations of previously filed tax returns and continuing assessments of its tax exposures may have an adverse effect on Cat Financial's provision for income taxes and related tax payments.

Restrictive covenants in the Issuers' debt agreements could limit the Issuers' financial and operating flexibility.

The Issuers and, to the extent applicable, their respective subsidiaries have agreements under which they borrow or have the ability to borrow funds for use in their respective businesses and are utilised primarily for general corporate purposes. Certain of these agreements include covenants relating to Cat Financial's financial performance and financial position. The two most significant financial covenants included in these agreements are: (1) a leverage ratio covenant that requires Cat Financial to maintain a ratio of consolidated debt to consolidated net worth of not greater than 10 to 1, calculated (i) on a monthly basis as the average of the leverage ratios determined on the last day of each of the six preceding calendar months and (ii) at each 31st December; and (2) an interest coverage ratio that requires Cat Financial to maintain a ratio of (i) profit excluding income taxes, interest expense and net gain/(loss) from interest rate derivatives to (ii) interest expense of not less than 1.15 to 1, in each case, calculated at the end of each calendar quarter for the rolling four-quarter period then most recently ended for Cat Financial and its subsidiaries on a consolidated basis in accordance with generally accepted accounting principles. In addition, there is a requirement in a number of these agreements that prohibits Cat Financial from terminating, amending or modifying its support agreement with Caterpillar. A number of these agreements also impact the operation of the business of the applicable Issuer or subsidiary such as a negative pledge clause that restricts the applicable entity's ability to incur secured indebtedness as well as covenants that limit its ability to consolidate, merge or sell assets. Similarly, some of the Issuers and, to the extent applicable, their respective subsidiaries are also bound by covenants in various agreements that involve Caterpillar and

its obligation to maintain a consolidated net worth of not less than \$9 billion at all times during each fiscal year.

Although the Issuers do not believe any of these covenants presently materially restrict their operations, their ability to meet any one particular covenant may be affected by events that could be beyond their respective control and could result in material adverse consequences that negatively impact their respective business, results of operations and financial condition. These consequences may include the acceleration of repayment of amounts outstanding under certain of the credit agreements, the triggering of an obligation to redeem certain debt securities, the termination of existing unused credit commitments by their lenders, the refusal by their lenders to extend further credit under one or more of their credit agreements or the lowering or modification of their credit ratings, including, to the extent applicable, those of any of their respective subsidiaries. The Issuers cannot provide assurance that they will continue to comply with each credit covenant, particularly if they were to encounter challenging and volatile market conditions.

Changes in accounting guidance could have an adverse effect on the Issuers' results of operations, as reported in their financial statements.

The Issuers' financial statements are subject to the application of GAAP and International Financial Reporting Standards ("IFRS"), which are periodically revised and/or expanded. Accordingly, from time to time the Issuers are required to adopt new or revised accounting guidance issued by recognised authoritative bodies, including the Financial Accounting Standards Board and the Commission. Market conditions have prompted accounting standard setters to issue new guidance, which further interprets or seeks to revise accounting pronouncements related to various transactions, as well as to issue new guidance expanding disclosures. The impact of U.S. GAAP accounting pronouncements that have been issued but not yet implemented is disclosed in Cat Financial's annual and quarterly reports on Form 10-K and Form 10-Q. An assessment of proposed guidance is not provided, as such proposals are subject to change through the exposure process and, therefore, their effects on the Issuers' financial statements cannot be meaningfully assessed. It is possible that future accounting guidance the Issuers are required to adopt could change the current accounting treatment that they apply to their respective consolidated financial statements and that such changes could have a material adverse effect on their respective business, results of operations and financial condition.

Increased IT security threats and more sophisticated computer crime pose a risk to the Issuers' systems, networks, products and services.

The Issuers rely upon information technology systems and networks in connection with a variety of business activities, some of which are managed by third parties. Additionally, the Issuers collect and store data that is sensitive to them and their customers. The secure operation of these information technology systems and networks, and the processing and maintenance of this data is critical to their business operations and strategy. Information technology threats - from user error to attacks designed to gain unauthorised access to the Issuers' systems, networks and data - are increasing in frequency and sophistication. Attacks may range from random attempts to coordinated and targeted attacks, including sophisticated computer crime and advanced persistent threats. These threats pose a risk to the security of the Issuers' respective systems and networks and the confidentiality, availability and integrity of their data. If an attack against any one of the Issuers were to succeed it could expose them and their customers, dealers and suppliers to misuse of information or systems, the compromising of confidential information, manipulation and destruction of data, defective products, production downtimes and operations disruptions. The occurrence of any of these events could adversely affect the Issuers' reputation, competitive position, business and results of operations. In addition, such breaches in security could result in litigation, regulatory action and potential liability and the costs and operational consequences of implementing further data protection measures.

The Guarantee is unsecured and will be effectively subordinated to all liabilities of Cat Financial's subsidiaries and to Cat Financial's secured debt.

Cat Financial has unconditionally and irrevocably guaranteed the due payment of all sums expressly payable under the Notes, the Receipts and the Coupons issued by the other Issuers pursuant to the terms of the Guarantee (the "Guarantee"). Cat Financial may be an important source of another Issuer's payment of those sums. The Guarantee constitutes an unsubordinated and unsecured

obligation of Cat Financial and shall at all times rank *pari passu* with all of Cat Financial's existing and future unsubordinated and unsecured obligations, including its other guarantees. Further, the Guarantee will be effectively subordinated to all liabilities of Cat Financial's subsidiaries and to any of Cat Financial's secured obligations to the extent of the value of the assets securing such obligations.

The success of the Financing Issuers' respective businesses depends on their ability to develop, produce and market quality products and services that meet their customers' needs.

The Financing Issuers operate in a highly competitive environment, with financing for users of Caterpillar equipment available through a variety of sources, principally commercial banks and finance and leasing companies. Increasing competition may adversely affect the business of the Financing Issuers if they are unable to match the products and services of their competitors. Also, as noted above, any changes to the marketing programmes sponsored by Caterpillar and/or Caterpillar dealers, which allow the Financing Issuers to offer financing to customers at interest rates that are below-market rates, could have a materially adverse effect on the Financing Issuers' respective businesses.

Foreign Account Tax Compliance withholding may affect payments on the Notes.

The U.S. "Foreign Account Tax Compliance Act" (or "FATCA") imposes a new reporting regime and, potentially, a 30 per cent. withholding tax with respect to (i) certain payments from sources within the United States, (ii) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. The Issuers, other than Cat Financial and CIF, may be classified as financial institutions for these purposes. If an amount in respect of such withholding tax were to be deducted or withheld from interest, principal or other payments made in respect of the Notes, the Issuers, paying agents, and other persons generally would not, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected. Prospective investors should refer to the section "Taxation – Foreign Account Tax Compliance Act."

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features, distinguishing between factors which may occur in relation to any Notes and those which might occur in relation to certain types of Exempt Notes.

Risks applicable to all Notes

If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.

Notes subject to optional redemption by the Issuers

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 Issuers may be expected to redeem Notes when the 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.

If the Issuers have the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned.

Fixed/Floating Rate Notes are Notes which may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the relevant Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant 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 the relevant Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing market rates.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.

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

Risks applicable to certain types of Exempt Notes

There are particular risks associated with an investment in certain types of Exempt Notes, such as Index Linked Notes and Dual Currency Notes. In particular, an investor might receive less interest than expected or no interest in respect of such Notes and may lose some or all of the principal amount invested by it.

The Issuers may issue Notes with principal or interest determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or indirectly, or other factors (each, a "Relevant Factor"). In addition, the Issuers may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) neither the current nor the historical value of a Relevant Factor should be taken as an indication of future performance of the Relevant Factor during the term of any Note;
- (vii) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and

- (viii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of an index or other Relevant Factor should not be viewed as an indication of the future performance of such Relevant Factor during the term of any Notes. Accordingly, potential investors should consult their own financial and legal advisers about the risk entailed by an investment in any Notes linked to a Relevant Factor and the suitability of such Notes in light of their particular circumstances.

Where Notes are issued on a partly paid basis, an investor who fails to pay any subsequent instalment of the issue price could lose all of his investment.

The Issuers may issue Notes where the issue price is payable in more than one instalment. Any failure by an investor to pay any subsequent instalment of the issue price in respect of the Notes could result in such investor losing all of his investment.

Notes which are moved with variable interest rate or which are structured to include a multiplier or other leverage factor are likely to have more volatile market values than more standard securities.

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes will have more volatile market values than conventional Floating Rate Notes.

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Risks related to Notes generally

Set out below is a description of material risks relating to the Notes generally:

Modification without the consent of all investors

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.

EU Savings Directive

Under EC Council Directive 2003/48/EC (the "Directive") on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) made by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories, including Switzerland, have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the relevant Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

Change of law

The conditions of the Notes are based on the laws of the State of New York in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to New York law or administrative practice after the date of this Offering Circular. Furthermore, no assurance can be given as to the impact of any possible judicial decision or change to taxation law in the United States, the United Kingdom, Ireland, Japan, Canada, Australia, Luxembourg or any other applicable taxation law in connection with this Programme or any issue of Notes after the date of this Offering Circular.

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:

The secondary market generally

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 investments 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 Notes.

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Offering Circular), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes. Such lack of liquidity may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the assets of the Issuers. The Issuers cannot predict which of these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

Exchange rate risks and exchange controls

An investment in Notes denominated in, or the payment of which is related to the value of, a Specified Currency other than the currency of the country in which a purchaser is resident or in the currency (including any composite currency) in which a purchaser conducts its business (the "Home Currency") entails significant risks not associated with a similar investment in a security denominated in the Home Currency. Such risks include, without limitation, the possibility of significant changes in rates of exchange between the Home Currency and the Specified Currency and the possibility of the imposition or modification of foreign exchange controls with respect to the Specified Currency. Such risks generally depend on factors over which the relevant Issuer and the Noteholder have no control, such as economic and political events and the supply of and demand for the relevant currencies. In recent years, rates of exchange for certain currencies have been highly volatile, and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations in the rate that may occur during the term of any Note. Depreciation of the Specified Currency in which a Note is payable against the relevant Home Currency would result in a decrease in the effective yield of such Note below its stated rate of interest and, in certain circumstances, could result in a loss to an investor on a Home Currency basis. In addition, depending on the specific terms of a Note, changes in exchange

rates relating to any of the currencies involved may result in a decrease in its effective yield and, in certain circumstances, could result in a loss to the investor of all or a substantial portion of the principal of a Note.

Governments have from time to time imposed, and may in the future impose, exchange controls that could affect exchange rates as well as the availability of a Specified Currency on a Fixed Interest Date, Interest Payment Date or Maturity Date or in the Redemption Month, as the case may be. There can be no assurances that exchange controls will not restrict or prohibit payments of principal or interest in any such currency or composite currency. Even if there are not actual exchange controls, it is possible that on a Fixed Interest Date, Interest Payment Date or Maturity Date or in a Redemption Month, as the case may be, a Specified Currency for such Note would not be available to the relevant Issuer to make payments of interest and principal then due.

This Offering Circular does not describe all the risks of an investment in Notes denominated in, or the payment of which is related to the value of, a currency other than a prospective purchaser's Home Currency, and each Issuer disclaims any responsibility to advise prospective purchasers of such risks as they exist at the date of this Offering Circular or as such risks may change from time to time. Prospective purchasers should consult their own financial, legal and tax advisers as to the risks entailed by an investment in Notes denominated in, or the payment of which is related to the value of, currencies (including composite currencies) other than the particular Home Currency. Such Notes are not an appropriate investment for persons who are unsophisticated with respect to foreign currency transactions.

Final Terms relating to Notes denominated other than in U.S. dollars may contain additional information which will constitute a part of this Offering Circular, but is furnished as a matter of information only and should not be regarded as indicative of the range of or trends in fluctuations in currency exchange rates that may occur in the future.

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 its assigning rating agency at any time.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal 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.

Risk factors relating to the 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 which may affect the liquidity of the Notes

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current account. Participating banks in Hong Kong have been permitted to engage in the settlement of Renminbi trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot

scheme was extended in August 2011 to cover all provinces and cities in the PRC and to make Renminbi trade and other current account item settlement available in all countries worldwide. Subject to limited exceptions, there is currently no specific PRC regulation on the remittance of Renminbi into the PRC for settlement of capital account items. Foreign investors may only remit offshore Renminbi into the PRC for capital account purposes such as shareholders' loan or capital contribution upon obtaining specific approvals from the relevant authorities on a case by case basis.

There is no assurance that the PRC government will continue to gradually liberalise the control over cross-border Renminbi remittances in the future, that the pilot scheme introduced in July 2009 will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that the Issuer does remit some or all of the proceeds into the PRC in Renminbi and the Issuer subsequently is not able to repatriate funds outside the PRC in Renminbi, it will need to source Renminbi offshore to finance its obligations under the Notes, and its ability to do so will be subject to the overall availability of Renminbi 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 funds cannot be repatriated outside the PRC in Renminbi, the Issuer will need to source Renminbi offshore to finance its obligations under the 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.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the CNY Notes and the Issuer's ability to source Renminbi outside the PRC to service the CNY Notes.

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. Since February 2004, in accordance with arrangements between the PRC government and the Hong Kong government, licensed banks in Hong Kong may offer limited Renminbi-denominated banking services to Hong Kong residents and specified business customers. The People's Bank of China ("PBOC") has also established a Renminbi clearing and settlement system for participating banks in Hong Kong. On 19 July 2010, further amendments were made to the Settlement Agreement on the Clearing of Renminbi Business (the "Settlement Agreement") between the PBOC and Bank of China (Hong Kong) Limited (the "Renminbi Clearing Bank") to further expand the scope of Renminbi business for participating banks in Hong Kong. Pursuant to the revised arrangements, all corporations are allowed to open Renminbi accounts in Hong Kong; there is no longer any limit (other than as provided in the following paragraph) on the ability of corporations to convert Renminbi; and there will no longer be any restriction on the transfer of Renminbi funds between different accounts in Hong Kong.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. As of the end of December 2012, the total amount of Renminbi deposits held by institutions authorised to engage in Renminbi banking business in Hong Kong amounted to approximately CNY 602,996 million according to the Hong Kong Monetary Authority. In addition, participating banks are also required by the Hong Kong Monetary Authority to maintain their Renminbi liquidity ratios at not less than 25 per cent. (computed on the same basis as the statutory liquidity ratio), which further limits the availability of Renminbi that participating banks can utilise for conversion services for their customers. Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. They are only allowed to square their open positions with the Renminbi Clearing Bank after consolidating the Renminbi trade position of banks outside Hong Kong that are in the same bank group of the participating banks concerned with their own trade position, and the Renminbi Clearing Bank only has access to onshore liquidity support from PBOC for the purpose of squaring open

positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement and for Hong Kong residents of up to CNY 20,000 per person per day. The Renminbi Clearing Bank is not obliged to settle for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from the offshore market to settle such open positions.

On 14 June 2012, the Hong Kong Monetary Authority introduced a facility for providing Renminbi liquidity to authorised institutions participating in Renminbi business ("Participating AIs") in Hong Kong. The facility will make use of the currency swap arrangement between the PBOC and the Hong Kong Monetary Authority. With effect from 15 June 2012, the Hong Kong Monetary Authority will, in response to requests from individual Participating AIs, provide Renminbi term funds to the Participating AIs against eligible collateral acceptable to the Hong Kong Monetary Authority. The facility is intended to address short-term Renminbi liquidity tightness which may arise from time to time, for example due to capital market activities or a sudden need for Renminbi liquidity by the Participating AIs' overseas bank customers.

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 no new PRC regulations will not be promulgated or the Settlement Agreement will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service the Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in the CNY Notes is subject to exchange rate risks.

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 Issuer's primary obligation is to make all payments of interest and principal with respect to the CNY Notes in Renminbi, in the event access to Renminbi deliverable in Hong Kong becomes restricted to the extent that, by reason of Inconvertibility, Non-transferability or Illiquidity (each as defined in the Terms and Conditions of Notes), the Issuer is unable to, or it is impracticable for it to, pay interest or principal in Renminbi in Hong Kong, the terms of the Notes allow the Issuer to make payment in U.S. dollars at the prevailing spot rate of exchange, all as provided for in more detail in the Terms and Conditions of the Notes. As a result, the value of these Renminbi payments in U.S. dollar 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. dollar or other applicable foreign currency terms will decline.

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

Except in the limited circumstances stipulated in the Conditions, 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 Registered Global Note held with the common depositary, for Euroclear and Clearstream, Luxembourg or any alternative clearing system by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing Euroclear and Clearstream, Luxembourg rules and procedures, 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. The Issuer and the Guarantor cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

Gains on the transfer of the Notes may be subject to income tax under PRC tax laws

Under the New Enterprise Income Tax Law and its implementation rules, any gains realised on the transfer of the Notes by holders who are deemed under the New Enterprise Income Tax Law as non-

resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as incomes derived from sources within the PRC. Under the New Enterprise Income Tax Law, a “non-resident enterprise” means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained incomes derived from sources within the PRC. In addition, there is uncertainty as to whether gains realised on the transfer of the Notes by individual holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Notes minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to an arrangement between mainland China and Hong Kong for avoidance of double taxation, Noteholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Notes.

If a Noteholder, being a non-resident enterprise or non-resident individual, is required to pay any PRC income tax on gains on the transfer of the Notes, the value of the relevant Noteholder’s investment in the Notes may be materially and adversely affected.

Remittance of proceeds into or outside of the PRC in Renminbi

In the event that the relevant Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from and registration with the relevant PRC government authorities. However, there is no assurance that the necessary approvals from and registration with the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). Any Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of Notes other than Exempt Notes, a new Offering Circular will be published.

This Overview 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" below shall have the same meanings in this section Overview.

Issuers:	Caterpillar Financial Services Corporation Caterpillar International Finance Limited Caterpillar Finance Corporation Caterpillar Financial Australia Limited Caterpillar Financial Services Limited
Guarantor:	Caterpillar Financial Services Corporation, in respect of Notes issued by Caterpillar International Finance Limited, Caterpillar Financial Australia Limited, Caterpillar Financial Services Limited and Caterpillar Finance Corporation.
Risk Factors:	There are certain factors that may affect each of the Issuer's ability to fulfil its obligations under Notes issued under the Programme. These are set out under "Risk Factors" below. There are also certain factors that may affect the Guarantor's ability to fulfil its obligations under the Guarantee. These are also set out under "Risk Factors" below. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under "Risk Factors" and include certain risks relating to the structure of particular Series of Notes and certain market risks.
Description:	Euro Medium Term Note Programme.
Size:	Up to €4,000,000,000 (or its equivalent in other currencies calculated as described in the Dealer Agreement) aggregate principal amount of Notes outstanding at any one time. The Issuers may increase the size of the Programme in accordance with the terms of the Dealer Agreement.
Arranger:	Barclays Bank PLC
Dealers:	Barclays Bank PLC Goldman Sachs International J.P. Morgan Securities plc Société Générale

The Issuers, acting together, may from time to time terminate the appointment of any Dealer under the Programme or each Issuer, acting individually, may appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to "Permanent Dealers" are to

the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated). References in this Offering Circular to "Dealers" are to all Permanent Dealers and all persons appointed as dealers in respect of one or more Tranches.

Fiscal Agent and Paying Agent:

Citibank, N.A., London Branch

Registrar and Transfer Agent:

Citigroup Global Markets Deutschland AG

Distribution:

The Notes will be issued on a syndicated or non-syndicated basis. Notes shall be issued in compliance with applicable regulations and guidelines from time to time.

Currencies:

Subject to any applicable legal or regulatory restrictions, any currency agreed between the relevant Issuer and the relevant Dealer.

Issue Price:

Notes may be issued at their principal amount or at a discount or premium to their principal amount.

Form of Notes:

The Notes may be issued in bearer form ("Bearer Notes") or in registered form ("Registered Notes"). Absent further clarification of relevant U.S. tax law, it is unlikely that Cat Financial and CIF will issue Bearer Notes.

Each Tranche of Bearer Notes will, on issue, be represented by either a Temporary Bearer Global Note or Permanent Bearer Global Note, as specified in the applicable Final Terms. Temporary Bearer Global Notes will be exchanged for one or more Permanent Bearer Global Notes or for definitive Bearer Notes, as described in "Form of the Notes" below, not earlier than 40 days after the Issue Date upon certification of non-U.S. beneficial ownership. Unless otherwise specified in the applicable Final Terms, a Permanent Bearer Global Note will be exchangeable, in whole only, for security-printed definitive Bearer Notes with, where applicable, Receipts, Coupons and Talons (as defined herein) attached, in the circumstances described in "Form of the Notes" below.

Each Tranche of Registered Notes will on issue be represented by a Registered Global Note and will either be: (a) in the case of a Note which is not to be held under the new safekeeping structure ("New Safekeeping Structure" or "NSS"), registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Registered Global Note will be deposited on or about the Issue Date with the common depository; or (b) in the case of a Note to be held under the New Safekeeping Structure, registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Registered Global Note will be deposited on or about the Issue Date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg, as described in "Form of the Notes". Registered Notes will not be exchangeable for Bearer Notes or vice versa.

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 "Subscription and Sale"), including the following restrictions applicable at the date of this Offering Circular.

Notes having a maturity of less than one year

Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the 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 "Subscription and Sale").

Under Part II of the Prospectus Act 2005, prospectuses relating to money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities are not subject to the approval provisions of Part II of the Prospectus Act. Money market instruments having a maturity at issue of less than 12 months will not be issued under the Programme.

Bearer Notes issued by Cat Financial or CIF with a maturity of 183 days or less will have a minimum denomination of U.S.\$500,000 (or its equivalent in other currencies determined by reference to the spot rate on the date of issuance).

Maturities:

Subject to compliance with all relevant laws, regulations and directives, Notes shall have maturity of one month or longer save that unless otherwise permitted by then current laws, regulations and directives (i) Notes denominated in Sterling and having a maturity of less than one year will constitute commercial paper; (ii) Notes denominated in Sterling and having a maturity of one year or more but less than three years will constitute shorter term debt securities and may not contain a put or call option entitling redemption on or prior to the first anniversary of their issue; and (iii) Notes denominated in Sterling and having a maturity of three years or more will constitute longer term debt securities and may not contain a put or call option entitling redemption on or prior to the third anniversary of their issue.

Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution (see "Certain Restrictions - Notes having a maturity of less than one year" above).

Denominations:

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 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 (see "Certain Restrictions - Notes having a maturity of less than one year" above) and save that the minimum denomination of each Note (i) issued by an Issuer other than CIF and which is admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances

which would otherwise 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) and (ii) issued by CIF (and whether or not admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area 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).

Unless otherwise permitted by then current laws and regulations or by the Central Bank of Ireland, any Note issued by any Issuer (where, in the case of any Issuer other than CIF, it is issued or offered in Ireland or held by persons resident or located in Ireland in circumstances where such holding represents the acceptance by the relevant Issuer of deposits from the public in Ireland) and having a term of less than one year must have a minimum denomination of €125,000 (or its equivalent in other currencies).

Fixed Rate Notes:

Fixed rate interest will be payable in arrears on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer (as indicated in the applicable Final Terms) and on redemption. Interest will be calculated on the basis of the Day Count Fraction specified in Condition 5.

Floating Rate Notes:

Floating Rate Notes will bear interest calculated on the same basis as the floating amounts under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement in the form of the Master Agreement published by the International Swaps and Derivatives Association, Inc. ("ISDA"), and evidenced by a confirmation incorporating the 2006 ISDA Definitions (as published by ISDA and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series (the "ISDA Definitions")), or on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service or on such other basis as may be agreed between the relevant Issuer and the relevant Dealer (as indicated in the applicable Final Terms). Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both. Interest on Floating Rate Notes will be payable as selected prior to issue by the relevant Issuer and the relevant Dealer, on the Interest Payment Dates specified in, or determined pursuant to, the applicable Final Terms and will be calculated on the basis of such Day Count Fraction, as may be agreed between the relevant Issuer and the relevant Dealer.

Interest Periods for Floating Rate Notes:

Such periods as the relevant Issuer and the relevant Dealer may agree (as indicated in the applicable Final Terms).

Zero Coupon Notes:

Zero Coupon Notes will be offered and sold at a discount to their principal amount and will not bear interest save in the circumstances provided in the Notes.

Exempt Notes:

Any Issuer and where applicable, the Guarantor may agree with any Dealer that Exempt Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event the relevant provisions will be included in the applicable pricing supplement.

Redemption:	The applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders upon giving notice to the Noteholders or the relevant 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.
Status of Notes:	The Notes will constitute unsubordinated and unsecured obligations of each Issuer. See Condition 3(a).
Status of Guarantee:	Cat Financial has unconditionally and irrevocably guaranteed the due payment of all sums to be payable under the Notes, the Receipts and the Coupons issued by CIF, CFC, CFA and CFS pursuant to the terms of the Guarantee (the "Guarantee"). The Guarantee constitutes an unsubordinated and unsecured obligation of Cat Financial. See Condition 3(b).
Negative Pledge:	The terms of the Notes will contain a negative pledge provision as described in Condition 4.
Cross Default:	The terms of the Notes will contain a cross-default provision applicable to certain debt of Cat Financial and its Relevant Subsidiaries (as defined in Condition 4(a)) having a principal amount outstanding in excess of U.S.\$50,000,000, as further described in Condition 10.
Withholding Tax:	All payments in respect of the Notes may be made without deduction for or on account of withholding taxes imposed by any governmental authority or agency in the United States, Ireland, Japan, Australia and Canada subject as provided in Condition 8.
Governing Law:	The Notes and the Guarantee will be governed by, and construed in accordance with, the laws of the State of New York, United States of America, without giving effect to the conflict of laws principles thereof.
Approval, Listing and Admission to Trading:	<p>This Offering Circular comprises five base prospectuses, one for each of the Issuers, for purposes of Article 5.4 of the Prospectus Directive. Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made for Notes issued under the Programme to be listed on the Luxembourg Stock Exchange.</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 relevant Issuer and the relevant Dealer in relation to the applicable Series. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms (or applicable Pricing Supplement in the case of Exempt Notes) will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.</p>

Selling Restrictions:

There are restrictions on the offer, sale and transfer of the Notes in the United States, the European Economic Area (including the United Kingdom, Ireland and France), Japan, Australia, Canada, Hong Kong, the PRC and Russia and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes (see "Subscription and Sale").

United States Selling Restrictions:

Regulation S Compliance Category 1, 2 or 3 as specified in the applicable Final Terms (or applicable Pricing Supplement, in the case of Exempt Notes). TEFRA C or D/TEFRA not applicable, as specified in the applicable Final Terms (or applicable Pricing Supplement, in the case of Exempt Notes).

Rating:

The Programme has been rated A by S&P and A2 by Moody's. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms (or applicable Pricing Supplement, in the case of Exempt Notes) and will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

DOCUMENTS INCORPORATED BY REFERENCE

Cat Financial and Caterpillar, which owns 100 per cent. of the outstanding common stock of Cat Financial, are subject to the informational requirements of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act") and, in accordance therewith, file reports, proxy material (Caterpillar only) and other information with the United States Securities and Exchange Commission (the "Commission"). Such reports, proxy material and other information can be inspected and copied at the offices of the Commission at the Commission's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549 and copies can also be obtained by mail from the Public Reference Section of the Commission at the same address at prescribed rates. The Commission maintains a World Wide Web site (<http://www.sec.gov>) that contains reports, proxy and information statements and other information that are filed through the Commission's Electronic Data Gathering, Analysis and Retrieval System. Caterpillar lists its common stock and certain debt securities on the New York Stock Exchange. Cat Financial also lists certain debt securities on the New York Stock Exchange. Reports and other information concerning Cat Financial can be inspected at the office of the New York Stock Exchange and reports, proxy material and other information concerning Caterpillar can be inspected at the office of the New York Stock Exchange.

The following documents which have previously been published and have been filed with the CSSF shall be incorporated by reference in, and form part of, this Offering Circular:

- (i) with respect to Cat Financial, its Form 10-K filed with the Commission on 19 February, 2013, which includes the consolidated audited annual financial statements for the years ended 31st December, 2012 and 31st December, 2011 prepared in accordance with generally accepted accounting principles in the United States;
- (ii) with respect to CIF, the audited annual financial statements for the years ended 31st December, 2011 and 2010, prepared in accordance with IFRS as adopted by the European Union and with those parts of Irish company law applicable to companies reporting under IFRS (CIF does not publish interim financial statements);
- (iii) with respect to CFC, the audited annual financial statements for the years ended 31st December, 2011 and 2010, prepared in accordance with generally accepted accounting principles in Japan (CFC does not publish interim financial statements);
- (iv) with respect to CFA, the audited annual financial statements for the years ended 30th November, 2011 and 2010, prepared in accordance with Australian Accounting Standards and IFRS (CFA does not publish interim financial statements);
- (v) with respect to CFS unaudited "summary financial information" prepared in accordance with US GAAP for each of the two financial years ending on 31 December 2012 and 2011; and
- (vi) the Terms and Conditions of the Notes contained in each of previous Offering Circulars prepared by the Issuers in connection with the Programme as follows:
 - (A) Offering Circular dated 15 November 2007, pages 36 - 65 (inclusive);
 - (B) Offering Circular dated 3 December 2008, pages 36 - 67 (inclusive);
 - (C) Offering Circular dated 12 April 2010, pages 37 - 68 (inclusive);
 - (D) Offering Circular dated 8 April 2011, pages 41 - 72 (inclusive); and
 - (E) Offering Circular dated 16 March 2012, pages 47 - 83 (inclusive).

The information incorporated by reference that is not included in the cross-reference list is considered as additional information and is not required by the relevant schedules of the Prospectus Regulation. Any information not listed in the cross reference list below, including reports, proxy material and

other information filed with the Commission, is not incorporated by reference in this Offering Circular. Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Offering Circular.

Following the publication of this Offering Circular, a supplement may be prepared by the Issuers and approved by the CSSF in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Offering Circular or in a document which is incorporated by reference in this Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Each Issuer will provide, without charge, to any person, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference. Any requests for such documents should be directed to the relevant Issuer at its office set out at the end of this Offering Circular and such documents will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). In addition, such documents will be available free of charge from the principal office in Luxembourg of BNP Paribas Securities Services, Luxembourg (the "Listing Agent").

The Issuers and the Guarantor will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Notes, prepare a supplement to this Offering Circular or publish a new Offering Circular for use in connection with any subsequent issue of Notes.

Cross Reference List

Cat Financial

Financial Statements 2011 and 2012

<i>Commission Regulation (EC) No. 809/2004 (as amended), Annex IX, 11.1</i>	Form 10-K 2011	Form 10-K 2012
Report of Independent Registered Public Accounting Firm	page 32	page 35
Consolidated Statements of Profit	page 33	page 36
Consolidated Statements of Comprehensive Income	N/A	page 37
Consolidated Statements of Financial Position	page 34	page 38
Consolidated Statements of Changes in Stockholder's Equity	page 35	page 39
Consolidated Statements of Cash Flows	page 36	page 40
Notes to Consolidated Financial Statements	pages 37-76	pages 41-76

CIF

Financial Statements

<i>Commission Regulation (EC) No. 809/2004 (as amended), Annex IX, 11.1</i>	2010	2011
Independent Auditors' Reports	pages 11-12	pages 11-12
Statement of Financial Position	pages 13-14	pages 13-14
Statement of Comprehensive Income	page 15	page 15
Cash Flow Statement	pages 16-17	pages 16-17
Statement of Changes in Equity	page 18	page 18
Notes to the Financial Statements	pages 19-66	pages 19-67

CFC

Financial Statements 2010 and 2011

<i>Commission Regulation (EC) No. 809/2004 (as amended), Annex IX, 11.1</i>	2010	2011
Balance Sheet	page 2	page 2
Profit and Loss Statement	page 3	page 3
Notes to the Financial Statements	pages 4-9	pages 9 - 15
Statement of Changes in Net Assets	page 10	page 4
Independent Auditors' Report	page 15	page 16

<i>CFA</i>		
<i>Financial Statements 2009 and 2010</i>		
<i>Commission Regulation (EC) No. 809/2004 (as amended),</i>	<i>2010</i>	<i>2011</i>
<i>Annex IX, 11.1</i>		
Statement of Comprehensive Income	page 7	page 7
Statement of Financial Position	page 8	page 8
Statement of Changes in Equity	pages 9	pages 9
Statement of Cash Flows	page 10	page 10
Notes to the Financial Statements	pages 11 – 42	pages 11 – 39
Independent Auditor's Report to the Members	pages 44 - 45	pages 41 - 42
<i>CFS</i>		
<i>The Summary Financial Information</i>	<i>2011</i>	<i>2012</i>
	<i>In its entirety</i>	<i>In its entirety</i>

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without Talons or Coupons attached, or registered form, without Talons and Coupons attached. The Notes will be issued outside the United States in reliance on Regulation S.

Bearer Notes

Each Tranche of Bearer Notes will be initially issued in the form of a temporary global note (a "Temporary Bearer Global Note") or, if so specified in the applicable Final Terms, a permanent 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") which, in either case, will:

- (i) if the Bearer Global Notes are intended to be issued in new global note ("NGN") form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg"); and
- (ii) if the Bearer Global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to a common depository (the "Common Depository") for Euroclear and Clearstream, Luxembourg.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg, as indicated in the applicable Final Terms.

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 Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Bearer Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Bearer Global 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, and are not residents of Canada, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Fiscal Agent.

On and after the date (the "Exchange Date") which is 40 days after a 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 (a) interests in a Permanent Bearer Global Note of the same Series or (b) definitive Bearer Notes of the same Series with, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of non-U.S. beneficial ownership as described above unless such certification has already been given. 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.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note if the Permanent Bearer Global Note is not intended to be issued in NGN form) without any requirement for certification.

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, receipts, interest coupons and talons attached upon either (a) not less than 60 days' written notice given at any time from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Fiscal Agent as described therein or (b) the Issuer having been notified that both Euroclear and Clearstream, Luxembourg 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 (an "Exchange Event"). The 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, Luxembourg or the Common Depository, or the Common Safekeeper for Euroclear and Clearstream, Luxembourg, as the case may be, on their behalf (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Fiscal 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 Fiscal Agent.

If specified in the applicable Final Terms, no certificate of non-U.S. beneficial ownership will be required for Bearer Notes with a maturity of 183 days or less.

Temporary Bearer Global Notes, Permanent Bearer Global Notes and definitive Bearer Notes will be issued in bearer form only. Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Each Bearer Note, Receipt, Talon and Coupon issued by Cat Financial and CIF with a maturity of more than 183 days and each Bearer Note, Receipt, Talon and Coupon issued by CFC with a maturity of more than one year will bear the following legend:

"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, Receipts, Talons or Coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition or payment of principal in respect of Bearer Notes, Receipts, Talons or Coupons.

Each Bearer Note, Receipt, Coupon and Talon issued by Cat Financial or CIF with a maturity of 183 days or less will bear the following legend:

"By accepting this obligation, the holder represents and warrants that it is not a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the regulations thereunder) and that it is not acting for or on behalf of a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the regulations thereunder)."

Temporary Bearer Global Notes, Permanent Bearer Global Notes and definitive Bearer Notes will be issued by the Fiscal Agent pursuant to the Agency Agreement. Until exchanged in full, the bearer of a Bearer Global Note shall in all respects be entitled to the same benefits as if it were the bearer of definitive Bearer Notes, Receipts, Coupons and Talons, subject as set out in the Terms and Conditions.

Interest on the Bearer Notes is payable only outside the United States and its possessions (except as provided in the Terms and Conditions). The term "United States" means the United States of America (including the States and the District of Columbia), and the term "its possessions" includes Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

Registered Notes

The Registered Notes of each Tranche will be offered and sold in reliance on Regulation S in offshore transactions to non-U.S. persons outside the United States and will be represented by a permanent global note in registered form (a "Registered Global Note"). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Registered Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person (as defined in Regulation S) and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Registered Global Note will bear a legend regarding such restrictions on transfer. Prior to the fortieth day following the closing date of an issuance of Registered Global Notes by CFS, beneficial interests in such Notes may not be offered, sold or delivered, directly or indirectly, in Canada or to, or for the benefit of any resident of Canada. Notes which are represented by a Registered Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Global Notes will be deposited with a Common Depositary, in the case of Registered Notes held under the classic safekeeping structure, or Common Safekeeper, in the case of Registered Notes held under the new safekeeping structure (the "NSS"), for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee of a Common Depositary for Euroclear and Clearstream, Luxembourg or in the name of a nominee of a Common Safekeeper, as specified in the applicable Final Terms. 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.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 7(h)) 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 provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7(h)) 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 Receipts, Coupons or Talons attached only upon the occurrence of an Exchange Event. For these purposes, "Exchange Event" means that in the case of Notes registered in the name of a nominee for a Common Depositary or Common Safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg 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. The 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 in respect of a Registered Global Note, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar 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.

Notes issued by CFC

Any Notes issued by CFC and Coupons appertaining thereto will bear a legend substantially to the following effect:

"Interest payment on this security will be subject to Japanese withholding tax unless it is established that the security is held by or for the account of a beneficial owner that is (i) for

Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with CFC as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan (a "specially-related person of CFC") or (ii) a Japanese designated financial institution, as described in Article 6, paragraph (9) of the Act on Special Measures Concerning Taxation of Japan, which complies with the requirement for tax exemption under that paragraph.

Interest payments on this security to an individual resident of Japan, to a Japanese corporation not described in the preceding paragraph, or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of CFC will be subject to deduction of Japanese income tax at a rate of 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) of the amount specified in subparagraphs (A) or (B) below, as applicable:

- (A) if interest is paid to an individual resident of Japan, to a Japanese corporation, or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of CFC (except as provided in subparagraph (B) below), the amount of such interest; or
- (B) if interest is paid to a public corporation, a financial institution or a financial instruments business operator, etc. through a Japanese payment handling agent as provided in Article 3-3, paragraph (6) of the Act on Special Measures Concerning Taxation of Japan in compliance with the requirement for tax exemption under that paragraph, the amount of such interest minus the amount provided in the Cabinet Order relating to said paragraph (6)."

General

Pursuant to the Agency Agreement (as defined under "Terms and Conditions of the Notes"), the Fiscal Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at such point after the Issue Date of the further tranche, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg 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 or as may otherwise be approved by the relevant Issuer, the Guarantor, the Fiscal Agent and, as applicable, the Registrar.

The relevant Issuer and the Guarantor may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a new Offering Circular will be made available which will describe the effect of the agreement reached in relation to such Notes.

FORM OF FINAL TERMS

[LOGO, if document is printed]

[CATERPILLAR FINANCIAL SERVICES CORPORATION]

[CATERPILLAR INTERNATIONAL FINANCE LIMITED]

[CATERPILLAR FINANCE CORPORATION]

[CATERPILLAR FINANCIAL AUSTRALIA LIMITED]

[CATERPILLAR FINANCIAL SERVICES LIMITED]

€4,000,000,000

Euro Medium Term Note Programme

With maturities of one month or longer

unconditionally and irrevocably guaranteed

in the case of Notes issued by

**Caterpillar International Finance Limited, Caterpillar Finance Corporation, Caterpillar
Financial Australia Limited and Caterpillar Financial Services Limited**

by Caterpillar Financial Services Corporation

[Publicity Name(s) of Dealer(s)]

The date of this Final Terms is [].

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 Offering Circular dated 15 March, 2013, which[, together with the supplement[s] dated [],] constitute[s] a base prospectus for the purposes of 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 the Offering Circular [as so supplemented]. Full information on the Issuer[, the Guarantor] and the offer of Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular is available for viewing at, and copies may be obtained from, the offices of the Fiscal Agent. The Offering Circular and (in the case of Notes listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange) the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular 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 Offering Circular dated [original date] which are incorporated by reference in the Offering Circular dated 15 March, 2013 [,as amended by the supplement[s] dated [],]. 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 the Offering Circular dated 15 March, 2013, [as so supplemented] which constitutes a base prospectus for the purposes of the Prospectus Directive. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular dated 15 March, 2013 [as so supplemented]. Copies of the Offering Circular are available for viewing at, and copies may be obtained from, the offices of the Fiscal Agent. The Offering Circular and (in the case of Notes listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange) the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 (or its equivalent in any other currency) or €125,000 (or its equivalent in any other currency), as the case may be.]

[Notes issued by CIF with a maturity of one year or more must have a minimum denomination of €100,000 (or its equivalent in another currency).][Bearer Notes issued by Cat Financial or CIF with a maturity of 183 days or less must have a minimum denomination of U.S.\$500,000 (or its equivalent in other currencies determined by reference to the spot rate on the date of issuance).]

[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.]

1. (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 20 below, which is expected to occur on or about [*date*]]][Not Applicable]
2. Specified Currency or Currencies: []
3. Aggregate Nominal Amount:

- (i) [Series: []
- (ii) [Tranche: []
4. [Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
5. (i) Specified Denominations: []
(N.B. In the case of Registered Notes this means the minimum integral amount in which transfers can be made)
(N.B. Notes must have a minimum denomination of €100,000 (or equivalent))
(Note – where Bearer Notes with 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] (or equivalent) minimum denomination is not required, save in the case of CIF. Notwithstanding the foregoing, Bearer Notes issued by Cat Financial or CIF with a maturity of 183 days or less must have a minimum denomination of U.S.\$500,000 (or its equivalent in other currencies determined by reference to the spot rate on the date of issuance).)
- (ii) Calculation Amount: []
(If only one Specified Denomination, insert the Specified Denomination.
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.)
6. (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.)
7. Maturity Date: [Fixed rate - specify date/Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]¹
8. Interest Basis: [[] per cent. Fixed Rate]
 [[LIBOR/EURIBOR] +/- [] per cent. Floating Rate]

¹ Note that for Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to use the second option here.

[Zero Coupon]

(further particulars specified below)

9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
10. Change of Interest Basis or Redemption/Payment Basis: [*Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 14 and 15 below and identify there*] [Not Applicable]
11. Put/Call Options: [Investor Put]
[Issuer Call]
[Not Applicable]
[(further particulars specified below at 'Provisions Relating to Redemption')]
12. [Date of the board of directors' approval for issuance of Notes and Guarantee] obtained: [[] [and [], respectively]]
[Not Applicable]
(N.B. Only relevant where board (or similar) authorisation is required for the particular Tranche of Notes or related Guarantee)
13. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph.)
- (i) Rate(s) of Interest: [] per cent. per annum payable in arrear on each Interest Payment Date
(If payable other than annually, consider amending Condition 5.)
- (ii) Interest Payment Date(s): [[] in each year² up to and including the Maturity Date]
(N.B. This will need to be amended in the case of long or short coupons.)

² Note that 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. For these purposes, "Business Day" means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and currency deposits) in Hong Kong and []."

- (iii) Fixed Coupon Amount(s): per Calculation Amount³
(Applicable to Notes in definitive form.)
- (iv) Broken Amount(s): per Calculation Amount, payable on the Interest Payment Date falling [in/on]
(Applicable to Notes in definitive form.)
- (v) Day Count Fraction: [30/360 or Actual/Actual (ICMA)][Actual/365 (Fixed)]⁴
- (vi) Determination Date(s): [] in each year][Not Applicable]
(Insert regular 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 Day Count Fraction is Actual/Actual (ICMA.)
- 15. Floating Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph.)
- (i) Specified Period(s)/Specified Interest Payment Dates:
- (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): [Not Applicable]
- (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:

³ 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 CNY 0.01, CNY0.005 being rounded upwards.”

⁴ Applicable to Renminbi denominated Fixed Rate Notes.

- (a) Reference Rate: Reference Rate: [] month [LIBOR/EURIBOR]
- (b) Interest Determination Date(s): []
(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR.)
- (c) Relevant Screen Page: []
(In the case of EURIBOR, if not Reuters EURIBORO1 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately.)
- (vii) ISDA Determination:
- (a) Floating Rate Option: []
- (b) Designated Maturity: []
- (c) Reset Date: []
(In the case of a LIBOR or EURIBOR based option, the first day of the Interest Period).
- (viii) Margin(s): [+/-] [] per cent. per annum
- (ix) Minimum Rate of Interest: [] per cent. per annum
- (x) Maximum Rate of Interest: [] per cent. per annum
- (xi) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual]
 [Actual/365 (Fixed)]
 [Actual/365 (Sterling)]
 [Actual/360]
 [30/360][360/360][Bond Basis]
 [30E/360] [Eurobond basis]
 [30E/360 (ISDA)]
16. Zero Coupon Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph.)
- (i) Accrual Yield: [] per cent. per annum
- (ii) Reference Price: []
- (iii) Day Count Fraction in relation to Early Redemption Amounts [30/360]
 [Actual/360]
 [Actual/365]

and late payment:

PROVISIONS RELATING TO REDEMPTION

17. Issuer Call: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph.)*
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[] per Calculation Amount]
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: []
- (b) Maximum Redemption Amount: []
- (iv) Notice period: []
- (N.B. If setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of five business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)*
18. Investor Put: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph.)*
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[] per Calculation Amount]
- (iii) Notice period: []
- (N.B. If setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent.)*

19. Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(f)): [] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

20. Form of Notes:

(i) Form:

[Bearer Notes:

[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes on 60 days' notice given at any time or upon the closure of the clearing systems as described in the Permanent Bearer Global Note]

[Temporary Bearer Global Note exchangeable for Definitive Bearer Notes on and after the Exchange Date]

[Permanent Bearer Global Note exchangeable for Definitive Bearer Notes on 60 days' notice at any time or upon the closure of the clearing systems as described in the Permanent Bearer Global Note]]

[(N.B. Absent further clarification of relevant U.S. tax law, it is unlikely that Cat Financial and CIF will issue Bearer Notes.)]

[Registered Notes:

[Registered Global Note registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]]

(ii) New Global Note:

[Yes] [No]

21. Additional Financial Centre(s) or other special provisions relating to Payment Days:

[Not Applicable/*give details*]

(Note that this paragraph relates to the place of payment and not Interest Period end dates to which item 15(iii) relates.)

22. Talons for future Coupons or Receipts to be attached to Definitive Notes in bearer form (and dates on which such Talons mature):

[Yes *(if 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)*/No]

DISTRIBUTION

23. U.S. Selling Restrictions:

[Reg. S Compliance Category 2; TEFRA D/TEFRA not applicable]

RESPONSIBILITY

The Issuer confirms 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: _____ By: _____
Duly authorised *Duly authorised*]

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on *[the Regulated Market of the Luxembourg Stock Exchange]* and, if relevant, listing on the Official List of the Luxembourg Stock Exchange with effect from [].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on *[the Regulated Market of the Luxembourg Stock Exchange]* and, if relevant, listing on the Official List of the Luxembourg Stock Exchange with effect from [].] [Not Applicable.]
- (ii) Estimate of total expenses related to admission to trading: []

2. RATINGS

- Ratings: [The Notes to be issued [have been]/[are expected to be]] rated *[insert details]* by *[insert the legal name of the relevant credit rating entity(ies).]*

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

[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 Offering Circular under Article 16 of the Prospectus Directive.)]

4. 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.

5. OPERATIONAL INFORMATION

- (i) ISIN Code: []
- (ii) Common Code: []
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, [Not Applicable/give *name(s) and number(s)*]

société anonyme and the relevant identification number(s):

- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of additional Paying Agent(s) [and/or Transfer Agent(s)] (if any): [] [Not Applicable]
- (vi) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]
- [Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, that is, held under the new safekeeping structure (the "NSS")] *[include this text for Registered Notes which are to be held under the NSS]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] *[Include this text if "yes" selected, in which case Bearer Notes must be issued in NGN form]*

TERMS AND CONDITIONS OF THE NOTES

Any reference in the Terms and Conditions to "applicable Final Terms" shall be deemed to include a reference to "applicable Pricing Supplement" where relevant.

The following are the Terms and Conditions which will be attached to or incorporated by reference into each Global Note and which will be endorsed upon each definitive Note, provided that the applicable Pricing Supplement in relation to any Exempt Tranche (as defined below) of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify such Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed on, or attached to, each temporary Bearer Global Note, permanent Bearer Global Note, registered Global Note and definitive Note. Reference should be made to "Form of the Notes" in the Offering Circular specified in the applicable Final Terms for a description of the content of the Final Terms, which will include the definitions of certain terms used in the following Terms and Conditions or specify which of such terms are to apply in relation to the relevant Notes.

This Note is one of a Series of Notes (the "Notes", which expression 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 of the Notes, (ii) any definitive Notes in bearer form ("Bearer Notes") issued in exchange for a temporary Global Note or permanent Global Note in bearer form, (iii) any definitive Notes in registered form ("Registered Notes") (whether or not issued in exchange for a Global Note in registered form) and (iv) any Global Note issued subject to, and with the benefit of, an amended and restated Agency Agreement dated 15th March, 2013 (the "Agency Agreement", as further amended, restated and/or updated from time to time) and made between Caterpillar Financial Services Corporation ("Cat Financial"), Caterpillar International Finance Limited ("CIF"), Caterpillar Finance Corporation ("CFC"), Caterpillar Financial Australia Limited ("CFA") and Caterpillar Financial Services Limited ("CFS") (each an "Issuer" and together the "Issuers" and, for the purposes of these Terms and Conditions, such of them as is named in the applicable Final Terms as the Issuer), Cat Financial in its capacity as guarantor of Notes issued by CIF, CFC, CFA or CFS, Citibank, N.A., London Branch as fiscal agent, Citigroup Global Markets Deutschland AG as registrar and transfer agent and the other agents named in it. The fiscal agent, the registrar, the transfer agent, the paying agents and the calculation agent(s) for the time being (if any) are referred to in these Terms and Conditions respectively as the "Fiscal Agent", the "Registrar", the "Transfer Agent", the "Paying Agents" (which expression shall include the Fiscal Agent) and the "Calculation Agent(s)").

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms (or Pricing Supplement, in the case of Exempt Notes) attached to or endorsed on this Note which complete these Terms and Conditions (the "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 (an "Exempt Note"), may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes 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.

Interest bearing definitive Bearer Notes will have interest coupons ("Coupons") and, in the case of 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. Definitive Bearer Notes repayable in instalments will have receipts ("Receipts") attached for the payment of the instalments of principal (other than the final instalment) attached on issue. Registered Notes and Global Notes do not have Receipts, Coupons or Talons attached on issue.

As used herein, "Series" means all Notes which are denominated in the same currency and which have the same Maturity Date or Redemption Month, as the case may be, Interest/Payment Basis and Interest Payment Dates (if any) (all as indicated in the applicable Final Terms) and the terms of which

(save for the Issue Date, the Interest Commencement Date and/or the Issue Price (as indicated as aforesaid)) are otherwise identical (including whether or not the Notes are listed) and the expressions "Notes of the relevant Series" and "holders of Notes of the relevant Series" and related expressions shall be construed accordingly. As used herein, "Tranche" means all Notes of the same Series with the same Issue Date.

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, which complete these Terms and Conditions and, in the case of an Exempt Note, may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References to the "applicable Final Terms" are to Part A of the Final Terms attached to or endorsed on this Note.

Copies of any Final Terms in respect of listed Notes may be obtained and are available for inspection without charge from the specified office of the Paying Agent in London save that, if this Note is not admitted to trading on a regulated market in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Paying Agent as to its holding of such Notes and identity.

Copies of the Agency Agreement and the applicable Final Terms may be obtained and are available for inspection without charge from the specified office of the Paying Agent in London, the Registrar and the other Transfer Agents. 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 (the "Noteholders"), the holders of the Coupons (the "Couponholders") and the holders of Receipts (the "Receiptholders") are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms which are binding on them.

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

1 Form, Denomination and Title

The Notes are issued in bearer form or in registered form as specified in the applicable Final Terms, in each case in the Specified Currency and the Specified Denomination, and in the case of definitive Notes, serially numbered in the Specified Denomination(s) shown hereon. 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.

Unless this Note is an Exempt Note, this Note may be a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note, or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

If this is an Exempt Note, this Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or an Index Linked Note or any appropriate combination thereof, depending upon the Interest/Payment Basis specified in the applicable Pricing Supplement. It is also a Dual Currency Note if the applicable Pricing Supplement so indicates.

If this is an Exempt Note, wherever Dual Currency Notes or Index Linked Notes bear interest on a fixed or floating rate basis or do not bear interest, the provisions in these Terms and Conditions relating to Fixed Rate Notes, Floating Rate Notes or Zero Coupon Notes, respectively, shall, where the context so admits, apply to such Dual Currency Notes or Index Linked Notes. Where this Note is an Index Linked Note, the appropriate provisions of these Terms and Conditions will apply accordingly.

Notes in definitive bearer form are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes, in which case references to interest, Coupons and Talons in these Conditions are not applicable. Any Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

Except as set out below, title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery and title to the Registered Notes will pass upon registration in the register maintained by the Registrar for such purposes (the "Register") of transfers in accordance with the provisions of the Agency Agreement. Except as ordered by a court of competent jurisdiction or as required by law, the bearer of any Bearer Note, Receipt, Coupon or Talon and the registered holder of any Registered Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss, and no person shall be liable for so treating the holder.

For so long as any of the Notes are represented by a Global Note, each person who is for the time being shown in the records of Euroclear Bank S.A./N.V. ("Euroclear") or of Clearstream Banking, *société anonyme*, Luxembourg ("Clearstream, Luxembourg") as the holder of a particular principal amount of Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal 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 as the holder of such principal amount of such Notes for all purposes other than, save as specifically otherwise provided in the relevant Global Note, with respect to the payment of principal or interest on the Notes, the right to which shall be vested, as against the Issuer, the Agent, the Transfer Agent and any other Paying Agent, solely in the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note in accordance with and subject to its terms (and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly).

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be. Any reference herein to Euroclear and/or Clearstream, Luxembourg 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.

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 Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of 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 transferable for Registered 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 Euroclear or Clearstream, Luxembourg, 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

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 relevant Transfer Agent and (ii) the Registrar or 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, the Registrar and the Transfer Agents may from time to time prescribe (the initial such regulations being set out in Schedule 5 to the Agency Agreement).

Subject as provided above, 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 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 6, 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.

3 Status of Notes and Guarantee

(a) Status in the case of Notes issued by Cat Financial, CIF, CFC, CFA or CFS

The Notes and the Receipts and Coupons constitute, subject to Condition 4(a) or 4(b), as the case may be, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Receipts and Coupons shall, save for such exceptions as may be provided by applicable legislation, and subject to Condition 4(a) or 4(b), as the case may be, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer both present and future.

(b) Guarantee in the case of Notes issued by CIF, CFC, CFA or CFS

Cat Financial has unconditionally and irrevocably guaranteed the due payment of all sums expressly payable by CIF, CFC, CFA or CFS under the Notes, the Receipts and the Coupons as provided in the amended and restated guarantee dated 15th March, 2013 (the "Guarantee" and as further amended, restated and/or updated from time to time). The Guarantee constitutes an unsubordinated and unsecured obligation of Cat Financial and shall at all times rank *pari passu* with all its existing and future unsubordinated and unsecured obligations.

4 Negative Pledge and Covenant

(a) Negative Pledge in the case of Notes issued or guaranteed by Cat Financial

So long as any of the Notes, Receipts or Coupons remain outstanding (as defined in the Agency Agreement), Cat Financial will not at any time create, assume, permit to subsist or guarantee any present or future, actual or contingent, indebtedness for money borrowed which is secured by a mortgage,

charge, assignment, pledge, lien, security interest or encumbrance on any assets, revenues or property of any character of Cat Financial ("Secured Debt") without making effective provision (and Cat Financial covenants that in such case it will make or cause to be made effective provision) whereby the Notes of any Series then outstanding and, if Cat Financial shall so determine, any other indebtedness of or guaranteed by Cat Financial, subject to applicable priorities of payment, shall be secured by such mortgage, charge, assignment, pledge, lien, security interest or encumbrance equally and rateably with any and all other obligations and indebtedness thereby secured, so long as any such other obligations and indebtedness shall be so secured; provided, however, that the foregoing shall not apply to:

- (i) (A) any mortgage, charge, assignment, pledge, lien, security interest or encumbrance on any fixed asset or other physical or real property hereafter acquired (including acquisition through merger or consolidation) or hereafter constructed, as the case may be, or improved by Cat Financial and created, or for the creation of which a bona fide firm commitment in writing was executed, prior to, contemporaneously with or within 180 days after such acquisition or the completion of such construction or improvement or the commencement of commercial operation or the placing in service of such property by Cat Financial, whichever is the later, to secure or provide for the payment of all or a part of the purchase price or cost of construction or improvement of such property; or (B) the acquisition of property subject to any mortgage, charge, assignment, pledge, lien, security interest or encumbrance upon such property existing at the time of acquisition thereof, whether or not assumed by Cat Financial; or (C) any mortgage, charge, assignment, pledge, lien, security interest or encumbrance on property of a corporation existing at the time such corporation is merged into or consolidated with Cat Financial or at the time of a sale, lease or other disposition of the properties of a corporation or firm as an entirety or substantially as an entirety to Cat Financial;
- (ii) any mortgage, including charges, assignments, pledges, liens, security interests or encumbrances on property of Cat Financial in favour of the United States of America or any State thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any State thereof or in favour of any other country or any department, agency or instrumentality or political subdivision of such country to secure partial progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or part of the purchase price or the cost of construction or improvement of the property subject to such mortgages;
- (iii) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any mortgage, charge, assignment, pledge, lien, security interest or encumbrance referred to in the foregoing Conditions 4(a)(i) and 4(a)(ii); provided, however, that the principal amount of any Secured Debt shall not exceed the principal amount outstanding at the time of such extension, renewal or replacement, and that such extension, renewal or replacement shall be limited to the property which secured the mortgage so extended, renewed or replaced and additions to such property;
- (iv) any present or future assets or revenues assigned at law or in equity in connection with a securitisation arrangement for those assets or revenues; provided, however, that (A) such assignment is on arm's length terms and (B) the consideration payable for such assignment is not less than the then market value of the assigned assets or revenues and such consideration is paid on or prior to the assignment. If any debts or securities are assigned, the market value will be the amount outstanding under such debts or secured by such securities, plus accrued interest up to the date of assignment; or

- (v) any mortgage, charge, assignment, pledge, lien, security interest or encumbrance securing indebtedness owing by Cat Financial to any Relevant Subsidiary (as defined below).

Notwithstanding the foregoing, Cat Financial may create, assume, permit to subsist or guarantee Secured Debt which would otherwise be subject to the foregoing restrictions in an aggregate amount, which, together with all other Secured Debt of Cat Financial which would otherwise be subject to the foregoing restrictions (not including Secured Debt permitted to be secured under Conditions 4(a)(i) and 4(a)(v), does not at the time exceed 5 per cent. of Consolidated Net Tangible Assets.

For the purposes of this Condition 4(a) "Consolidated Net Tangible Assets" shall mean as of any particular time the aggregate amount of assets after deducting therefrom (i) all current liabilities (excluding any such liability that by its terms is extendible or renewable at the option of the obligor thereof to a time more than 12 months after the time as of which the amount thereof is being computed) and (ii) all goodwill, excess of cost over assets acquired, patents, copyrights, trademarks, trade names, unamortised debt discount and expense and other like intangibles, all as shown in the most recent consolidated financial statements of Cat Financial and its Relevant Subsidiaries prepared in accordance with generally accepted accounting principles. The term "Relevant Subsidiary" means any company or corporation of which more than 50 per cent. of the outstanding stock or shares having ordinary voting power to elect directors is owned directly or indirectly by Cat Financial or by one or more other companies or corporations more than 50 per cent. of such stock of which is similarly owned or controlled.

(b) Negative Pledge in the case of Notes issued by CIF, CFC, CFA or CFS

So long as any of the Notes issued by CIF, CFC, CFA or CFS, or the Receipts or Coupons thereof, remain outstanding:

- (i) the relevant Issuer shall not create or permit to subsist any mortgage, charge, assignment, pledge, lien, security interest or encumbrance ("Security") upon the whole or any part of its undertaking, assets or revenues present or future to secure its Relevant Debt, or to secure any guarantee of or indemnity in respect of any of its Relevant Debt; and
- (ii) the relevant Issuer shall procure that no other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues present or future of that other person to secure any of the relevant Issuer's Relevant Debt, or to secure any guarantee of or indemnity in respect of any of the relevant Issuer's Relevant Debt,

unless, at the same time or prior thereto, the relevant Issuer's obligations under the Notes, Receipts and Coupons (A) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, or (B) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by an Extraordinary Resolution of the Noteholders, provided that the foregoing shall not apply to any present or future assets or revenues assigned at law or in equity in connection with a securitisation arrangement for those assets or revenues, provided, however, that (i) such assignment is on arm's length terms and (ii) the consideration payable for such assignment is not less than the then market value of the assigned assets or revenues and such consideration is paid on or prior to the assignment. If any debts or securities are assigned, the market value will be the amount outstanding under such debts or secured by such securities, plus accrued interest up to the date of assignment.

Notwithstanding the foregoing, the relevant Issuer may create or permit to subsist any Security to secure Relevant Debt or any guarantee of or indemnity in respect of Relevant Debt which would otherwise be subject to the foregoing restrictions in an aggregate amount which, together with any other Relevant Debt or guarantee of or indemnity in respect of Relevant Debt of CIF, CFC, CFA and CFS which is so secured and which would otherwise be subject to the foregoing restrictions, does not at the time exceed 10 per cent. of Consolidated Net Tangible Assets.

For the purposes of this Condition 4(b) "Relevant Debt" means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other securities that are, for the time being, quoted, listed or ordinarily dealt in on any stock exchange, automated trading system, or over-the-counter or other securities market.

(c) *Covenant of Cat Financial*

- (i) Cat Financial will observe and perform in all material respects all its covenants or agreements contained in the support agreement with Caterpillar Inc. ("Caterpillar") dated as of 21st December, 1984, as amended (the "Support Agreement");
- (ii) to the extent possible, Cat Financial will cause Caterpillar to observe and perform in all material respects all covenants or agreements of Caterpillar contained in the Support Agreement; and
- (iii) Cat Financial will not waive compliance under, amend in any material respect, or terminate the Support Agreement, provided, however, that the Support Agreement may be amended if such amendments would not have a material adverse effect on the holders of Notes then outstanding or if the holders of at least 66 per cent. in principal amount of the outstanding Notes so affected shall waive compliance with the provisions of this Condition 4(c) in so far as it relates to such amendment.

5 Interest and Other Calculations

(a) *Interest on Fixed Rate Notes*

- (i) Each Fixed Rate Note bears interest from and including the Interest Commencement Date at the rate(s) per annum equal to the Fixed Coupon Amount(s) specified in the applicable Final Terms payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date so specified if such date does not fall on an Interest Payment Date. The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date and, if the first anniversary of the Interest Commencement Date is not an Interest Payment Date, will amount to the initial Broken Amount specified in the applicable Final Terms. If the Maturity Date is not an Interest Payment Date, interest from and including the preceding Interest Payment Date (or the Interest Commencement Date, as the case may be) to but excluding the Maturity Date will amount to the final Broken Amount specified in the applicable Final Terms.
- (ii) Interest will be paid, in respect of Fixed Rate Notes in definitive bearer form, against surrender of the appropriate Coupons, subject to and in accordance with the provisions of Condition 7.
- (iii) Except in the case of Notes in definitive form, where an applicable 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:
 - (A) 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, if they are Partly Paid Notes, the aggregate amount paid up); or
 - (B) 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 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.

For the purposes of this Condition 5(a), "Day Count Fraction" means:

- (A) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:
- (1) 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
 - (2) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (i) 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
 - (ii) 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; and
- (B) if "30/360" 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);
- (C) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the 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); 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 the 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) in each year specified in the applicable Final Terms; or (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each interest payment date (each such date, together with each Specified Interest Payment Date, an "Interest Payment

Date") which (save as otherwise mentioned in these Terms and Conditions or the applicable Final Terms) 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.

If a Business Day Convention is specified in the applicable Final Terms and (x) there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) an 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 this Condition 5(b)(i), the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of Condition 5(b)(ii) shall apply *mutatis mutandis* or (b) 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 (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) 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 this Condition 5 "Business Day" means (unless otherwise stated in the applicable Final Terms) a day which is both:

- (1) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in each Additional Business Centre specified in the applicable Final Terms; and
- (2) either (x) in relation to Notes denominated in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency which, in the case of Australian dollars, shall be Sydney and, in the case of New Zealand dollars, shall be Auckland or (y) in relation to Notes denominated in euro, a day on which banks are open for business and carrying out transactions in euro in the jurisdiction in which the account specified by the payee is located and a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) System (the "TARGET2 System") is open or (z) in relation to Notes denominated in Renminbi, a day on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

(ii) *Interest Payments*

Interest will be paid, in respect of Floating Rate Notes, in definitive bearer form against surrender of the appropriate Coupons, subject to and in accordance with the provisions of Condition 7.

(iii) *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.

(iv) ISDA Determination

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 Condition 5(b)(iv), "ISDA Rate" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Fiscal Agent or the Calculation Agent or any other person specified in the applicable Final Terms under an interest rate swap transaction if the Fiscal Agent or the Calculation Agent or that other person were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is such period as is specified in the applicable Final Terms; and
- (C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this Condition 5(b)(iv), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity" and "Reset Date" have the meanings given to those terms in the 2006 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 (the "ISDA Definitions")).

When this Condition 5(b)(iv) applies, in respect of each relevant Interest Period, the Fiscal Agent or the Calculation Agent, as the case may be, will be deemed to have discharged its obligations under Condition 5(b)(vii) in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this Condition 5(b)(iv).

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

(v) Screen Rate Determination

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:

- (A) the quotation; or
- (B) the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for deposits in the Specified Currency (being either LIBOR or EURIBOR, as specified in the applicable Final Terms) for that Interest Period which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time) (in the case of LIBOR) or 11.00 a.m. (Brussels time) (in the case of EURIBOR) 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 Fiscal Agent or the Calculation Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest rate, one only of such rates) and the lowest (or, if there is more than one such lowest rate, one only of such rates) shall be disregarded by

the Fiscal Agent or the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of Condition 5(b)(v)(A), no such quotation appears or, in the case of Condition 5(b)(v)(B), fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

(vi) *Minimum and/or Maximum Rate of Interest*

If there is shown on the face of the Note a minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with these provisions is less than such minimum Rate of Interest, the Rate of Interest for such period shall be such minimum Rate of Interest. If there is shown a maximum Rate of Interest for any Interest Period then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with these provisions is greater than such maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such maximum Rate of Interest.

(vii) *Determination of Rate of Interest and Calculation of Interest Amount*

The Fiscal Agent will, on or as soon as practicable after each date on which the Rate of Interest is to be determined, determine the Rate of Interest (subject to any minimum or maximum Rate of Interest specified in the applicable Final Terms) and calculate the amount of interest (the "Interest Amount") payable on the Floating Rate Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated 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, if they are Partly Paid Notes, the aggregate amount paid up); 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 in accordance with this Condition 5(b):

- (i) if "Actual/Actual (ISDA)" 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);
- (ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

- (iii) 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;
- (iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) 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, calculated on a formula basis as follows:

$$\text{DayCount Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (vi) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCount Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30; and

- (vii) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

(viii) Notification of Rate of Interest and Interest Amount

The Issuer will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified by the Fiscal Agent in respect of the Notes, as the case may be, to the Paying Agent for the time being in London and any stock exchange on which the relevant Floating Rate Notes are for the time being listed (by no later than the first day of each Interest Period), and 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 (which, in the case of the Luxembourg Stock Exchange, shall be no later than the beginning of the Interest Period). Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. For the purposes of this Condition 5(b)(viii), "London Business Day" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in London.

(ix) Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5(b) by the Fiscal Agent or the Calculation Agent in respect of the Notes, as the case may be, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Fiscal Agent, the Registrar or the Calculation Agent, in respect of the Notes, as the case may be, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Noteholders, the Receiptholders or the Couponholders shall attach to the Fiscal Agent or the Calculation Agent in respect of the Notes, as the case may be, in connection with the exercise or non-exercise by them of their powers, duties and discretions pursuant to such provisions.

(x) *Interest Act (Canada)*

For the purposes of the Interest Act (Canada) and disclosure thereunder, whenever any interest to be paid upon Notes issued by CFS is to be calculated on the basis of a 360-day or 365-day year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360 or 365, as applicable. The rates of interest under Notes issued by CFS are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under Notes issued by CFS.

(c) *Exempt Notes*

The rate or amount of interest payable in respect of Exempt Notes which are not also Fixed Rate Notes or Floating Rate Notes shall be determined in the manner specified in the applicable Pricing Supplement, provided that where such Notes are Index Linked Interest Notes the provisions of Condition 4(b) shall, save to the extent amended in the applicable Pricing Supplement, apply as if the references therein to Floating Rate Notes and to the Agent were references to Index Linked Interest Notes and the Calculation Agent, respectively, and provided further that the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

(d) *Zero Coupon Notes*

Where a Zero Coupon Note becomes due and repayable prior to the Maturity Date and is not paid when due, the amount due and repayable shall be the Amortised Face Amount of such Note as determined in accordance with Condition 6(f)(iii). As from the Maturity Date, any overdue principal of such Note shall bear interest at a rate per annum equal to the Accrual Yield set forth in the relevant Final Terms.

(e) *Interest on Partly Paid Notes*

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

(f) *Accrual of Interest*

Each Note will cease to bear interest (if any) from the due date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the holder of such Note; and (ii) the day on which the Fiscal Agent or the Registrar, as the case may be, has notified the holder thereof (either in accordance with

Condition 14 or individually) of receipt of all sums due in respect thereof up to that date. Such interest will accrue at a rate per annum equal to (A) the Fixed Rate of Interest, in the case of Fixed Rate Notes; (B) the Accrual Yield, in the case of Zero Coupon Notes; or (C) the Rate of Interest provided for in the Notes, in the case of all other Notes.

6 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption

- (i) Unless previously redeemed or purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates specified in the applicable Final Terms) is extended pursuant to the Issuer's or Noteholders' option in accordance with Condition 6(d) or 6(e), each Exempt Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the applicable Pricing Supplement. The outstanding principal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the principal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date (as defined herein) relating to such Instalment Amount.
- (ii) Unless previously redeemed or purchased and cancelled as provided in this Condition 6 or its maturity is extended pursuant to the Issuer's or Noteholders' option in accordance with Condition 6(d) or 6(e), each Note will be repaid by the Issuer at its Final Redemption Amount (being 100 per cent. of the Aggregate Nominal Amount) in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms (in the case of a Note other than a Floating Rate Note) or on the Interest Payment Date falling in the Redemption Month specified in the applicable Final Terms (in the case of a Floating Rate Note).

(b) Final Terms

The Final Terms applicable to the Notes of this Series indicates either:

- (i) that the Notes of this Series cannot be repaid prior to their Maturity Date or, if the Notes of this Series are Floating Rate Notes, the Interest Payment Date falling in the relevant Redemption Month (in each case except as otherwise provided in Conditions 6(c) below and 10); or
- (ii) that such Notes will be redeemable at the option of the Issuer and/or the holders of the Notes prior to such Maturity Date or, as the case may be, the Interest Payment Date falling in the relevant Redemption Month in accordance with the provisions of Conditions 6(d) and/or 6(e) on the date or dates and at the amount or amounts indicated in the applicable Final Terms.

(c) Redemption for Taxation Reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time or if the Notes are Floating Rate Notes on any Interest Payment Date, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (together with interest accrued to the date fixed for redemption) if (i) the Issuer or Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) has or will become obliged to pay additional amounts as provided or referred to in Condition 8 or, as the case may be, Clause 3.2 of the Guarantee, as a result of any change in (including a change in laws or regulations, proposed by a legislative authority that, if enacted, will be effective prior to the enactment date), or amendment to, the laws or regulations of its jurisdiction of incorporation or any jurisdiction to whose laws the Issuer or Cat Financial (where the

Issuer is CIF, CFC, CFA or CFS) is subject or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, or pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "Code") and (ii) such obligation cannot be avoided by the Issuer or Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) 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 Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by two officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer or Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) has or will become obliged to pay such additional amounts as a result of such change or amendment.

In addition, if Cat Financial determines, based upon a written opinion of independent legal counsel of recognised standing, that any payment made outside the United States by Cat Financial (whether as Issuer of Notes or pursuant to the Guarantee) or any Paying Agent of the full amount of principal or interest due with respect to any Note, Receipt or Coupon issued by Cat Financial or pursuant to the Guarantee would, under any present or future laws or regulations of the United States or any political subdivision or any taxing authority thereof or therein, be subject to any certification, identification or other U.S. law or regulatory information reporting requirement of any kind, the effect of which is the disclosure to Cat Financial, any Paying Agent or any governmental authority of the nationality, residence or identity (as distinct from status as a United States Alien, as defined in Condition 8) of a beneficial owner of such Note, Receipt or Coupon who is a United States Alien (other than such a requirement which (a) would not be applicable to a payment made by Cat Financial (in its capacity as Issuer or pursuant to the Guarantee) or any one of its Paying Agents (i) directly to the beneficial owner or (ii) to any custodian, nominee or other agent of the beneficial owner, (b) is applicable only to a payment by a custodian, nominee or other agent of the beneficial owner to such beneficial owner, (c) can be satisfied by the custodian, nominee or other agent certifying that the beneficial owner is a United States Alien, or (d) is pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 to 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof ("FATCA"), provided that, in each case referred to in (a)(ii), (b) and (c) above, payment to the beneficial owner by such custodian, nominee or other agent of such beneficial owner is not otherwise subject to any such requirement), Cat Financial at its election will either (A) redeem all the relevant Notes at their Early Redemption Amount (together with interest accrued to the date fixed for redemption), upon not less than 30 nor more than 60 days' prior notice in accordance with Condition 14 or (B) if and so long as the conditions of the penultimate paragraph in Condition 8(a) are satisfied, pay the additional amounts specified in that Condition. Cat Financial will make such determination and election and notify the Fiscal Agent thereof as soon as practicable and Cat Financial will promptly give notice of such determination in accordance with Condition 14 (the "Determination Notice"), stating the effective date of such certification, identification or information reporting requirement, whether Cat Financial will redeem the Notes or will pay the additional amounts specified in such paragraph and (if applicable) the last date by which the redemption of the Notes must take place. If Cat Financial elects to redeem the relevant Notes, such redemption shall take place not later than one year after publication of the Determination Notice, as Cat Financial elects by notice to the Fiscal Agent at least 60 days before such date. Notwithstanding the foregoing, Cat Financial will not so redeem the relevant Notes if Cat Financial, based upon a written opinion of independent legal counsel of recognised standing, subsequently determines, not less than 30 days prior to the redemption date, that subsequent payments would not be subject to any such requirement, in which case Cat Financial will promptly give notice to the holders of the Notes of that determination in accordance with Condition 14 and any earlier redemption notice will thereupon be revoked and be of no further effect. If Cat Financial elects as provided in (B) above to pay additional amounts, Cat Financial may, as long as Cat Financial is obliged to pay such additional amounts, redeem all of the relevant Notes as aforesaid, upon not less than 30 nor more than 60 days' prior notice in accordance with Condition 14.

Cat Financial will make the determination described above as soon as practicable after it becomes aware of an event that might give rise to such a determination. The effective date of a determination will be the later of the date on which such determination is made and the date of enactment of the law or adoption of the regulation or interpretation that is the basis for such determination.

(d) Redemption at the Option of an Issuer and Exercise of Issuer's Options

If, and to the extent provided in the applicable Final Terms, the Issuer may, on giving not less than 15 nor more than 30 days' notice to the Noteholders falling within the Issuer's Option Period or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable), redeem, or exercise any Issuer's option in relation to, all or, if so provided, some of the Notes issued by such Issuer on the Optional Redemption Date and at the Optional Redemption Amount indicated in the applicable Final Terms, together with interest accrued, if any, to the Optional Redemption Date.

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, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount at their discretion) 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 Bearer Notes, a list of the serial numbers of such Redeemed Notes or, in the case of Redeemed Notes represented by definitive Registered Notes, the nominal amount of the Registered Notes drawn and the holder(s) of such Registered Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption. 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 Condition 6(d) 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.

(e) Redemption at the Option of Noteholders and Exercise of Noteholders' Options

If, and to the extent provided in the applicable Final Terms, the Issuer shall, at the option of the holder of any Note issued by such Issuer and upon not less than 15 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable), redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount indicated in the applicable Final Terms, together with interest accrued, if any, to the Optional Redemption Date. Registered Notes may be redeemed under this Condition 6(e) in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of a Note, the holder of such Note must, if such Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar or any Transfer Agent (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 or any Transfer Agent falling within the notice period, 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 or any Transfer Agent (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 6(e) 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). If this Note is in definitive bearer form, the Put Notice must be accompanied by such Note or evidence satisfactory to the Paying Agent concerned that such Note will, following delivery of the Put Notice, be held to its order or under its control. If such Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of such Note the holder of such Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of

Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or, as the case may be, common safekeeper for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if such Note is represented by a Global Note which has not been issued in NGN form or is not held under the NSS, as the case may be, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly.

(f) Early Redemption Amounts

For the purposes of Conditions 6(c) and 10, Notes will be redeemed at an amount (the "Early Redemption Amount") calculated as follows:

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof or at the amount set out in the applicable Final Terms; or
- (ii) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be greater than the Issue Price, at the amount set out in the applicable Final Terms; or
- (iii) in the case of Zero Coupon Notes, at an amount (the "Amortised Face Amount") equal to:
 - (A) the sum of (x) the Reference Price specified in the applicable Final Terms and (y) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable; or
 - (B) if the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 6(c) or upon its becoming due and repayable as provided in Condition 10 is not paid or available for payment when due, the amount due and repayable in respect of such Zero Coupon Note shall be the Amortised Face Amount of such Zero Coupon Note calculated as provided above as though the references in Condition 6(f)(iii)(A) to the date fixed for redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date (the "Reference Date") which is the earlier of:
 - (1) the date on which all amounts due in respect of the Note have been paid; and
 - (2) the date on which the full amount of the moneys repayable has been received by the Fiscal Agent and notice to that effect has been given in accordance with Condition 14.

The calculation of the Amortised Face Amount in accordance with this Condition 6(f)(iii) will continue to be made, after as well as before judgment, until the Reference Date unless the Reference Date falls on or after the Maturity Date, in which case the amount due and repayable shall be the principal amount of such Note together with interest at a rate per annum equal to the Accrual Yield; or

- (iv) in the case of Exempt Notes, at a price determined in the applicable Pricing Supplement.

If any such calculation is required to be made for a period ending other than on an Interest Payment Date, it shall be calculated using the applicable fixed Day Count Fraction as defined in Condition 5(a).

(g) Purchases

The Issuer, Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) and any of Cat Financial's Relevant Subsidiaries may at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Such Notes may be held, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation.

(h) Cancellation

All Notes purchased by or on behalf of the Issuer, Cat Financial (where the relevant Issuer is CIF, CFC, CFA or CFS) or any of Cat Financial's Relevant Subsidiaries may be surrendered for cancellation by surrendering each such Note, together, in the case of definitive Bearer Notes, with all unmatured Receipts and Coupons and all unexchanged Talons, to the Fiscal Agent or the Registrar and if so surrendered, shall, together with all such Notes redeemed by the Issuer, be cancelled forthwith (together, in the case of definitive Bearer Notes, with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7 Payments

(a) Payments in respect of Bearer Notes

Payments of principal and interest, in a Specified Currency other than Renminbi, in respect of definitive Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), definitive Bearer Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(e)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(e)(ii)), as the case may be, at the specified office of any Paying Agent (save that in the case of any Notes denominated in Renminbi, such presentation and surrender shall occur at the specified office of the Paying Agent in Hong Kong) outside the United States and its possessions by a cheque payable in the Specified Currency in which such payment is due drawn on, or, at the option of the holder, by transfer to, an account maintained by the holder outside the United States and its possessions denominated in that currency with a bank in the principal financial centre for that Specified Currency, provided that, in the case of euro, the transfer may be to, or the cheque may be drawn on, a euro account maintained with a bank in the European Union.

(b) Payments in the United States

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars or for any reason the payment obligations of a Bearer Note denominated in Renminbi thereby require payment in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States and its possessions with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Bearer Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax or other consequence to the Issuer.

(c) Payments Subject to Fiscal Laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives applicable thereto in any jurisdiction (whether by operation of law or agreement of the relevant Issuer or Guarantor) and neither the relevant Issuer nor the Guarantor will be liable for any taxes, duties, assessments or other governmental charges imposed or levied by such laws, regulations or agreements, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) Appointment of Agents

The Fiscal Agent, the Registrar, the Transfer Agent, the Paying Agents and the Calculation Agent initially appointed by the Issuers and their respective specified offices are listed below. The Fiscal Agent, the Registrar, the Transfer Agent, the Paying Agents and the Calculation Agent act solely as agents of the Issuer and Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) reserve the right at any time to vary or terminate the appointment of the Fiscal Agent, the Registrar, the Transfer Agent, any other Paying Agent or the Calculation Agent and to appoint additional or other Paying Agents, provided that they shall, unless otherwise provided in the applicable final terms, at all times maintain (i) a Fiscal Agent, (ii) a Registrar and a Transfer Agent, (iii) one or more Calculation Agent(s) where the Terms and Conditions so require, (iv) Paying Agents having specified offices in at least two major European cities (including Luxembourg so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require), (v) such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed and (vi) a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC, or any law implementing or complying with, or introduced in order to conform to, such Directive.

In addition, the Issuer and Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 7(b).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(e) Unmatured Coupons and Receipts and Unexchanged Talons

- (i) Unless the relevant Bearer Notes provide that the relative Coupons are to become void upon the due date for redemption of such Bearer Notes, Fixed Rate Notes in definitive bearer form (other than Exempt Notes, which for the purposes of this Condition 7(e) are only either Dual Currency Notes or Index Linked Notes) should be presented for payment together with all unmatured Coupons appertaining thereto, 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 aggregate 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. 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.
- (ii) Upon the date on which any Floating Rate Note or an Exempt Note, in this circumstance comprising only of a Dual Currency Note or Index Linked Note, in definitive bearer form becomes due and repayable, all unmatured Coupons and unexchanged Talons (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

- (iii) Upon the due date for redemption of any Note in definitive bearer form, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Exempt Note in definitive bearer form that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Floating Rate Note or Exempt Note, for the purposes of this Condition 7(e) being only either a Dual Currency Note or Index Linked Note, in definitive bearer form provides that the relative unmatured Coupons are to become void upon the due date for redemption of such Note and such Note is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note in definitive bearer form 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.
- (vii) On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and, if necessary, another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(f) Payment Day

If any date for payment in respect of any Note, Receipt or Coupon is not a business day in the place of presentation, the holder shall not be entitled to payment until the next following business day in the relevant place or to any interest or other sum in respect of such postponed payment. In this Condition 7(f), "Payment Day" means:

- (i) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in:
 - (A) in the case of Notes in definitive form only, the relevant place of presentation; or
 - (B) each Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (A) in relation to Notes denominated in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency, which, in the case of Australian dollars, shall be Sydney and, in the case of New Zealand dollars, shall be Auckland, (B) in relation to Notes denominated in euro, a day on which banks are open for business and carrying out transactions in euro in the jurisdiction in which the account specified by the payee is located and a day on which the TARGET2 System is open or (C) in relation to any sum payable in Renminbi, a day (other than Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong.

(g) Payment 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 or otherwise in the manner specified in the relevant Global Note, where applicable, against presentation or surrender, as the case may be, of such Global Note (if such Global Note is not intended to be issued in new global note ("NGN") form) at the specified office of the Fiscal Agent outside the United States and its possessions. On the occasion of each payment, (i) in the case of any Global Note which is not issued in NGN form, a record of such payment made on such Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Agent, and such record shall be *prima facie* evidence that the payment in question has been made and (ii) in the case of any Global Note which is an NGN, the Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such payment.

Subject as provided in a Bearer Global Note, (i) the holder of the relevant Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid and (ii) each of the persons shown in the records of Euroclear or Clearstream, Luxembourg and any other Common Depositary as the holder of a particular principal amount of Notes must look solely to Euroclear and/or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of the Global Note.

(h) Payments in respect of Registered Notes

Payments of principal (other than instalments of principal prior to the final instalment) in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) 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 a day on which Euroclear and Clearstream, Luxembourg are 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. Notwithstanding the previous sentence, if (a) a holder does not have a Designated Account or (b) 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 other than Renminbi), 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, shall be the Renminbi account maintained by or on behalf of the Noteholder 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 and 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.

Payments of interest and payments of instalments of principal (other than the final instalment) in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency (other than Renminbi) drawn on a Designated Bank and mailed by uninsured mail in the city where the specified office of the Registrar is located on the business day immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are 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) and the fifteenth day (in the case of a currency other than Renminbi) whether or

not such fifteenth day is a business day) before the relevant due date (the "Record Date") at his address shown in the Register on the Record Date and at his risk. Each payment in Renminbi will be made to the Renminbi account maintained by or on behalf of the person shown as the Holder in the Register on the Record Date with a bank in Hong Kong, details of which appear on the Register on the Record Date. Upon application of the holder to the specified office of the Registrar in the city where the specified office of the Registrar is located not less than three business days before the due date for any payment of interest in respect of a Registered Note, 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) and instalments of principal (other than the final instalment) 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 and the final instalment of principal will be made in the same manner as payment of the principal amount of such Registered 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 7(h) 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.

None of the Issuer, the Guarantor 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.

(i) Inconvertibility, Non-transferability or Illiquidity

If by reason of Inconvertibility, Non-transferability or Illiquidity, the relevant Issuer or the Guarantor, as the case may be, is not able to satisfy payments of principal or interest (in whole or in part) in respect of Notes when due in CNY in Hong Kong, the relevant Issuer or the Guarantor, as the case may be, on giving not less than five nor more than 30 days' irrevocable notice to the Paying Agent and Noteholders in accordance with Condition 14 prior to the due date for payment, shall be entitled to satisfy their respective obligations in respect of such payment (in whole or in part) by making such payment in U.S. dollars on the due date at the U.S. dollar Equivalent of any such Renminbi-denominated amount.

In such event, any payment of U.S. dollars will be made by transfer to a U.S. dollar denominated account maintained by the payee with, or by a U.S. dollar denominated cheque drawn on, or by transfer to a U.S. dollar account maintained by the holder with, a bank in New York City.

Any payment made under such circumstances in U.S. dollars will constitute valid payment and will not constitute a default in respect of the Notes.

In the event of a payment pursuant to this Condition 7(i), the following modification shall be made in respect of the Conditions:

The definition of "Payment Day" in Condition 7(f) in relation to any sum payable in Renminbi, shall mean a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets are open for business in the relevant place of presentation and on which foreign exchange transactions may be carried out in U.S. dollars in New York City.

Definitions

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

"CNY" or "Renminbi" means the lawful currency of the PRC.

"Determination Business Day" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, London and New York City.

"Determination Date" means the day which is two Determination Business Days before the due date for any payment of the relevant amount under these Conditions.

"euro" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty.

"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 Hong Kong.

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China.

"Illiquidity" means the general Renminbi exchange market in Hong Kong becomes illiquid, as a result of which the relevant Issuer or the Guarantor, as the case may be, cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the Notes as determined by the relevant Issuer or, as the case may be, the Guarantor in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers.

"Inconvertibility" means the occurrence of any event that makes it impossible (where it had previously been possible) for the relevant Issuer or the Guarantor, as the case may be, to convert any amount due in respect of the Notes in the general Renminbi exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the relevant Issuer or the Guarantor, as the case may be, to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the Issue Date of the first Tranche of the relevant Series and it is impossible for the relevant Issuer or the Guarantor, as the case may be, due to an event beyond its control, to comply with such law, rule or regulation).

"Non-transferability" means the occurrence of any event that makes it impossible for the relevant Issuer or the Guarantor, as the case may be, to transfer Renminbi between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong, other than where such impossibility is due solely to the failure of the relevant Issuer or the Guarantor, as the case may be, to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the Issue Date of the first Tranche of the relevant Series and it is impossible for the Issuer or the Guarantor, as the case may be, due to an event beyond its control, to comply with such law, rule or regulation).

"PRC" means the People's Republic of China, which, for the purpose of these Terms and Conditions, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan.

"Renminbi Dealer" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Hong Kong.

"Spot Rate" means the spot U.S. dollar/CNY exchange rate for the purchase of U.S. dollars with CNY in the over-the-counter Renminbi exchange market in Hong Kong, as determined by the Paying Agent in good faith and in a commercially reasonable manner at or around 11.00 a.m. (Hong Kong time) on the Determination Date, 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 Paying Agent in good faith and in a commercially reasonable manner will determine the Spot Rate at or around 11.00 a.m. (Hong Kong time) on the Determination Date as the most recently available U.S. dollar/CNY official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is

reported on Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters 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.

"U.S. Dollar Equivalent" means the Renminbi amount converted into U.S. Dollars using the Spot Rate for the relevant Determination Date promptly notified to the Issuer.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of these Conditions by the Paying Agent will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor, the Paying Agents and all holders of the Notes.

8 Taxation

(a) In the case of Notes issued or guaranteed by Cat Financial

All payments in respect of the Notes, Receipts and Coupons issued by Cat Financial or, where payment is required to be made by Cat Financial pursuant to the Guarantee, in respect of the Guarantee, shall be free and clear of and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed (i) by or within the United States (in the case of payments made under the Notes) or the United States, Japan, Ireland, the Commonwealth of Australia or Canada (in the case of payments made under the Guarantee) or any political subdivision thereof or any authority therein or thereof having power to tax, or (ii) 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 FATCA, unless such withholding or deduction is required by law (including pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA). In that event Cat Financial shall pay such additional amounts as will result in receipt by each Noteholder, Receiptholder and Couponholder of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note, Receipt or Coupon presented for payment:

- (i) in the case of U.S. taxes only:
 - (A) by the holder of any Note, Receipt or Coupon who is not a United States Alien (as defined below);
 - (B) where any tax, duty, assessment or other governmental charge would not have been so imposed but for:
 - (1) the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of a power over, such holder, if such holder is an estate, trust, partnership or corporation) and the United States, including, without limitation, such holder (or fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been a citizen or resident of the United States or treated as a resident thereof, or being or having been engaged in trade or business present therein, or having or having had a permanent establishment therein or making or having made an election the effect of which is to subject such holder or beneficial owner (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) to such tax, assessment or other governmental charge;
 - (2) the failure of such holder or beneficial owner of a Note, Receipt or Coupon to comply with any requirement under income tax treaties, statutes and regulations or administrative practice of the United States

- to establish entitlement to exemption from or reduction of such tax, assessment or other governmental charge;
- (3) such holder's present or former status as a personal holding company, a controlled foreign corporation or a passive foreign investment company for United States tax purposes or a corporation which accumulates earnings to avoid United States federal income tax; or
 - (4) payment being made in the United States on a Note, Receipt or Coupon;
- (C) where any tax, duty, assessment or other governmental charge would not have been so imposed but for the presentation by the holder of such Note or any Receipt or Coupon appertaining thereto for payment on a date more than 10 days after the Relevant Date;
 - (D) in respect of any estate, inheritance, gift, sales, transfer, personal property or similar tax, duty, assessment or governmental charge;
 - (E) in respect of any tax, duty, assessment or other governmental charge which is payable otherwise than by deduction or withholding from payments of principal or of interest on such Note, Receipt or Coupon;
 - (F) in respect of any tax, duty, assessment or other governmental charge imposed on interest received as a result of: (i) a person's past or present actual or constructive ownership of 10 per cent. or more of the total combined voting power of all classes of stock of Cat Financial entitled to vote; or (ii) such holder being a bank receiving interest described in section 881(c)(3)(A) of the Internal Revenue Code; or (iii) such holder being a controlled foreign corporation with respect to the United States that is related to Cat Financial by stock ownership; or (iv) a payment of contingent interest described in section 871(h)(4) of the Internal Revenue Code;
 - (G) in respect of any tax, duty, assessment or other governmental charge which is payable by a holder that is not the beneficial owner of the Note, Receipt or Coupon (or a portion thereof), or that is a foreign or fiduciary partnership, but only to the extent that a beneficial owner, settlor with respect to such fiduciary or member of the partnership would not have been entitled to the payment of such additional amounts had the beneficial owner or member received directly its beneficial or distributive share of the payment;
 - (H) in respect of any tax, duty, assessment or other governmental charge required to be withheld by any Paying Agent from any payment of the principal or of interest on any Note, Receipt or Coupon, if such payment can be made without such withholding by any other Paying Agent;
 - (I) 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 or any law implementing or complying with, or introduced in order to conform to, such Directive or law;
 - (J) by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union;
 - (K) where such withholding or deduction is required by reason of the holder (or its agent, custodian or any other person acting directly or indirectly on the holder's behalf) (i) failing to enter into an agreement described in Section

1471(b) of the Code, (ii) being a "recalcitrant account holder" as defined in Section 1471(d)(6) of the Code, (iii) electing to be withheld against pursuant to Section 1471(c) of the Code, (iv) failing to satisfy the requirements of Section 1472(b) of the Code, or (v) otherwise failing to claim or perfect an exemption or comply with requirements under FATCA; or

- (L) any combination of items (B), (C), (D), (E), (F), (G), (H), (I), (J) and (K).

For the purposes of the foregoing, the holding of, or the receipt of any payment with respect to, a Note will not by itself constitute a connection between the holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or a person having a power over, such holder if such holder is an estate, a trust, a partnership or a corporation) and the United States.

For the purposes of these Conditions, a "United States Alien" means any person who is not a United States person. A "United States person" is a beneficial owner of a Note that is for U.S. federal tax purposes (i) an individual who is a citizen or resident of the United States, (ii) a domestic corporation (or other domestic entity treated as a corporation), (iii) an estate the income of which is subject to United States income tax without regard to its source, or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust (or a trust in existence on 20th August, 1996 with a valid election to be treated as a domestic trust).

Notwithstanding the foregoing, if and for so long as a certification, identification or other information reporting requirement referred to in the second paragraph of Condition 6(c) would be fully satisfied by payment of a backup withholding tax or similar charge, Cat Financial may elect, by so stating in the Determination Notice, to have the provisions of this paragraph apply in lieu of the provisions of that paragraph. In such event, Cat Financial will pay such amounts as may be necessary so that every net payment made, following the effective date of such requirement, outside the United States by Cat Financial or any of its Paying Agents of principal or interest due in respect of any Note, Receipt or Coupon of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to Cat Financial, any Paying Agent or any United States governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge which (i) is the result of a certification, identification or other information reporting requirement described in the parenthesis in the first sentence of the second paragraph of Condition 6(c), or (ii) is imposed as a result of the fact that Cat Financial or any of the Paying Agents has actual knowledge that the beneficial owner of such Note, Receipt or Coupon is within the category of persons described in item (B) or (F) of this Condition 8(a)(i) or (iii) is imposed as a result of presentation of such Note, Receipt or Coupon for payment more than 10 days after the Relevant Date but before deduction or withholding on account of any tax, assessment or other governmental charge described in item (D), (E), (F), (G), (H), (I), (J), (K) or (L) of this Condition 8(a)(i)), will not be less than the amount provided for in such Note, Receipt or Coupon to be then due and payable. If Cat Financial elects to pay such additional amounts and so long as it is obliged to pay such additional amounts, Cat Financial may subsequently redeem the Notes as provided in the second paragraph of Condition 6(c).

- (ii) in the case of Irish taxes:

- (A) on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with Ireland, other than the mere holding of such Note, Receipt or Coupon;
- (B) more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting such

Note, Receipt or Coupon for payment on the last day of such period of 30 days;

- (C) 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 or any law implementing or complying with, or introduced in order to conform to, such Directive or law; or
- (D) by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

(b) In the case of Notes issued by CIF

All payments in respect of the Notes, Receipts and Coupons issued by CIF shall be free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed (i) by or within the United States or Ireland or any political subdivision thereof or any authority therein or thereof having power to tax, or (ii) pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA, unless such withholding or deduction is required by law (including pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA). In that event CIF shall pay such additional amounts as will result in receipt by each Noteholder, Receiptholder and Couponholder of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note, Receipt or Coupon presented for payment:

- (i) in the case of U.S. taxes only:
 - (A) by the holder of any Note, Receipt or Coupon who is not a United States Alien;
 - (B) where any tax, duty, assessment or other governmental charge would not have been so imposed but for:
 - (1) the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of a power over such holder, if such holder is an estate, trust, partnership or corporation) and the United States, including, without limitation, such holder (or fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been a citizen or resident of the United States or treated as a resident thereof, or being or having been engaged in trade or business present therein, or having or having had a permanent establishment therein or making or having made an election the effect of which is to subject such holder or beneficial owner (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) to such tax, assessment or other governmental charge;
 - (2) the failure of such holder or beneficial owner of a Note, Receipt or Coupon to comply with any requirement under income tax treaties, statutes and regulations or administrative practice of the United States to establish entitlement to exemption from or reduction of such tax, assessment or other governmental charge;
 - (3) such holder's present or former status as a personal holding company, a controlled foreign corporation or a passive foreign investment company for United States tax purposes or a corporation which accumulates earnings to avoid United States federal income tax; or

- (4) payment is being made in the United States on a Note, Receipt or Coupon;
- (C) where any tax, duty, assessment or other governmental charge would not have been so imposed but for the presentation by the holder of such Note or any Receipt or Coupon appertaining thereto for payment on a date more than 10 days after the Relevant Date;
- (D) in respect of any estate, inheritance, gift, sales, transfer, personal property or similar tax, duty, assessment or governmental charge;
- (E) in respect of any tax, duty, assessment or other governmental charge which is payable otherwise than by deduction or withholding from payments of principal or of interest on such Note, Receipt or Coupon;
- (F) in respect of any tax, duty, assessment or other governmental charge imposed on interest received as a result of: (i) a person's past or present actual or constructive ownership of 10 per cent. or more of the total combined voting power of all classes of stock of Cat Financial entitled to vote; or (ii) such holder being a bank receiving interest described in section 881(c)(3)(A) of the Internal Revenue Code; or (iii) such holder being a controlled foreign corporation with respect to the United States that is related to Cat Financial by stock ownership; or (iv) a payment of contingent interest described in section 871(h)(4) of the Internal Revenue Code;
- (G) in respect of any tax, duty, assessment or other governmental charge which is payable by a holder that is not the beneficial owner of the Note, Receipt or Coupon (or a portion thereof), or that is a foreign or fiduciary partnership, but only to the extent that a beneficial owner, settlor with respect to such fiduciary or member of the partnership would not have been entitled to the payment of such additional amounts had the beneficial owner or member received directly its beneficial or distributive share of the payment;
- (H) in respect of any tax, duty, assessment or other governmental charge required to be withheld by any Paying Agent from any payment of the principal or of interest on any Note, Receipt or Coupon, if such payment can be made without such withholding by any other Paying Agent;
- (I) 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 or any law implementing or complying with, or introduced in order to conform to, such Directive or law;
- (J) 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, Receipt or Coupon to another Paying Agent in a Member State of the European Union;
- (K) where such withholding or deduction is required by reason of the holder (or its agent, custodian or any other person acting directly or indirectly on the holder's behalf) (i) failing to enter into an agreement described in Section 1471(b) of the Code, (ii) being a "recalcitrant account holder" as defined in Section 1471(d)(6) of the Code, (iii) electing to be withheld against pursuant to Section 1471(c) of the Code, (iv) failing to satisfy the requirements of Section 1472(b) of the Code, or (v) otherwise failing to claim or perfect an exemption or comply with requirements under FATCA; or
- (L) any combination of items (B), (C), (D), (E), (F), (G), (H), (I), (J) and (K).

For the purposes of the foregoing, the holding of, or the receipt of any payment with respect to, a Note will not by itself constitute a connection between the holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or a person having a power over, such holder if such holder is an estate, a trust, a partnership or a corporation) and the United States.

Notwithstanding the foregoing, if and for so long as a certification, identification or other information reporting requirement referred to in the second paragraph of Condition 6(c) would be fully satisfied by payment of a backup withholding tax or similar charge, CIF may elect, by so stating in the Determination Notice, to have the provisions of this paragraph apply in lieu of the provisions of that paragraph. In such event, CIF will pay such amounts as may be necessary so that every net payment made, following the effective date of such requirement, outside the United States by CIF or any of its Paying Agents of principal or interest due in respect of any Note, Receipt or Coupon of which the beneficial owner is a United States Alien (but without any requirement that the nationality, residence or identity of such beneficial owner be disclosed to CIF, any Paying Agent or any United States governmental authority), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge which (i) is the result of a certification, identification or other information reporting requirement described in the parenthesis in the first sentence of the second paragraph of Condition 6(c), or (ii) is imposed as a result of the fact that CIF or any of the Paying Agents has actual knowledge that the beneficial owner of such Note, Receipt or Coupon is within the category of persons described in item (B) or (F) of this Condition 8(b)(i) or (iii) is imposed as a result of presentation of such Note, Receipt or Coupon for payment more than 10 days after the Relevant Date but before deduction or withholding on account of any tax, assessment or other governmental charge described in item (D), (E), (F), (G), (H), (I), (J), (K) or (L) of this Condition 8(b)(i)), will not be less than the amount provided for in such Note, Receipt or Coupon to be then due and payable. If CIF elects to pay such additional amounts and so long as it is obliged to pay such additional amounts, CIF may subsequently redeem the Notes as provided in the second paragraph of Condition 6(c).

(ii) in the case of Irish taxes:

- (A) on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with Ireland other than the mere holding of such Note, Receipt or Coupon; or
- (B) more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting such Note, Receipt or Coupon for payment on the last day of such period of 30 days; or
- (C) 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 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or law; or
- (D) 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, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

(c) *In the case of Notes issued by CFC*

Principal and interest on Notes issued by CFC shall be payable without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected (i) by or on behalf of Japan or by or on behalf of any political subdivision or authority thereof having power to tax (together "Withholding Taxes"), or (ii) pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA, unless such

deduction or withholding is required by law (including pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA). In such event, CFC shall pay such additional amounts of principal and interest as may be necessary in order that the net amounts received by the Noteholder, Receiptholder or Couponholder after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable had no such deduction or withholding been required. No such additional amounts shall, however, be payable on account of any taxes, duties or governmental charges with respect to any Note, Receipt or Coupon presented for payment:

- (i) by or on behalf of a beneficial owner of it who is an individual non-resident of Japan or a non-Japanese corporation and is liable for the Withholding Taxes in respect of such Note, Receipt or Coupon by reason of (A) its having some connection with Japan other than the mere holding of such Note, Receipt or Coupon or (B) its being a person having a special relationship with CFC as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan (Law No. 26 of 1957, as amended) (the "Act") (a "specially-related person of CFC"); or
- (ii) by or on behalf of a beneficial owner of it who would otherwise be exempt from any such withholding or deduction but who fails to comply with any applicable requirement to provide Interest Recipient Information (as defined below) or to submit an Application for Exemption (as defined below) to the Paying Agent to whom the relevant Note, Receipt or Coupon is presented, or whose Interest Recipient Information is not duly communicated through the Participant (as defined below) and the relevant international clearing organisation to such Paying Agent; or
- (iii) by or on behalf of a beneficial owner of it who is for Japanese tax purposes treated as an individual resident of Japan or a Japanese corporation (except for (A) a Designated Financial Institution (as defined below) that complies with the requirement to provide Interest Recipient Information or to submit an Application for Exemption and (B) an individual resident of Japan or a Japanese corporation that duly notifies the relevant Paying Agent of his/its status as not being subject to Withholding Taxes to be withheld or deducted by CFC by reason of such individual resident of Japan or Japanese corporation receiving interest on the relevant Note through a payment handling agent in Japan appointed by it); or
- (iv) more than 30 days after the Relevant Date, except to the extent that the holders of it would have been entitled to such additional amount; or on presenting such Note, Receipt or Coupon for payment on the last day of such period of 30 days; 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 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (vi) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or
- (vii) where such withholding or deduction is required by reason of the holder (or its agent, custodian or any other person acting directly or indirectly on the holder's behalf) (A) failing to enter into an agreement described in Section 1471(b) of the Code, (B) being a "recalcitrant account holder" as defined in Section 1471(d)(6) of the Code, (C) electing to be withheld against pursuant to Section 1471(c) of the Code, (D) failing to satisfy the requirements of Section 1472(b) of the Code, or (E) otherwise failing to claim or perfect an exemption or comply with requirements under FATCA.

For the purpose of Conditions 8(c)(ii) and (iii) above:

- (A) where a Note, Receipt or Coupon is held through a certain participant of an international clearing organisation or a certain financial intermediary (each, a "Participant"), in order to

receive payments free of withholding or deduction by CFC for or on account of Withholding Taxes, if the relevant beneficial owner is (1) an individual non-resident of Japan or a non-Japanese corporation (other than a specially-related person of CFC) or (2) a Japanese financial institution falling under certain categories prescribed by the Act and the Cabinet Order (No. 43 of 1957, as amended) thereunder (together with the ministerial ordinance and other regulation thereunder, the "Law") (a "Designated Financial Institution"), all in accordance with the Law, such beneficial owner shall, at the time of entrusting a Participant with the custody of the relevant Note, Receipt or Coupon, provide certain information prescribed by the Law to enable the Participant to establish that such beneficial owner is exempted from the requirement for Withholding Taxes to be withheld or deducted (the "Interest Recipient Information") and advise the Participant if the beneficial owner ceases to be so exempted (including the case where the beneficial owner who is an individual non-resident of Japan or a non-Japanese corporation became a specially-related person of CFC); and

- (B) where a Note, Receipt or Coupon is not held by a Participant, in order to receive payments free of withholding or deduction by CFC for or on account of Withholding Taxes, if the relevant beneficial owner is (1) an individual non-resident of Japan or a non-Japanese corporation (other than a specially-related person of CFC) or (2) a Designated Financial Institution, all in accordance with the Law, such beneficial owner shall, prior to each time on which it receives interest, submit to the relevant Paying Agent a written application for tax exemption (*Hikazei Tekiyo Shinkokusho*) (an "Application for Exemption") in the form obtainable from the Paying Agent stating, *inter alia*, the name and address of the beneficial owner, the title of the Notes, the relevant Interest Payment Date, the amount of interest and the fact that the beneficial owner is qualified to submit the Application for Exemption, together with documentary evidence regarding its identity and residence.

(d) *In the case of Notes issued by CFA*

Principal and interest on Notes issued by CFA shall be payable without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected (i) by or on behalf of the Commonwealth of Australia or any political subdivision or authority thereof having power to tax (together "Withholding Taxes"), or (ii) pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA, unless such deduction or withholding is required by law (including pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA). In such event, CFA shall pay such additional amounts of principal and interest as may be necessary in order that the net amounts received by the Noteholder, Receiptholder or Couponholder after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable had no such deduction or withholding been required. No such additional amounts shall, however, be payable on account of any taxes, deductions, withholdings, duties or governmental charges with respect to any Note, Receipt or Coupon presented for payment:

- (i) by or on behalf of a third party on behalf of a holder who is liable to the Withholding Taxes in respect of the Note, Receipt or Coupon by reason of his having some connection with the Commonwealth of Australia other than the mere holding of the Note, Receipt or Coupon or receipt of principal or interest in respect thereof, provided that such a holder shall not be regarded as being connected with the Commonwealth of Australia for the reason that such a holder is a resident of the Commonwealth of Australia within the meaning of the Income Tax Assessment Act 1936 as amended and replaced (the "Australian Tax Act") where, and to the extent that, such tax is payable by reason of Section 128B(2A) of the Australian Tax Act; or
- (ii) more than 30 days after the Relevant Date, except to the extent that the holders of it would have been entitled to such additional amount; or on presenting such Note, Receipt or Coupon for payment on the last day of such period of 30 days; or
- (iii) on account of Withholding Taxes which are payable by reason of the Noteholder and/or Couponholder being an Offshore Associate of the Issuer for the purposes of Section 128F of

the Australian Tax Act. "Offshore Associate" means an associate (as defined in section 128F of the Income Tax Assessment Act 1936 of Australia and any successor legislation) of the Issuer that is either a non-resident of Australia which does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia, or alternatively, a resident of Australia that acquires the Notes in carrying on business at or through a permanent establishment outside of Australia; or

- (iv) 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 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (v) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or
- (vi) on account of any Australian interest withholding tax imposed as a result of a determination by the Commissioner of Taxation of the Commonwealth of Australia that such tax is payable under the Income Tax Assessment Act 1936 of Australia ("Australian Tax Act") in circumstances where the Noteholder or Couponholder is party to or participated in a scheme to avoid such tax and where the Issuer was neither a party to nor participated in such scheme; or
- (vii) presented for payment by or on behalf of a holder who is an Australian resident or a non-resident who is holding such Note, Receipt or Coupon in carrying on business in Australia at or through a permanent establishment of that non-resident in Australia, if that person has not supplied an appropriate tax file number, Australian business number or other exemption details; or
- (viii) presented by or on behalf of a holder, if the holder of such Note or Coupon is a resident of Australia, or a non-resident who is holding such Note, Receipt or Coupon in carrying on business in Australia at or through a permanent establishment of that non-resident in Australia (the expressions "resident of Australia", "non-resident" and "permanent establishment" having the meanings given to them by the Australian Tax Act) if, and to the extent that, Section 126 of the Australian Tax Act (or any equivalent provisions) requires the Issuer to pay income tax in respect of interest payable on such Note or Coupon and the income tax would not be payable were the holder or such entity not such a resident of Australia or non-resident; or
- (ix) where such withholding or deduction is required by reason of the holder (or its agent, custodian or any other person acting directly or indirectly on the holder's behalf) (A) failing to enter into an agreement described in Section 1471(b) of the Code, (B) being a "recalcitrant account holder" as defined in Section 1471(d)(6) of the Code, (C) electing to be withheld against pursuant to Section 1471(c) of the Code, (D) failing to satisfy the requirements of Section 1472(b) of the Code, or (E) otherwise failing to claim or perfect an exemption or comply with requirements under FATCA.

(e) *In the case of Notes issued by CFS*

Principal and interest on Notes issued by CFS shall be payable without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected (i) by or on behalf of Canada or by or on behalf of any political subdivision or authority thereof having power to tax (together "Taxes") unless such deduction or withholding is required by law, or (ii) pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA, unless such deduction or withholding is required by law (including pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA). In such event, CFS shall pay such additional amounts as may be necessary in order that the net amounts received by the Noteholder, Receiptholder or Couponholder after such deduction or withholding shall equal the respective amounts of principal and interest which would have been

receivable had no such deduction or withholding been required. No such additional amounts shall, however, be payable with respect to any Note, Receipt or Coupon:

- (i) in respect of any Taxes imposed on a holder or beneficial owner by reason of having some present or future connection with Canada, other than the mere holding of the Note, Receipt or Coupon;
- (ii) in respect of any Taxes that would not have been imposed but for the failure of a holder or beneficial owner to comply with any certification, documentation, information or other evidentiary requirement under any statute, regulation, treaty or otherwise to claim or establish entitlement to exemption from, or reduction of, such Taxes;
- (iii) in respect of any Taxes imposed on a holder or beneficial owner in respect of whom CFS or any other applicable payor is not dealing at arm's length (within the meaning of the Income Tax Act (Canada));
- (iv) presented for payment more than 30 days after the Relevant Date except to the extent that the holder or beneficial owner of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day;
- (v) in respect of any estate, inheritance, gift, sales, transfer, or personal property Tax, or any similar tax, duty, assessment or government charge;
- (vi) in respect of any Taxes imposed on a payment to a holder or beneficial owner by virtue of all or any portion of such payment being deemed to be a dividend paid to such holder or beneficial owner pursuant to the Income Tax Act (Canada);
- (vii) in respect of a debt or other obligation to pay an amount to a person with whom the applicable payor is not dealing at arm's length within the meaning of the Income Tax Act (Canada);
- (viii) 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 or any law implementing or complying with, or introduced in order to conform to, such Directive;
- (ix) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or
- (x) where such withholding or deduction is required by reason of the holder (or its agent, custodian or any other person acting directly or indirectly on the holder's behalf) (A) failing to enter into an agreement described in Section 1471(b) of the Code, (B) being a "recalcitrant account holder" as defined in Section 1471(d)(6) of the Code, (C) electing to be withheld against pursuant to Section 1471(c) of the Code, (D) failing to satisfy the requirements of Section 1472(b) of the Code, or (E) otherwise failing to claim or perfect an exemption or comply with requirements under FATCA.

(f) *Relevant Date*

"Relevant Date" means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Fiscal Agent or Registrar, as the case may be, on or prior to such due date, the date on which, the full amount having been so received, notice to that effect is duly given to the holders. References in these Conditions to (A) "principal" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, all Early Redemption Amounts, all Final Redemption Amounts, all Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (B) "interest" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (C) principal, premium and/or

"interest" shall be deemed to include any additional amounts which may be payable under this Condition 8.

9 Prescription

Claims for payment in respect of the Notes (whether in bearer or registered form), Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

(a) *In the case of Notes issued or guaranteed by Cat Financial*

"Event of Default", wherever used herein with respect to the Notes, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- (i) default in the payment of the principal of (or premium, if any, on) any of the Notes (whether at maturity or upon redemption or otherwise); or
- (ii) default in the payment of any interest upon any of the Notes or a related Coupon, if any, when it becomes due and payable, and such default continues for a period of 60 days; or
- (iii) default in the performance, or breach, of any covenant or warranty of Cat Financial in the Agency Agreement, the Terms and Conditions applicable to any Notes or the Guarantee, as the case may be, notice of which breach or default is given to Cat Financial by a Noteholder, and which breach or default continues unremedied for a period of 60 days after the date such notice is received; or
- (iv) Caterpillar or one of its wholly-owned subsidiaries at any time failing to own all of the issued and outstanding shares of the capital stock of Cat Financial; or
- (v) a default under any bond, debenture, note or other evidence of indebtedness for money borrowed by Cat Financial or any Relevant Subsidiary or under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by Cat Financial or any Relevant Subsidiary, whether such indebtedness now exists or shall hereafter be created, which default shall constitute a failure to pay any portion of the principal of such indebtedness in a principal amount in excess of \$50,000,000 when due and payable after the expiration of any applicable grace period with respect thereto, or shall have resulted in such indebtedness in a principal amount in excess of \$50,000,000 becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without such portion or such indebtedness, as the case may be, becoming no longer due and payable or having been discharged, or such acceleration having been rescinded or annulled, within a period of 10 days after the date on which it would otherwise have become due and payable; or
- (vi) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of Cat Financial in an involuntary case or proceeding under any applicable United States Federal or State bankruptcy, insolvency, reorganisation or other similar law or (B) a decree or order adjudging Cat Financial a bankrupt or insolvent or approving as properly filed a petition seeking reorganisation, arrangement, adjustment or composition of or in respect of Cat Financial under any applicable United States Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of Cat Financial or of any

substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

- (vii) the commencement by Cat Financial of a voluntary case or proceeding under any applicable United States Federal or State bankruptcy, insolvency, reorganisation or other similar law or the consent by it to the entry of a decree or order for relief in respect of Cat Financial in an involuntary case or proceeding under any applicable United States Federal or State bankruptcy, insolvency, reorganisation or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganisation or relief under any applicable United States Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of Cat Financial or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due or the taking of corporate action by Cat Financial in furtherance of any such action; or
- (viii) in connection with any proceeding under any law relating to bankruptcy, insolvency or reorganisation or relief of debtors, involving Caterpillar or one of its Relevant Subsidiaries, an order for relief being entered by a court of competent jurisdiction which affects any significant part of the assets of Cat Financial or any of its Relevant Subsidiaries; or
- (ix) it being or becoming unlawful for Cat Financial to perform or comply with any one or more of its obligations under any of the Notes, Receipts or Coupons or Guarantee, as the case may be.

If an Event of Default with respect to any Note occurs and is continuing, the holder of any Note may, at its option, declare that such Note is immediately repayable, by a notice in writing to Cat Financial and to the Fiscal Agent at its specified office, and unless such default shall have been cured by Cat Financial prior to receipt of such written notice, such Note shall become immediately due and payable at its Early Redemption Amount.

In addition, Cat Financial covenants that if:

- (1) default is made in the payment of any interest on any Note and any related Coupon when such interest becomes due and payable and such default continues for a period of 60 days; or
- (2) default is made in the payment of principal of (or premium, if any, on) any Note (whether at maturity or upon redemption or otherwise),

Cat Financial will, upon demand of any holder of such Note and related Coupons, pay to the Fiscal Agent, for the benefit of such holder, the whole amount then due and payable on such Note and any related Coupons for principal (and premium, if any) and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal (and premium, if any) and on any overdue interest, at the rate or rates prescribed therefor in such Note, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection.

(b) In the case of Notes issued by CIF, CFC, CFA or CFS

If any of the following Events of Default occurs, the holder of any Note issued by CIF, CFC, CFA or CFS may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note, together with accrued interest to

the date of payment, shall become immediately due and payable, unless such Event of Default shall have been remedied prior to the receipt of such notice by the Fiscal Agent:

- (i) there is a failure by the Issuer to make any payment of principal or premium in respect of the Notes when and as the same becomes due; or
- (ii) there is a failure by the Issuer to make any payment of interest in respect of the Notes when and as the same becomes due and such failure continues for a period of 60 days; or
- (iii) there is a failure by the Issuer or Cat Financial to perform or observe any covenant, condition or provision contained in the Agency Agreement, the Notes or the Coupons or the Guarantee, as the case may be, on its part to be performed or observed (other than the obligation to pay principal or interest in respect of any of the Notes), notice of which failure is given to the Issuer by a Noteholder, and which failure continues unremedied for a period of 60 days after the date such notice is received; or
- (iv) a distress, attachment, execution or other legal process is levied or enforced upon or sued out against any part of the property, assets or revenues of the Issuer or any of its subsidiaries and is not discharged or stayed within 60 days thereof, provided that, in the case of any subsidiary, the relevant amount levied or enforced upon or sued out against exceeds a total of €10,000,000 (or its equivalent) in aggregate principal amount; or
- (v) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person), provided that, in the case of any subsidiary, the relevant amount that becomes enforceable exceeds a total of €10,000,000 (or its equivalent) in aggregate principal amount; or
- (vi) the Issuer or any of its subsidiaries is (or could be or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops; suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due); proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or a particular type of) its debts (or of any part which it will or might otherwise be unable to pay when due); or proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts, or a moratorium is agreed or declared in respect of or affecting all or any part of (or a particular type of) the debts of the Issuer (or any of its subsidiaries); or
- (vii) a resolution is passed or an order of a court of competent jurisdiction is made for the winding up or dissolution or administration of the Issuer or any of its subsidiaries or the Issuer ceases or threatens to cease to carry on all or a material part of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (A) on terms which have previously been approved by an Extraordinary Resolution of the Noteholders or (B) in the case of a subsidiary whereby the undertaking and assets of the subsidiary are transferred to or otherwise vested in the Issuer or another of the Issuer's subsidiaries; or
- (viii) any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in Conditions 10(b)(iv), (v), (vi) and (vii); or

- (ix) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Notes, Receipts or Coupons or the Guarantee, as the case may be; or
- (x) if for any reason the Guarantee ceases to be in full force and effect.

11 Meetings of Noteholders and Modifications

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by the Issuer or Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) or by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding or, at any adjourned meeting, two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia* (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the Rate of Interest in respect of the Notes or to vary the method or basis of calculating the Rates of Interest specified or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a minimum and/or a maximum Interest Rate, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount is shown hereon, to vary any such rates or amounts, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Amortised Face Amount, (vi) to vary the Specified Currency or Specified Currencies of payment or Specified Denomination of the Notes, (vii) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the vote required to pass the Extraordinary Resolution or (ix) to modify or cancel the Guarantee, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed by 75 per cent. in aggregate principal amount of the outstanding Notes present or represented at a meeting duly convened and where a quorum is present shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders. Notwithstanding any of the above, in order to waive compliance with the provisions of Condition 4(c)(iii), the consent of two or more persons holding or representing at least 66 per cent. in aggregate principal amount of the Notes outstanding is required.

(b) Modification of Agency Agreement

The Issuer or Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of, or any failure to comply with, the Agency Agreement if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

12 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons), the Registrar (in the case of Registered Notes) or any Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence,

security and indemnity (which may provide, *inter alia* that if the allegedly lost, stolen or destroyed Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Receipts, Coupons or further Coupons) and otherwise as such Issuer may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13 Further Issues

The Issuer may from time to time, without the consent of the Noteholders or Couponholders, create and issue further notes having the same terms and conditions as the Notes of such Issuer outstanding (so that, for the avoidance of doubt, references in the conditions of such Notes to "Issue Date" shall be to the first issue date of such Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "Notes" shall be construed accordingly, provided that if the relevant Issuer is Cat Financial or CIF, (a) such further Notes are fungible for U.S. federal tax purposes and (b) no further issue of Bearer Notes may be issued (unless there is a change in or clarification of U.S. federal income tax law or additional guidance permitting such further issuances).

14 Notices

Notices to Noteholders regarding the Bearer Notes shall be valid if published in a leading English language daily newspaper of general circulation in London (which is expected to be the *Financial Times*) (or, if any such publication is not practicable, in another leading daily English language newspaper with general circulation in Europe) and (so long as the Bearer Notes are admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require) in a leading daily newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort* or the *Tageblatt* in Luxembourg) or the website of the Luxembourg Stock Exchange (www.bourse.lu). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to Noteholders in accordance with this Condition 14.

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 or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

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 Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. 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, Luxembourg.

Notices to be given by any Noteholders 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 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 Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

15 Governing Law, Jurisdiction and Process Agent

(a) Governing law

The Agency Agreement, the Guarantee, the Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, the laws of the State of New York, United States of America, without giving effect to the conflict of laws principles thereof.

(b) Jurisdiction

The courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City are to have jurisdiction to settle any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons ("Proceedings") and accordingly any Proceedings may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude any of them from taking Proceedings in any other jurisdiction (whether concurrently or not).

(c) Process Agent

The Issuer and Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) hereby irrevocably appoints CT Corporation System of 111 Eighth Avenue, New York, New York 10011 as its agent to receive, for it and on its behalf, service of process in any Proceedings in the State of New York in connection herewith. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer or Cat Financial (where the Issuer is CIF, CFC, CFA or CFS)). If for any reason such process agent ceases to be able to act as such or no longer has an address in New York, the Issuer or Cat Financial (where the Issuer is CIF, CFC, CFA or CFS) irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any other manner permitted by law.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, which include making a profit. If, in respect of any particular issue of Notes which are derivative securities for the purposes of Article 15 of the Commission Regulation No 809/2004 ("Prospectus Regulation") implementing the Prospectus Directive, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

CATERPILLAR FINANCIAL SERVICES CORPORATION

Business

Cat Financial is a wholly-owned finance subsidiary of Caterpillar Inc. (unless the context otherwise requires, Caterpillar Inc. and its consolidated subsidiary companies are herein referred to as "Caterpillar"). For purposes of this description of Caterpillar Financial Services Corporation, unless the context otherwise requires, "Cat Financial" shall mean Caterpillar Financial Services Corporation and its consolidated subsidiary companies. The primary business of Cat Financial is to provide retail and wholesale financing alternatives for Caterpillar products to customers and dealers around the world. Retail financing primarily comprises financing of Caterpillar equipment, machinery and engines. In addition, Cat Financial also provides financing for vehicles, power generation facilities, and marine vessels that, in most cases, incorporate Caterpillar products. Cat Financial also provides wholesale financing to Caterpillar dealers and purchases short-term receivables from Caterpillar. The various financing plans offered by Cat Financial are primarily designed to increase the opportunity for sales of Caterpillar products and generate financing income for Cat Financial. A significant portion of Cat Financial's activities is conducted in North America. However, Cat Financial has additional offices and subsidiaries in Asia-Pacific, Europe and Latin America. Cat Financial has more than 30 years' experience in providing financing for Caterpillar products, contributing to its knowledge of asset values, industry trends, product structuring and customer needs.

Cat Financial's business is largely dependent upon the demand for Caterpillar's products and customers' willingness to enter into financing or leasing agreements, which may be negatively affected by challenging global economic conditions. As a result, a significant and prolonged decrease in demand could have a material adverse effect on its business, financial condition, results of operations and cash flows. The demand for Caterpillar's products and Cat Financial's products and services is influenced by a number of factors, including:

- general world economic conditions and the level of mining, construction and manufacturing activity;
- changes and uncertainties in the monetary and fiscal policies of various governmental and regulatory entities;
- fluctuations in demand and prices for certain commodities;
- fluctuations in currency exchange rates and interest rates;
- political, economic and legislative changes;
- Caterpillar's ability to produce products that meet customers' needs;
- Caterpillar's ability to maintain key dealer relationships;
- the ability of Caterpillar dealers to sell Caterpillar products and their practices regarding inventory control; and
- changes in pricing policies by Caterpillar or its competitors.

Any significant changes to these factors could negatively impact Cat Financial's results.

Cat Financial currently offers the following types of financing plans:

Retail leases and instalment sale contracts (total 50 per cent.*) include:

- Tax leases that are classified as either operating or finance leases for financial accounting purposes, depending on the characteristics of the lease. For tax purposes, Cat Financial is considered the owner of the equipment (14 per cent.*).

- Finance (non-tax) leases, where the lessee for tax purposes is considered to be the owner of the equipment during the term of the lease, that either require or allow the customer to purchase the equipment for a fixed price at the end of the term (19 per cent.*).
- Instalment sale contracts, which are equipment loans that enable customers to purchase equipment with a down-payment or trade-in and structure payments over time (16 per cent.*).
- Governmental lease-purchase plans in the U.S. that offer low interest rates and flexible terms to qualified non-federal government agencies (1 per cent.*).

Retail notes receivables include:

- Loans that allow customers and dealers to use their Caterpillar equipment or other assets as collateral to obtain financing (35 per cent.*).

Wholesale notes receivables, finance leases and instalment sale contracts (total 15 per cent.*) include:

- Inventory/rental programmes, which provide assistance to dealers by financing their new Caterpillar inventory and rental fleets (5 per cent.*).
- Short-term receivables Cat Financial purchases from Caterpillar at a discount (10 per cent.*).

* Indicates the percentage of total portfolio at 31st December, 2012.

Cat Financial defines total portfolio as total finance receivables plus equipment on operating leases, less accumulated depreciation.

Cat Financial operates in a highly competitive environment, with financing for users of Caterpillar equipment available through a variety of sources, principally commercial banks and finance and leasing companies. Cat Financial's competitors include Wells Fargo Equipment Finance Inc., General Electric Capital Corporation, and various banks and finance companies. In addition, many of the manufacturers that compete with Caterpillar also own financial subsidiaries such as Volvo Financial Services, Komatsu Financial L.P. and John Deere Capital Corporation that utilise below-market interest rate programmes (funded by the manufacturer) to assist machine sales. Caterpillar and Cat Financial work together to provide a broad array of financial merchandising programmes around the world to meet these competitive offers.

Cat Financial provides financing only when acceptable criteria are met. Credit decisions are based upon, among other factors, the customer's credit history, financial strength and intended use of equipment. Cat Financial typically maintains a security interest in retail financed equipment and requires physical damage insurance coverage on financed equipment. Cat Financial continues to finance a significant portion of Caterpillar dealers' sales and inventory of Caterpillar products throughout the world. Cat Financial participates in certain marketing programmes sponsored by Caterpillar and/or Caterpillar dealers that allow Cat Financial to offer financing to customers at interest rates that are below-market rates through financial merchandising programmes with Caterpillar and/or Caterpillar dealers. Under these programmes, Caterpillar, or the dealer, funds an amount at the outset of the transaction, which we then recognise as revenue over the term of the financing. These marketing programmes provide Cat Financial with a significant competitive advantage in financing Caterpillar products.

In certain instances, Cat Financial's operations are subject to supervision and regulation by state, federal and various foreign government authorities and may be subject to various laws and judicial and administrative decisions imposing various requirements and restrictions, which, among other things, (i) regulate credit granting activities and the administration of loans, (ii) establish maximum interest rates, finance charges and other charges, (iii) require disclosures to customers and investors, (iv) govern secured transactions, (v) set collection, foreclosure, repossession and other trade practices, and (vi) regulate the use and reporting of information related to a borrower's credit experience. Cat Financial's ability to comply with these governmental and legal requirements and restrictions affects its operations.

Cat Financial also has agreements with Caterpillar that are significant to Cat Financial's operation. These agreements provide Cat Financial with certain types of operational and administrative support

from Caterpillar such as the administration of employee benefit plans, financial support, funding support and various forms of corporate services that are integral to the conduct of its business. See "Relationship with Caterpillar" for more information on these.

Cat Financial was organised under the laws of the State of Delaware, U.S.A., on 28th August, 1981 and is considered a corporation under Delaware law with registered number 0921323. It is the successor to a company formed in 1954. The principal executive office of Cat Financial is located at 2120 West End Avenue, Nashville, Tennessee 37203-0001, U.S.A. and its telephone number is 1+(615) 341 1000. Cat Financial's registered office in the State of Delaware is c/o The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, U.S.A.

Caterpillar Inc.

Cat Financial is a wholly-owned finance subsidiary of Caterpillar Inc. Caterpillar Inc. is a publicly traded company on the New York Stock Exchange. The only shareholders which hold more than 5 per cent. of the share capital of Caterpillar Inc. are BlackRock, Inc., State Street Corporation and The Vanguard Group.

Caterpillar, together with its consolidated subsidiary companies, operates in the following categories of business organisation:

1. **Machinery and Power Systems** — Represents the aggregate total of Construction Industries, Resource Industries, Power Systems and All Other segments and related corporate items and eliminations.
2. **Financial Products** — Primarily includes Caterpillar's Financial Products Segment. This category includes Cat Financial, Caterpillar Insurance Holdings Inc. ("Cat Insurance") and their respective subsidiaries.

Construction Industries

Caterpillar's Construction Industries segment is primarily responsible for supporting customers using machinery in infrastructure and building construction applications. The majority of machine sales in this segment are made in the heavy construction, general construction, mining and quarry and aggregates markets.

Resource Industries

The Resource Industries segment is primarily responsible for supporting customers using machinery in mine and quarry applications. It also serves forestry, paving, tunneling, industrial and waste customers. Caterpillar's Resource Industries business was transformed by the acquisition of Bucyrus International, Inc. ("Bucyrus") in July 2011, and now offers mining customers the broadest product range in the industry. Caterpillar subsequently announced its intention to transition the Bucyrus distribution business to the independent Caterpillar dealers who support mining customers. Caterpillar made significant progress integrating Bucyrus in 2012 and is working closely with Caterpillar dealers to transition the distribution business, with twelve dealer transactions completed during the year.

Power Systems

Caterpillar's Power Systems segment is primarily responsible for supporting customers using reciprocating engines, turbines and related parts across industries serving electric power, industrial, petroleum and marine applications as well as rail-related businesses. Power Systems sales increased globally in 2012, driven by increased customer demand, and included a full year of sales by MWM Holding GmbH ("MWM").

The Power Systems portfolio includes:

- reciprocating engine powered generator sets;

- integrated systems used in the electric power generation industry;
- reciprocating engines and integrated systems and solutions for the marine and petroleum industries;
- reciprocating engines supplied to the industrial industry as well as Caterpillar machinery;
- turbines and turbine-related services; and
- diesel-electric locomotives and components and other rail-related products and services.

Financial Products

The business of Caterpillar's Financial Products segment is primarily conducted by Cat Financial, a wholly owned finance subsidiary of Caterpillar. Cat Financial's primary business is to provide retail and wholesale financing alternatives for Caterpillar products to customers and dealers around the world. Retail financing is primarily comprised of the financing of Caterpillar equipment, machinery and engines. Cat Financial also provides financing for vehicles, power generation facilities and marine vessels that, in most cases, incorporate Caterpillar products. In addition to retail financing, Cat Financial provides wholesale financing to Caterpillar dealers and purchases short-term receivables from Caterpillar. The various financing plans offered by Cat Financial are primarily designed to increase the opportunity for sales of Caterpillar products and generate financing income for Cat Financial. A significant portion of Cat Financial's activities is conducted in North America. However, Cat Financial has additional offices and subsidiaries in Asia, Australia, Europe and Latin America.

The principal corporate headquarters of Caterpillar are located at 100 NE Adams Street, Peoria, Illinois 61629, U.S.A.

Relationship with Caterpillar

Caterpillar provides Cat Financial with certain types of operational and administrative support such as the administration of employee benefit plans, financial support, funding support and various forms of corporate services that are integral to the conduct of Cat Financial's business. The following description summarises these arrangements.

Employee Benefits and Intercompany Services

Cat Financial participates in various benefit plans, which are administered by Caterpillar. These plans include employee medical plans and post-retirement benefit plans. Cat Financial reimburses Caterpillar for these charges. During 2012, 2011 and 2010, these charges amounted to \$26 million, \$23 million and \$23 million, respectively. Included in these charges are contributions to defined benefit plans in the amount of \$7 million, \$7 million and \$8 million, respectively, for 2012, 2011 and 2010. These contributions are related to Cat Financial's participation in the following defined benefit plans that are administered by Caterpillar: the Caterpillar Inc. Retirement Income Plan, the Caterpillar Inc. Supplemental Retirement Plan and the Caterpillar Inc. Retiree Benefit Program. In addition, Cat Financial participates in the Caterpillar stock incentive plans. In 2012, 2011 and 2010, Caterpillar allocated to Cat Financial \$10 million, \$8 million and \$7 million, respectively, in expenses related to the cost of stockbased compensation. In addition, Caterpillar provides operational and administrative support, which is integral to the conduct of Cat Financial's business. In 2012, 2011 and 2010, these operational and support charges for which Cat Financial reimburses Caterpillar amounted to \$32 million, \$27 million and \$23 million, respectively.

Cat Financial provides administrative support services to certain Caterpillar subsidiaries. Caterpillar reimburses Cat Financial for these charges. During 2012, 2011 and 2010, these charges amounted to \$10 million, \$9 million and \$8 million, respectively.

Special Merchandising Programmes

Cat Financial participates in certain marketing programmes sponsored by Caterpillar by providing financing to customers at rates below market rates. Under these programmes, Caterpillar funds an

amount at the outset of the transaction, which Cat Financial then recognises as revenue over the term of the financing. During 2012, 2011 and 2010, relative to such programmes, Cat Financial received \$160 million, \$131 million and \$117 million, respectively.

Purchase of Receivables

Cat Financial has agreements with Caterpillar to purchase certain trade receivables at a discount. These purchases in 2012, 2011 and 2010 totalled \$36,665 million, \$32,068 million and \$16,513 million, respectively. At 31st December, 2012, 2011, and 2010, balances related to these contracts were \$3,114 million, \$3,154 million and \$1,815 million, respectively.

Support Agreement

Cat Financial and Caterpillar also have an agreement dated 21st December, 1984, as amended (the "Support Agreement"), which provides, among other things, that Caterpillar will (i) remain, directly or indirectly, the sole owner of Cat Financial, (ii) cause Cat Financial to maintain a tangible net worth of at least \$20 million, (iii) permit Cat Financial to use (and Cat Financial is required to use) the name "Caterpillar" in the conduct of its business, and (iv) ensure that Cat Financial maintains a ratio of profit before income taxes and interest expense to interest expense of not less than 1.15 to 1, calculated on an annual basis. In 2012, 2011 and 2010, Caterpillar did not make any significant capital contributions to Cat Financial. Although the Support Agreement can be modified by agreement or terminated by either party, any termination or any modification which would adversely affect holders of Cat Financial's debt requires the consent of holders of 66 ²/₃ per cent. in principal amount of outstanding debt of each series so affected. Any modification or termination which would adversely affect the lenders under the Credit Facility (defined below) requires their consent. Caterpillar's obligation under the Support Agreement is not directly enforceable by any of Cat Financial's creditors and does not constitute a guarantee of any of Cat Financial's obligations. A cash dividend of \$250 million was paid to Caterpillar in the first quarter of 2012. A cash dividend totalling \$600 million was paid to Caterpillar in 2011, \$300 million was paid in the first quarter of 2011 and \$300 million was paid in the third quarter of 2011. A cash dividend of \$600 million was paid to Caterpillar in the first quarter of 2010. See Condition 4(c) for a description of Cat Financial's covenant relating to the Support Agreement.

The obligations of Caterpillar under the Support Agreement are to Cat Financial only and are not directly enforceable by any creditor of Cat Financial, nor do they constitute a guarantee by Caterpillar of the payment of any debt or obligation of Cat Financial.

Borrowing Arrangements

Cat Financial currently relies on external sources for its debt financing needs. To supplement external debt financing sources, Cat Financial has variable amount lending agreements and other notes receivable with Caterpillar. Under these agreements, Cat Financial may borrow up to \$2.45 billion from Caterpillar, and Caterpillar may borrow up to \$1.66 billion from Cat Financial. The agreements are in effect for indefinite periods of time and may be changed or terminated by either party with 30 days' notice. At 31st December, 2012, 31st December, 2011 and 31st December, 2010, Cat Financial had outstanding borrowings from Caterpillar totalling \$208 million, \$0 and \$600 million, respectively, and had loans receivable under these agreements outstanding in the amount of \$360 million at 31st December 2012, \$327 million at 31st December 2011, and \$278 million at 31st December 2010.

During January of 2011, Cat Financial extended a \$2 billion committed credit facility to Caterpillar, which expires in February 2019. Under this agreement Cat Financial receives a fee from Caterpillar based on amounts drawn under the credit facility and a commitment fee for the undrawn amounts under the credit facility. At 31st December 2012, there were no borrowings under this credit facility.

Cat Financial and Caterpillar also maintain three global credit facilities with a syndicate of banks totalling \$10.00 billion (collectively, the "Credit Facility"). The 364-day facility of \$3.00 billion expires in September 2013; the 2010 four-year facility, as amended, of \$2.60 billion expires in September 2015; and the 2011 five-year facility, as amended, of \$4.40 billion expires in September 2017.

Tax Sharing Agreements

When appropriate, Cat Financial combines certain of its income tax filings with those of Caterpillar. In such instances, Cat Financial pays to or receives from Caterpillar Cat Financial's allocated share of income taxes or credits, in accordance with Cat Financial's tax sharing agreement with Caterpillar.

Registered Capital

The authorised share capital of Cat Financial is 2,000 shares of common stock with a par value of \$1.00 per share. The issued share capital of Cat Financial is one share with a par value of \$1.00. Caterpillar owns all outstanding stock of Cat Financial. Cash dividends of \$250 million, \$600 million and \$600 million were paid to Caterpillar in 2012, 2011 and 2010, respectively.

Board of Directors

The Directors of Cat Financial and their principal activities are as follows:

<i>Name</i>	<i>Position with Cat Financial</i>	<i>Other Principal Activities</i>
Kent M. Adams	Director and President	Vice President of Caterpillar
Bradley M. Halverson	Director	Group President and Chief Financial Officer of Caterpillar

Management

The Management of Cat Financial and their principal activities are as follows:

<i>Name</i>	<i>Position with Cat Financial</i>	<i>Other Principal Activities</i>
Kent M. Adams	President	Vice President of Caterpillar
James A. Duensing	Executive Vice President and Chief Financial Officer	N/A
Mark C. Bainbridge	Vice President	N/A
Kimberly S. Neible	Vice President	N/A
Edward A. Goodrich	Vice President	N/A
David T. Walton	Vice President	N/A
Mark A. Manning	Vice President	N/A
J. Wesley Blumenshine	Secretary/General Counsel	N/A
David A. Kacynski	Treasurer	N/A
Steven R. Elsesser	Controller (Principal Accounting Officer)	N/A
Gerald F. Gorman	Chief Information Officer	N/A

There are no conflicts of interest between any duties to Cat Financial of the Board of Directors and Management listed above and their private interests or other duties in respect of their roles.

The business address for Bradley M. Halverson is 100 N.E. Adams Street, Peoria, Illinois 61629, U.S.A. and the business address for each of the other persons listed above is 2120 West End Avenue, Nashville, Tennessee 37203-0001, U.S.A.

CATERPILLAR INTERNATIONAL FINANCE LIMITED

Business

CIF was incorporated on 29th November, 1995, and registered in Ireland under the Companies Acts 1963 to 1990 (now the Companies Acts 1963 to 2012) with limited liability as a public limited company under the name Caterpillar International Finance public limited company and with registered number 241565. On 20th March, 2008 CIF was re-registered as a private company under the name Caterpillar International Finance Limited.

CIF is a wholly-owned subsidiary of Cat Financial. CIF's registered office is at Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland. CIF's principal executive office is 2120 West End Avenue, Nashville, Tennessee 37203-0001, U.S.A. and its telephone number is +1(615) 341 1000. CIF has one subsidiary, Caterpillar International Finance Luxembourg, S.a.r.l., a company formed under the laws of Luxembourg ("CIF Lux"). Currently, CIF Lux provides treasury-related services to CIF under a services agreement.

CIF's objects empower it to conduct a wide range of financial activities. Currently, the principal activity of CIF is the provision of financing and factoring services through its subsidiary CIF Lux to subsidiaries of Cat Financial and Caterpillar in Europe, the Middle East and Russia.

The authorised share capital of CIF is 30,000 ordinary shares with a par value of €1.25 per share and 100,000,000 ordinary shares with a par value of U.S.\$1.00 per share. The issued share capital of CIF is 30,000 ordinary shares with a par value of €1.25 per share.

Directors

The Directors of CIF and their principal activities are as follows:

<i>Name</i>	<i>Position within CIF</i>	<i>Other Principal Activities</i>
David A. Kacynski	Director	Treasurer of Cat Financial
Charles Thomas Urban, III	Director	Senior Funding Manager of Cat Financial
William C. Brewer	Director	Senior Corporate Counsel of Cat Financial
Rebecca A. Bakanowski	Director	International Tax Manager of Cat Financial

The business address for each of the persons listed above is 2120 West End Avenue, Nashville, Tennessee 37203-0001, U.S.A.

There are no conflicts of interest between any duties of the persons listed above to CIF and their private interests and/or other duties.

CATERPILLAR FINANCE CORPORATION

CFC was incorporated in Japan on 18th April, 2001 as a joint-stock corporation. Prior to 1st September, 2007, CFC was a wholly-owned subsidiary of Cat Financial Services Yugen Kaisha ("CYK"), which was incorporated under the laws of Japan. Effective 1st September, 2007, CYK was merged with and into CFC, with CFC being the surviving entity, 80 per cent. of whose equity was owned by Cat Financial and 20 per cent. by Caterpillar Japan Ltd., formerly known as Shin Caterpillar Mitsubishi Ltd. ("CJL"). In November 2009, CFC repurchased all of the shares then owned by CJL, and thereafter CFC has been 100 per cent. owned by Cat Financial. The registered number of CFC is 0109-01-016066 and its registered office is 10-1 Yoga, 4-chome, Setagaya-ku, Tokyo, Japan, 158-0097. The telephone number of its registered office is +81 3 5797 4510. In Japanese, the corporate name is Caterpillar Finance Kabushiki Kaisha. "Kabushiki Kaisha" means a stock corporation.

CFC provides retail financing to customers who purchase new and used construction, mining, and other equipment manufactured by Caterpillar and CJL. CFC also provides retail financing for the sale and leasing of equipment. CFC has working capital loans with its customers that allow those customers to use their equipment as collateral to obtain financing for their other business needs. CFC also provides wholesale financing to CJL dealer rental fleets and working capital loans to CJL dealers, and purchases their long-term dealer receivables at a discount.

CJL, formerly a joint venture corporation of Caterpillar Inc. and Mitsubishi Heavy Industries, Ltd., became a wholly-owned subsidiary of Caterpillar Inc. in 2012, and is headquartered in Tokyo, Japan. CJL has two plants used to manufacture medium-and-small sized tractors and hydraulic excavators and distributes them to their three dependent dealers and three independent dealers.

Directors and Management

The Directors and management of CFC are as follows:

<i>Name</i>	<i>Position within CFC</i>	<i>Other Principal Activities</i>	<i>Business Address</i>
Mark A. Manning	Representative Director	Vice President of Cat Financial	7 Tractor Road, Singapore 627973
J. Wesley Blumenshine	Representative Director	General Counsel and Secretary of Cat Financial	2120 West End Avenue, Nashville, Tennessee, 37203-0001, U.S.A.
David A. Kacynski	Director	Treasurer of Cat Financial	2120 West End Avenue Nashville, Tennessee, 37203-0001, U.S.A.
Seigaku Nanayama	Representative Director	Managing Director of CJL	10-1, Yoga 4-chome, Setagaya-ku, Tokyo, Japan 158-0097
Clive H. Heath	Director	N/A	10-1, Yoga 4-chome, Setagaya-ku, Tokyo, Japan 158-0097

Under Japanese law and pursuant to CFC's Articles of Incorporation, CFC's business is, in principle, required to be determined by a majority of Directors, if there are two or more Directors.

There are no conflicts of interest between any duties of CFC's Directors and their private interests or other duties in respect of their roles.

CATERPILLAR FINANCIAL AUSTRALIA LIMITED

Business

CFA was incorporated on 3rd February, 1987 and registered in Australia under the Australian Corporations Act with limited liability as a public limited company and with Australian Business Number 70 006 714 585.

CFA is a wholly-owned subsidiary of Cat Financial. CFA's registered office is at 1 Caterpillar Drive, Tullamarine, Victoria 3043, Australia. The principal business of CFA is providing financing to its customers for purchases of new and used construction, commercial, mining and other equipment manufactured by Caterpillar Inc. and its affiliates. Caterpillar equipment is sold by independent Caterpillar equipment dealers located in major cities throughout Australia. CFA works closely with these Caterpillar equipment dealers to provide effective financing solutions to customers. CFA also provides financing directly to the Caterpillar equipment dealers.

CFA's financing products include operating leases, finance leases, hire purchase agreements and loans secured by goods mortgages. CFA also participates in significant syndicated loan and lease transactions for its larger mining customers.

The issued share capital of CFA is 30,984,669 ordinary shares.

Directors

The Directors of CFA and their principal activities are as follows:

<i>Name</i>	<i>Position within CFA</i>	<i>Other Principal Activities</i>
Jeremy Canham	Director	Regional Manager, Australia Pacific
Ian J. Sutherland	Director	Logistics Center Manager
Steven Welsh	Director	Global Mining Area Manager
Michael Charles Worth	Director	HSD Merger & Acquisition Manager
Douglas M. Lokken	Director	Managing Director of CFA

The business address for each of the persons listed above is 1 Caterpillar Drive, Tullamarine, Victoria 3043, Australia. The telephone number of CFA's registered office is +61 3 9953 9419.

There are no conflicts of interest between any duties of the persons listed above to CFA and their private interests and/or other duties.

CATERPILLAR FINANCIAL SERVICES LIMITED

Business

CFS was continued under the Business Corporations Act (Ontario) on 6th March, 2012 (Ontario Corporation number: 647718). CFS is an indirect, wholly-owned subsidiary of Cat Financial. CFS is a wholly-owned subsidiary of Caterpillar Financial Nova Scotia Corporation ("CFNSC"), which in turn is a wholly-owned subsidiary of Cat Financial. CFNSC was incorporated under the Companies Act (Nova Scotia) on 16th December, 1999 (Corporation No. 3038417). The registered and principal office of CFS is at 5575 North Service Road, Suite 600, Burlington, Ontario, Canada, L7L 6M1. The telephone number of the registered and principal office of CFS is +1 289 313 1200.

The primary business of CFS is to provide retail and wholesale financing alternatives for the products of Caterpillar sold in Canada. The products financed or used as collateral are generally insured against physical damage. CFS also provides notes receivable financing, including working capital loans, which allows customers and dealers to use their Caterpillar products as collateral to obtain financing for other business needs.

CFS is authorised to issue an unlimited number of shares of one class, designated as common shares, with such common shares being without par value. The issued share capital of CFS is 20,383,921 common shares.

Under Canadian securities laws, CFS is a "credit support issuer" and, therefore, is not required by such laws to prepare its own interim or annual financial statements or to deliver its own interim or annual financial statements to holders of its medium term notes issued in Canada. In recognition of, among other things, the fact that Cat Financial has provided an unconditional guarantee as to the payment of principal, premium (if any) and interest thereon and certain other amounts on any such CFS medium term notes issued in Canada, when and as the same shall become due and payable pursuant to the terms of such notes, CFS instead must, among other things, file (for public disclosure at www.SEDAR.com) the following financial disclosures: (i) copies of all documents Cat Financial is required to file with the Securities and Exchange Commission of the U.S. ("SEC") under the US 1934 Exchange Act, at the same time or as soon as practicable after the filing by Cat Financial of those documents with the SEC, including (A) interim financial statements of Cat Financial on Form 10-Q and (B) audited annual financial statement of Cat Financial on Form 10-K; and (ii) interim and annual "summary financial information" of CFS. The "summary financial information" is not required to be audited but must, among other requirements: (i) be filed by CFS in Canada in or with the copy of each Cat Financial 10-Q and Cat Financial 10-K; (ii) cover the periods covered by the applicable Cat Financial 10-Q and Cat Financial 10-K; and (iii) be derived from the CFS financial information underlying the consolidated financial statements of Cat Financial for the periods.

Directors

The Directors of CFS and their principal activities are as follows:

<i>Name</i>	<i>Position within CFS</i>	<i>Other Principal Activities</i>
Kent M. Adams	Director	President, Cat Financial
C. David Brooks	Director	President, CFS
Greg M. Frenette	Director	Partner, Blake, Cassels & Graydon LLP
Edward A. Goodrich	Director	Vice President, Cat Financial
Steven J. Weisz	Director	Partner, Blake, Cassels & Graydon LLP

The business address for C. David Brooks is 5575 North Service Road, Suite 600, Burlington, Ontario, Canada, L7L 6M1. The business address for Kent M. Adams and Edward A. Goodrich is 2120 West End Avenue, Nashville, Tennessee 37203-0001, U.S.A. The business address for Greg M. Frenette and Steven J. Weisz is 199 Bay Street, Suite 4000, Toronto, Ontario, Canada, M5L 1A9.

There are no conflicts of interest between any duties of the persons listed above to CFS and their private interests and/or other duties.

TAXATION

U.S. Federal Income Taxation

TO ENSURE COMPLIANCE WITH U.S. INTERNAL REVENUE SERVICE ("IRS") CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

The Issuers generally intend to treat Notes issued under the Programme as debt for U.S. federal income tax purposes. Certain Notes, however, such as certain Index Linked Notes or Notes with extremely long maturities, may be treated as equity for U.S. federal income tax purposes. The following disclosure applies only to Notes that are treated as debt for U.S. federal income tax purposes.

UNITED STATES PERSONS

The following is a summary of certain U.S. federal income tax considerations relevant to United States persons (as defined in Condition 8) acquiring, holding and disposing of Notes. This summary addresses only the U.S. federal income tax considerations for initial purchasers of Notes at their issue price (as defined below) that will hold the Notes as capital assets (generally, property held for investment). This summary is based on the U.S. Internal Revenue Code of 1986 (the "Code"), final, temporary and proposed U.S. Treasury regulations, and administrative and judicial interpretations, all of which are subject to change, possibly with retroactive effect.

This summary does not address the material U.S. federal income tax consequences of every type of Note which may be issued under the Programme, such as Notes that are treated as equity for U.S. federal income tax purposes. This summary does not discuss all aspects of U.S. federal income taxation that may be relevant to investors in light of their particular circumstances, such as investors subject to special tax rules (including, without limitation: (i) financial institutions; (ii) insurance companies; (iii) dealers or traders in stocks, securities, currencies or notional principal contracts; (iv) regulated investment companies; (v) real estate investment trusts; (vi) tax-exempt organisations; (vii) partnerships, pass-through entities or persons that hold Notes through pass-through entities; (viii) investors that hold Notes as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for U.S. federal income tax purposes; (ix) investors that have a functional currency other than the U.S. dollar and (x) U.S. expatriates and former long-term residents of the United States), all of whom may be subject to tax rules that differ significantly from those summarised below. This summary does not address U.S. federal estate, gift or alternative minimum tax considerations, or non-U.S., state or local tax considerations.

This discussion applies only to holders of Registered Notes. Bearer Notes are not being offered to United States persons. A United States person who owns a Bearer Note may be subject to limitations under U.S. federal income tax laws, including the limitations provided in Sections 165(j) and 1287 of the Code. Moreover, the summary deals only with Notes with a term of 30 years or less.

Payments of Interest

General

Interest on a Note, including the payment of any additional amounts (whether payable in U.S. dollars or a currency, composite currency or basket of currencies other than U.S. dollars (a "foreign currency")), other than interest on a "Discount Note" that is not "qualified stated interest" (each as defined below under "Original Issue Discount – General"), will be taxable to a United States person as

ordinary income at the time it is received or accrued, in accordance with the United States person's regular method of accounting for tax purposes. Interest paid by Cat Financial and CIF on the Notes and OID (as defined below), if any, accrued with respect to the Notes (as described below under "Original Issue Discount") and payments of any additional amounts will generally constitute income from sources within the United States. Interest paid by CFC on the Notes and OID, if any, accrued with respect to the Notes (as described below under "Original Issue Discount") and payments of any additional amounts will generally constitute income from sources outside the United States.

Foreign Currency Denominated Interest

If a qualified stated interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognised by a cash basis United States person will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis United States person may determine the amount of income recognised with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, with respect to an accrual period that spans two taxable years of a United States person, the part of the period within the taxable year).

Under the second method, the United States person may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year. Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period or taxable year, an electing accrual basis United States person may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the United States person at the beginning of the first taxable year to which the election applies or thereafter acquired by the United States person and will be irrevocable without the consent of the IRS.

Upon receipt of the interest payment (including a payment attributable to accrued but unpaid interest upon the sale or other disposition of a Note) denominated in, or determined by reference to, a foreign currency, the United States person will recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference, if any, between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

Original Issue Discount

General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Notes issued with original issue discount ("OID").

A Note, other than a Note with a term of one year or less (a "Short-Term Note"), will be treated as issued with OID (a "Discount Note") if the excess of the Note's "stated redemption price at maturity" over its issue price is greater than or equal to a *de minimis* amount (0.25 per cent. of the Note's stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an "instalment obligation") will be treated as a Discount Note if the excess of the Note's stated redemption price at maturity over its issue price is equal to or greater than 0.25 per cent. of the Note's stated redemption price at maturity multiplied by the weighted average maturity of the Note. A Note's weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note's stated redemption price at

maturity. Generally, the "issue price" of a Note will be the first price at which a substantial amount of such Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers or similar persons or organisations acting in the capacity of underwriters, placement agents or wholesalers. The "stated redemption price at maturity" of a Note is the total of all payments provided by the Note that are not payments of "qualified stated interest". A "qualified stated interest" payment is generally any one of a series of stated interest payments on a Note that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods) or a variable rate (in the circumstances described below under "Original Issue Discount – Variable Interest Rate Notes"), applied to the outstanding principal amount of the Note. Solely for the purpose of determining whether a Note has OID, the Issuer will be deemed to exercise any call option that has the effect of decreasing the yield on the Note, and the United States person will be deemed to exercise any put option that has the effect of increasing the yield on the Note. If a Note has *de minimis* OID, a United States person must include the *de minimis* amount in income as stated principal payments are made on the Note, unless the holder makes the election described below under "Original Issue Discount – Election to Treat All Interest as Original Issue Discount". A United States person can determine the includible amount with respect to each such payment by multiplying the total amount of the Note's *de minimis* OID by a fraction equal to the amount of the principal payment made divided by the stated principal amount of the Note.

United States persons holding Discount Notes must generally include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income and will generally have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a United States person with respect to a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the United States person holds the Discount Note ("accrued OID"). The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Discount Note may be of any length selected by the United States person and may vary in length over the term of the Discount Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Discount Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note's adjusted issue price at the beginning of the accrual period and the Discount Note's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Discount Note allocable to the accrual period. The "adjusted issue price" of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments.

Acquisition Premium

A United States person that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being "acquisition premium") and that does not make the election described below under "Original Issue Discount – Election to Treat All Interest as Original Issue Discount", is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the United States person's adjusted basis in the Note immediately after its purchase over the Note's adjusted issue price and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note's adjusted issue price.

Market Discount

A Note, other than a Short-Term Note, will generally be treated as purchased at a market discount (a "Market Discount Note") if the Note's stated redemption price at maturity or, in the case of a Discount Note, the Note's "revised issue price" exceeds the amount for which the United States person

purchased the Note by at least 0.25 per cent. of the Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note's maturity (or, in the case of a Note that is an instalment obligation, the Note's weighted average maturity). If this excess is not sufficient to cause the Note to be a Market Discount Note, then the excess constitutes "*de minimis* market discount" and such Note is not subject to the rules discussed in the following paragraphs. For this purpose, the "revised issue price" of a Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments.

Any gain recognised on the maturity or disposition of a Market Discount Note (including any payment on a Note that is not qualified stated interest) will be treated as ordinary income to the extent that the gain does not exceed the accrued market discount on the Note. Alternatively, a United States person holding a Market Discount Note may elect to include market discount in income currently over the life of the Note. This election shall apply to all debt instruments with market discount acquired by the electing United States person on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the IRS. A United States person holding a Market Discount Note that does not elect to include market discount in income currently will generally be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Note that is in excess of the interest and OID on the Note includible in the United States person's income, to the extent that this excess interest expense does not exceed the portion of the market discount allocable to the days on which the Market Discount Note was held by the United States person.

Market discount will accrue on a straight-line basis unless the United States person elects to accrue the market discount on a constant-yield method. This election applies only to the Note with respect to which it is made and is irrevocable.

Election to Treat All Interest as Original Issue Discount

A United States person may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under "Original Issue Discount – General" with certain modifications. For purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount, as adjusted by any amortisable bond premium (described below under "Notes Purchased at a Premium") or acquisition premium. If a United States person makes this election for a Note, then, when the constant-yield method is applied, the issue price of the Note will equal its cost, the issue date of the Note will be the date of acquisition, and no payments on the Note will be treated as payments of qualified stated interest. This election will generally apply only to the Note with respect to which it is made and may not be revoked without the consent of the IRS. However, if the Note has amortisable bond premium, the United States person will be deemed to have made an election to apply amortisable bond premium against interest for all debt instruments with amortisable bond premium, other than debt instruments the interest on which is excludible from gross income, held as of the beginning of the taxable year to which the election applies or any taxable year thereafter. If the election to apply the constant-yield method to all interest on a Note is made with respect to a Market Discount Note, the electing United States person will be treated as having made the election discussed above under "Original Issue Discount – Market Discount" to include market discount in income currently over the life of all debt instruments with market discount held or thereafter acquired by the United States person.

Variable Interest Rate Notes

Notes that provide for interest at variable rates ("Variable Interest Rate Notes") will generally bear interest at a "qualified floating rate" and thus will be treated as "variable rate debt instruments" under U.S. Treasury regulations governing accrual of OID. A Variable Interest Rate Note will qualify as a "variable rate debt instrument" if (a) its issue price does not exceed the total non-contingent principal payments due under the Variable Interest Rate Note by more than a specified *de minimis* amount and (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified

floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate.

A "qualified floating rate" is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Note (e.g., two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Note's issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e., a cap) or a minimum numerical limitation (i.e., a floor) may, under certain circumstances, fail to be treated as a qualified floating rate unless the cap or floor is fixed throughout the term of the Note.

An "objective rate" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g., one or more qualified floating rates or the yield of actively traded personal property). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Note will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Note's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Note's term. A "qualified inverse floating rate" is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Interest Rate Note's issue date is intended to approximate the fixed rate (e.g., the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a "current value" of that rate. A "current value" of a rate is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

If a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a "variable rate debt instrument", then any stated interest on the Note which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a "variable rate debt instrument" will generally not be treated as having been issued with OID unless the Variable Interest Rate Note is issued at a "true" discount (i.e., at a price below the Note's stated principal amount) in excess of a specified *de minimis* amount. OID on a Variable Interest Rate Note arising from "true" discount is allocated to an accrual period using the constant yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note.

In general, any other Variable Interest Rate Note that qualifies as a "variable rate debt instrument" will be converted into an "equivalent" fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Note. Such a Variable Interest Rate Note must be converted into an "equivalent" fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Interest Rate Note's issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note. In the case of a Variable Interest Rate Note that qualifies as a "variable rate debt instrument" and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Note as of the Variable Interest Rate Note's issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Note is converted into an "equivalent" fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Note is converted into an "equivalent" fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the "equivalent" fixed rate debt instrument by applying the general OID rules to the "equivalent" fixed rate debt instrument and a United States person holding the Variable Interest Rate Note will account for the OID and qualified stated interest as if the United States person held the "equivalent" fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the "equivalent" fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Note during the accrual period.

If a Variable Interest Rate Note, such as a Note the payments on which are determined by reference to an index, does not qualify as a "variable rate debt instrument", then the Variable Interest Rate Note will be treated as a contingent payment debt obligation. In general, final regulations that govern the U.S. federal income tax treatment of contingent payment debt obligations will cause the timing and character of income, gain or loss reported on a contingent payment debt instrument to substantially differ from the timing and character of income, gain or loss reported on a conventional non-contingent payment debt instrument. More specifically, the final regulations generally require a United States person of such an instrument to include future contingent and non-contingent interest payments in income as such interest accrues based upon a projected payment schedule and comparable (i.e., estimated) yield. Moreover, in general, any gain recognized by a United States person on the sale, exchange, or retirement of a contingent payment debt instrument will be treated as ordinary income and all or a portion of any loss realized could be treated as ordinary loss as opposed to capital loss (depending upon the circumstances). A United States person who holds a Note that is treated as a contingent payment debt obligation should consult with their tax advisers for additional details, and the potential application of special rules.

Short-Term Notes

In general, an individual or other cash basis United States person holding a Short-Term Note is not required to accrue OID (calculated as set forth below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis United States persons and certain other United States persons are required to accrue OID on Short-Term Notes on a straight-line basis or, if the United States person so elects, under the constant-yield method (based on daily compounding). In the case of a United States person not required and not electing to include OID in income currently,

any gain realised on the sale or other disposition of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or other disposition. United States persons who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is realised.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note are included in the Short-Term Note's stated redemption price at maturity. A United States person may elect to determine OID on a Short-Term Note as if the Short-Term Note had been originally issued to the United States person at the United States person's purchase price for the Short-Term Note. This election shall apply to all obligations with a maturity of one year or less acquired by the United States person on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

Foreign Currency Notes

OID for any accrual period on a Discount Note that is denominated in, or determined by reference to, a foreign currency will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis United States person, as described above under "Payments of Interest". Upon receipt of an amount attributable to OID (whether in connection with a payment of interest or the sale or other disposition of a Note), a United States person will generally recognise exchange gain or loss, which will be ordinary gain or loss measured by the difference between the amount received (translated into U.S. dollars at the exchange rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

Market discount on a Note that is denominated in, or determined by reference to, a foreign currency will be accrued by a United States person in the foreign currency. If the United States person elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the United States person's taxable year). Upon the receipt of an amount attributable to accrued market discount, the United States person will generally recognise U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A United States person that does elect to include market discount in income currently will recognise, upon the disposition or maturity of the Note, the U.S. dollar value of the amount accrued, calculated at the spot rate in effect on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

Notes Purchased at a Premium

A United States person that purchases a Note for an amount in excess of its principal amount or for a Discount Note, its stated redemption price at maturity, may elect to treat the excess as "amortisable bond premium", in which case the amount required to be included in the United States person's income each year with respect to interest on the Note will be reduced by the amount of amortisable bond premium allocable (based on the Note's yield to maturity) to that year. In the case of a Note that is denominated in, or determined by reference to, a foreign currency, bond premium (including acquisition premium) will be computed in units of foreign currency, and any such bond premium that is taken into account currently will reduce interest income in units of the foreign currency. On the date bond premium offsets interest income, a United States person will generally recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) measured by the difference between the spot rate in effect on that date, and on the date the Notes were acquired by the United States person. Any election to amortise bond premium shall apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the United States person at the beginning of the first taxable year to which the election applies or thereafter acquired by the United States person, and is irrevocable without the consent of the IRS. See also "Original Issue Discount – Election to Treat All Interest as Original Issue Discount". A United States

person that does not elect to take bond premium (other than acquisition premium) into account currently will decrease the amount of gain or increase the amount of loss otherwise recognised on the disposition of the Note.

Sale, Redemption, Retirement or Other Disposition of Notes

A United States person's adjusted tax basis in a Note will generally be its cost, increased by the amount of any OID or market discount included in the United States person's income with respect to the Note and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the United States person's income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortisable Note premium applied to reduce interest on the Note. A United States person's adjusted tax basis in a Foreign Currency Note will be determined by reference to the U.S. dollar cost of the Notes. The U.S. dollar cost of a Note purchased with a foreign currency will generally be the U.S. dollar value of the purchase price on the date of purchase or, in the case of Notes traded on an established securities market, as defined in the applicable U.S. Treasury regulations, that are purchased by a cash basis United States person (or an accrual basis United States person that so elects), on the settlement date for the purchase.

A United States person will generally recognise gain or loss on the sale, redemption, retirement or other disposition of a Note equal to the difference between the amount realised on the sale, redemption, retirement or other disposition and the United States person's adjusted tax basis of the Note. The amount realised on a sale or other disposition for an amount in foreign currency will be the U.S. dollar value of this amount on the date of sale, redemption, retirement or other disposition or, in the case of Notes traded on an established securities market, as defined in the applicable U.S. Treasury regulations, sold by a cash basis United States person (or an accrual basis United States person that so elects), on the settlement date for the sale. Such an election by an accrual basis United States person must be applied consistently from year to year and cannot be revoked without the consent of the IRS. Except to the extent described above under "Original Issue Discount – Market Discount" or "Original Issue Discount – Short-Term Notes" or attributable to accrued but unpaid interest or changes in exchange rates, gain or loss recognised on the sale, redemption, retirement or other disposition of a Note will be capital gain or loss and will generally be treated as from U.S. sources for purposes of the U.S. foreign tax credit limitation. In the case of a United States person that is an individual, estate or trust, the maximum marginal federal income tax rate applicable to capital gains is currently lower than the maximum marginal rate applicable to ordinary income if the Notes are held for more than one year. The deductibility of capital losses is subject to significant limitations.

Gain or loss recognised by a United States person on the sale, redemption, retirement or other disposition of a Note that is attributable to changes in exchange rates will be treated as U.S. source ordinary income or loss. However, exchange gain or loss is taken into account only to the extent of total gain or loss realised on the transaction.

Disposition of Foreign Currency

Foreign currency received as interest on a Note or on the sale, redemption, retirement or other disposition of a Note will have a tax basis equal to its U.S. dollar value at the time the interest is received or at the time of the sale, redemption, retirement or other disposition. Foreign currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognised on a sale, redemption, retirement or other disposition of a foreign currency (including its use to purchase Notes or an exchange for U.S. dollars) will be U.S. source ordinary income or loss.

Backup Withholding and Information Reporting

In general, payments of principal, interest and accrued OID on, and the proceeds of a sale, redemption, retirement or other disposition of, the Notes, payable to a United States person by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the United States person as may be required under applicable regulations. Backup withholding will apply to these payments if the

United States person fails to provide an accurate taxpayer identification number or certification of exempt status or otherwise to comply with the applicable backup withholding requirements. Certain United States persons are not subject to backup withholding.

Recently enacted legislation may require individual United States persons to report to the IRS certain information with respect to their beneficial ownership of the Notes issued by CFC, CFA or CFS. Investors who fail to report required information could be subject to substantial penalties.

Disclosure Requirements

U.S. Treasury regulations meant to require the reporting of certain tax shelter transactions ("Reportable Transactions") could be interpreted to cover transactions generally not regarded as tax shelters, including certain foreign currency transactions. Under the U.S. Treasury regulations, certain transactions with respect to the Notes may be characterised as Reportable Transactions including, in certain circumstances, a sale, redemption, retirement or other taxable disposition of a Foreign Currency Note. Persons considering the purchase of such Notes should consult with their tax advisers to determine the tax return obligations, if any, with respect to an investment in such Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code ("FATCA") impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "FFI" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("IRS") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA (ii) specified other non-U.S. entities unless such an entity provides information regarding its U.S. owners and (iii) any other investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of the relevant Issuer, other than Cat Financial and CIF, (a "Recalcitrant Holder"). The Issuers, other than Cat Financial and CIF, may be classified as FFIs.

The new withholding regime will be phased in beginning 1st January 2014 for payments from sources within the United States and will apply to "foreign passthru payments" (a term not yet defined in applicable Treasury regulations) no earlier than 1st January 2017. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the "grandfathering date", which is 1 January 2014 or, with respect to foreign passthru payments, if later, the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, (ii) any Notes which are materially modified for U.S. Federal tax purposes on or after the grandfathering date and (iii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the applicable grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

In particular, FATCA withholding may apply to (i) payments of interest after 31st December, 2013 and payments of gross proceeds from a disposition after 31st December, 2016 with respect to Notes issued by Cat Financial or CIF after 31st December, 2013, (or materially modified thereafter) or (ii) any payments with respect to Notes after 31st December, 2016 issued by CFC, CFA or CFS after the later of (1) 31st December, 2013, or (2) the date that is six months after the adoption of final U.S. Treasury regulations addressing "passthru payments" (or materially modified thereafter).

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (each, an "IGA"). Pursuant to FATCA and the "Model 1" and "Model 2" IGAs released by the United States, an FFI in an IGA

signatory country could be treated as a "Reporting FI" not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "FATCA Withholding") from payments it makes (unless it has agreed to do so under the U.S. "qualified intermediary," "withholding foreign partnership" or "withholding foreign trust" regimes). The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS.

If the Issuers, other than Cat Financial and CIF, become Participating FFIs under FATCA, such Issuers, Cat Financial, CIF and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If an amount in respect of FATCA Withholding were to be deducted or withheld from interest, principal or other payments made in respect of the Notes, the Issuers, paying agents and any other persons generally would not, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers with respect to FATCA withholding and an investment in the Notes.

UNITED STATES ALIENS

The following is a summary of certain U.S. federal income tax consequences to a United States Alien (as defined in the Condition 8) of the ownership and disposition of Notes, Receipts and Coupons.

Notes issued by CFC, CFA or CFS

Under U.S. federal income tax law now in effect, and subject to the discussion below concerning information reporting and backup withholding and above regarding FATCA, the payment of principal and interest (including OID) on a Note issued by CFC, CFA or CFS or its paying agents to any United States Alien will not be subject to U.S. federal income tax or withholding tax. In addition, United States Aliens generally will not be subject to U.S. federal income tax or withholding tax on any gain realised upon the sale, redemption, retirement or other disposition of a Note issued by CFC, CFA or CFS.

Notes issued by Cat Financial or CIF

Under U.S. federal income tax law now in effect, and subject to the discussion below concerning information reporting and backup withholding and above relating to Foreign Account Tax Compliance:

- (a) payments of principal and interest (including OID) on a Note by the relevant Issuer (or Cat Financial pursuant to the Guarantee) or any of its paying agents to any United States Alien holder will not be subject to U.S. federal withholding tax; provided, however, that in the case of amounts treated as interest on a Note other than a Note with a maturity of 183 days or less (i) such holder does not actually or constructively own 10 per cent. or more of the total combined voting power of all classes of stock of the relevant Issuer entitled to vote within the meaning of Section 871(h)(3) of the Code, (ii) such holder is not a controlled foreign corporation for U.S. federal income tax purposes that is related, directly or indirectly, to the relevant Issuer through stock ownership, (iii) such holder is not a bank extending credit pursuant to a loan

agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) such amounts are not considered payments of "contingent interest" described in Section 871(h)(4) of the Code (relating primarily to interest based on or determined by reference to income, profits, cash flow, sales, dividends or other comparable attributes of the obligor or a party related to the obligor), and (v) in the case of Registered Notes, the United States Alien holder provides the relevant Issuer, or its paying agent, with an IRS Form W-8BEN (or other appropriate type of IRS Form W-8 or other documentation as permitted by official IRS guidance);

- (b) a United States Alien holder of a Note, Receipt or Coupon will not be subject to U.S. federal income tax on any gain realised on the sale, redemption, retirement or other disposition of a Note, Receipt or Coupon unless (i) such gain or income is effectively connected with a trade or business in the United States of the United States Alien holder or (ii) in the case of a United States Alien holder who is an individual, the United States Alien holder is present in the United States for 183 days or more in the taxable year of such sale, redemption, retirement or other disposition and either such individual has a "tax home" (as defined in Section 911 (d)(3)) of the Code in the United States or the gain is attributable to an office or other fixed place of business maintained by such individual in the United States; and
- (c) a Note, Receipt or Coupon held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death if at the time of death (i) the individual did not actually or constructively own 10 per cent. or more of the total combined voting power of all classes of stock of the relevant Issuer entitled to vote, (ii) payments with respect to the Note, Receipt or Coupon would not have been effectively connected with a U.S. trade or business of such individual, and (iii) no amount payable on the Note, Receipt or Coupon would be considered to be a payment of "contingent interest" as set forth in Section 871(h)(4) of the Code (as described in paragraph (a) above).

If a United States Alien holder of a Note is engaged in a trade or business in the United States and interest on the Note is effectively connected with the conduct of such trade or business, the United States Alien holder, although exempt from the withholding tax discussed in the preceding paragraph, will generally be subject to regular U.S. federal income tax on such interest in the same manner as if it were a United States person. In addition, if such a holder is a foreign corporation, it may be subject to a branch profits tax equal to 30 per cent. of its effectively connected earnings and profits for the taxable year, subject to adjustments.

Backup Withholding and Information Reporting

Backup withholding and information reporting will not apply to payments of principal and interest made outside the United States to a United States Alien by the relevant Issuer (or Cat Financial pursuant to the Guarantee) or any paying agent thereof on a Note, Receipt or Coupon. In addition, except as provided in the following sentences, if the principal or interest payments are collected outside the United States by a foreign office of a custodian, nominee or other agent acting on behalf of a beneficial owner of a Note, Receipt or Coupon, such custodian, nominee or other agent will not be required to apply backup withholding to such payments made to such beneficial owner and will not be subject to information reporting. However, if such custodian, nominee or other agent is a U.S. Middleman (as defined below), such custodian, nominee or other agent may be subject to information reporting with respect to such payments unless the beneficial owner has provided certain required information or documentation to establish its non-U.S. status or otherwise establishes an exemption. In addition, any payment of interest that is subject to such information reporting will also be subject to backup withholding, unless the payment is made to an account maintained at an office or branch of a United States or foreign bank or other financial institution at a location outside the United States or its possessions.

In addition, payments on the sale, redemption, retirement or other disposition of a Note, Receipt or Coupon effected outside the United States to or through a foreign office of a broker will not be subject to backup withholding. However, if such broker is a U.S. Middleman (as defined below) information reporting will be required unless the beneficial owner has provided certain required information or documentation to the broker to establish its non-U.S. status or otherwise establishes an exemption.

Payments to or through the U.S. office of a broker will be subject to backup withholding and information reporting unless the holder certifies under penalties of perjury to its non-U.S. status or otherwise establishes an exemption.

"U.S. Middleman" means (i) a United States person, (ii) a controlled foreign corporation for United States tax purposes, (iii) a foreign person 50 per cent. or more of whose gross income is derived from its conduct of a U.S. trade or business for a specified three-year period, (iv) a foreign partnership engaged in a U.S. trade or business or in which United States persons hold more than 50 per cent. of the income or capital interests, or (v) certain U.S. branches of foreign banks or insurance companies.

United States Alien holders of Notes should consult their tax advisers regarding the application of information reporting and backup withholding to their particular situations, the availability of an exemption therefrom and the procedure for obtaining such an exemption, if available. Any amounts withheld from a payment to a United States Alien holder under the backup withholding rules will be allowed as a credit against such holder's U.S. federal income tax liability and may entitle such holder to a refund, provided that the required information is timely furnished to the U.S. Internal Revenue Service.

United Kingdom

The comments below are of a general nature based on current United Kingdom law and published HM Revenue and Customs practice. They relate only to withholding tax. They also relate only to the position of persons who are the absolute beneficial owners of their Notes and Coupons relating thereto and may not apply to certain classes of persons such as dealers. Any Noteholders who are in doubt as to their personal tax position should consult their professional advisers.

Payments of interest on the Notes may be made without withholding or deduction for or on account of United Kingdom income tax.

Noteholders may wish to note that, in certain circumstances, HM Revenue and Customs ("HMRC") has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays or credits interest to or receives interest for the benefit of a Noteholder, or who either pays amounts payable on the redemption of Notes which are "deeply discounted securities" (for the purposes of the Income Tax (Trading and Other Income) Act 2005) to or receives such amounts for the benefit of another person. However, HMRC published practice indicates that HMRC will not exercise the power referred to above to require this information in respect of such amounts payable on redemption of Notes where such amounts are paid on or before 5th April, 2014. Information so obtained may, in certain circumstances, be exchanged by HMRC with the tax authorities of the jurisdiction in which the Noteholder is resident for tax purposes.

Ireland

The following is a general summary of the Issuers' understanding of the current law and practice in Ireland relating to the application of Irish withholding tax to payments made on Notes issued under the Programme. It does not purport to be, and is not, a complete description of all the tax considerations that may be relevant to a decision to subscribe for, buy, hold, sell, redeem or dispose of the Notes. Any Noteholders who are in any doubt as to their tax position should seek their own professional advice. Prospective investors should be aware that the anticipated withholding tax treatment in Ireland summarised below may change.

1. Irish Withholding Tax on Interest

There is no obligation for any amount on account of Irish tax to be withheld from payments of interest made on Notes in a number of circumstances. In all other cases, interest must be paid under deduction of Irish income tax at the standard rate (currently 20 per cent.).

1.1 Notes issued by Cat Financial or CFC

There is no obligation for any amount on account of Irish tax to be withheld from payments of interest made on Notes issued by Cat Financial or CFC in circumstances where Cat Financial or CFC, as the case may be, does not, in issuing the Notes or making the relevant payments:

- (a) operate out of Ireland; or
- (b) make the payments through a paying agent located in Ireland.

1.2 Notes issued by CIF having a maturity of less than one year

There is no obligation for any amount on account of Irish tax to be withheld from payments of interest made on Notes issued by CIF where the maturity of the Notes is less than one year.

1.3 Notes issued by CIF having a maturity of more than one year

- (a) Irish withholding tax on interest applies to payments of Irish source yearly interest. This would include payments made on Notes issued by CIF where those Notes have a maturity of more than one year if CIF were to be considered to be resident in Ireland for the purposes of Irish tax or operating in Ireland through a branch or agency with which the Notes are connected. In this regard, CIF has taken steps to change its central management and control to a jurisdiction outside of Ireland and, accordingly, to cease its Irish tax residence. However, regardless of whether or not CIF is resident in Ireland for the purposes of Irish tax, there is no obligation for any amount on account of Irish tax to be withheld from payments of interest made on Notes issued by CIF where those Notes are quoted Eurobonds and certain conditions are fulfilled.

- (b) Quoted Eurobond exemption

Payments of interest made on Notes issued by CIF may be made without any obligation to withhold an amount on account of Irish tax where:

- (i) the Notes:
 - (A) are quoted on a recognised stock exchange (the Luxembourg Stock Exchange being so recognised); and
 - (B) carry a right to interest (thus excluding for example, Zero Coupon Notes); and
- (ii) either:
 - (A) the payments on the Notes are made by a paying agent located outside of Ireland; or
 - (B) the payments on the Notes are made by a paying agent located in Ireland and:
 - (1) the Notes are held in a recognised clearing system (Euroclear, Clearstream, Luxembourg, Clearstream A.G. and DTC being recognised clearing systems for this purpose); or
 - (2) the person who is the beneficial owner of the Notes and who is beneficially entitled to the interest thereon is not resident in Ireland and has made a declaration to that effect in a form specified by the Revenue Commissioners of Ireland to the paying agent or certain other specified persons.

The Revenue Commissioners of Ireland have confirmed that definitive bearer Notes issued in exchange for interests in global Notes held within Euroclear, Clearstream,

Luxembourg and/or Clearstream A.G. will continue to be regarded as held within a recognised clearing system for the purpose of subparagraph (b)(ii)(B)(1) above.

2. Discounts

Discounts arising on the Notes will not be subject to Irish withholding tax.

3. Encashment tax

- 3.1 Where interest on any Note issued by Cat Financial or CFC is paid by a paying agent in Ireland or is paid to or realised by an agent in Ireland on behalf of a holder of the Note, the paying agent will generally be obliged to withhold an amount in respect of Irish income tax at the standard rate of Irish income tax (currently 20 per cent.).
- 3.2 If CIF is not regarded as resident in Ireland for the purposes of Irish tax, then where interest on any Note issued by CIF is paid by a paying agent in Ireland or is paid to or realised by an agent in Ireland on behalf of a holder of the Note, the paying agent will generally be obliged to withhold an amount in respect of Irish income tax at the standard rate of Irish income tax (currently 20 per cent.).
- 3.3 Where interest on any Note issued by Cat Financial or CFC, or CIF qualifies for exemption withholding tax on interest as a quoted Eurobond (see above) and is paid to or realised by an agent in Ireland on behalf of a holder of the Note, the paying agent will generally be obliged to withhold an amount in respect of Irish income tax at the standard rate of Irish income tax (currently 20 per cent.).
- 3.4 The provisions described in paragraph 3.1, 3.2 or 3.3 above will not apply if it is proved, on a claim made in the required manner to the Revenue Commissioners of Ireland, that the beneficial owner of the Note that is entitled to the interest is not resident for tax purposes in Ireland and such interest is not deemed, under the provisions of Irish tax legislation, to be income of another person resident in Ireland.

Japan

The information in this section is provided for the convenience only of investors, who are advised to consult their own legal, tax, accountancy or other professional advisers in order to ascertain their particular circumstances regarding taxation. Investors should note that, although certain general tax information on Japanese taxation is described hereunder for convenience, the Japanese tax treatment with respect to certain types of Notes (including but not limited to Equity Linked Notes and Index Linked Notes) is not clear. Accordingly, the actual Japanese tax treatment of certain types of Notes may be different from the treatment described below.

The statements below are based on current tax laws and regulations in Japan and current tax treaties executed by Japan, all as in effect on the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect). Specifically, investors should note any changes that may be made as a result of the forthcoming 2013 annual tax reform. Neither such statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any beneficial owner of the Notes or any person purchasing, selling or otherwise dealing in the Notes or any tax implication arising from the purchase, sale or other dealings in respect of the Notes.

"Taxable Linked Securities" not Issued

CFC will not, under this Programme, issue "Taxable Linked Securities," being securities of which the amount of interest is to be calculated by reference to certain indexes (as prescribed by the Cabinet Order (Cabinet Order No. 43 of 1957) (as amended) (the "Cabinet Order") under Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957) (as amended) (the "Act")) relating to CFC or a specially-related person of CFC (as defined below).

Representation by Investor upon Initial Distribution

Among other restrictions, the Notes issued by CFC are not, as part of the initial distribution by the Dealers at any time, to be directly or indirectly offered or sold to, or for the benefit of, any person other than a Gross Recipient. A "Gross Recipient" for this purpose is (i) a beneficial owner that is, for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of CFC (as defined below), (ii) a Japanese financial institution, as designated in Article 3-2-2 paragraph (29) of the Cabinet Order that will hold Notes issued by CFC for its own proprietary account or (iii) an individual resident of Japan or a Japanese corporation whose receipt of interest on the Notes issued by CFC will be made through a payment handling agent in Japan, as defined in Article 2-2 paragraph (2) of the Cabinet Order. By subscribing for the Notes issued by CFC, an investor will be deemed to have represented that it is a gross recipient.

1. Capital Gains, Inheritance and Gift, Stamp Tax and Other Similar Taxes

Gains derived from the sale of Notes (whether issued by Cat Financial, CIF or CFC) outside Japan by an individual non-resident of Japan or a non-Japanese corporation having no permanent establishment in Japan are, in general, not subject to Japanese income tax or corporate tax.

Japanese inheritance tax or gift tax at progressive rates may be payable by an individual, wherever resident, who has acquired Notes issued by CFC as legatee, heir or donee from an individual. An individual non-resident of Japan who has acquired Notes issued by Cat Financial or CIF by inheritance, bequest or gift is, in general, not subject to Japanese inheritance tax or gift tax, unless such individual non-resident is a Japanese national and either such individual or the deceased or the donor, from whom such individual acquired the Notes issued by Cat Financial or CIF by inheritance, bequest or gift, used to reside in Japan at any time during the five-year period preceding the commencement of inheritance, the time of the bequest or the time of the gift, as the case may be.

No stamp, issue, registration or similar taxes or duties will, under current Japanese law, be payable in Japan by Noteholders in connection with the issue of the Notes, nor will such taxes be payable by Noteholders in connection with their transfer if such transfer takes place outside Japan.

2. Interest Payments on Notes issued by Cat Financial or CIF

The payments of interest in respect of Notes issued by Cat Financial or CIF, none of which has a permanent establishment within Japan, to an individual non-resident of Japan or a non-Japanese corporation (within the meaning given by Japanese tax laws) will, under Japanese tax laws currently in effect, not be subject to any Japanese income tax by way of withholding. Such payment will not be subject to any Japanese income tax or corporate tax payable otherwise than by withholding unless such individual non-resident of Japan or non-Japanese corporation has a permanent establishment in Japan and the payment of interest is attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on in Japan through such permanent establishment.

3. Interest Payments on Notes issued by CFC (the "CFC Notes")

The following description of Japanese taxation (limited to national taxes) applies exclusively to interest on the CFC Notes and the difference between the issue price of the CFC Notes bearing interest and the amount which the holder receives upon redemption of such interest-bearing CFC Notes (the "Issue Differential"), where such CFC Notes are issued by CFC outside Japan on or after 1st April, 2010 and payable outside Japan. It does not address the tax treatment of the original issue discount of the CFC Notes that fall under "discounted bonds" as prescribed by the Act on Special Measures Concerning Taxation of Japan (Law No. 26 of 1957, as amended) (the "Act"). It is not intended to be exhaustive and prospective purchasers are recommended to consult their tax advisers as to their exact tax position.

1. Non-resident Investors

If the recipient of interest on the CFC Notes or of the Issue Differential with respect to interest-bearing CFC Notes is an individual non-resident of Japan or a non-Japanese

corporation for Japanese tax purposes, as described below, the Japanese tax consequences on such individual non-resident of Japan or non-Japanese corporation are significantly different depending upon whether such individual non-resident of Japan or non-Japanese corporation is a specially-related person of CFC (as defined below). Most importantly, if such individual non-resident of Japan or non-Japanese corporation is a specially-related person of CFC (as defined below), income tax at the rate of 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) of the amount of such interest will be withheld by CFC under Japanese tax law.

1.1 Interest

(a) If the recipient of interest on the CFC Notes is an individual non-resident of Japan or a non-Japanese corporation having no permanent establishment within Japan or having a permanent establishment within Japan but where the receipt of the interest on the CFC Notes is not attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, no Japanese income tax or corporate tax is payable with respect to such interest whether by way of withholding or otherwise, if such recipient complies with certain requirements, *inter alia*:

- (i) if the relevant CFC Notes or Coupons relating thereto are held through a certain participant in an international clearing organisation such as Euroclear and Clearstream, Luxembourg or a certain financial intermediary prescribed by the Act and the relevant cabinet order thereunder (the "Cabinet Order" and together with the ministerial ordinance and other regulations thereunder, the "Law") (each, a "Participant"), the requirement to provide, at the time of entrusting a Participant with the custody of the relevant CFC Notes, certain information prescribed by the Law to enable the Participant to establish that the recipient is exempt from the requirement for Japanese tax to be withheld or deducted (the "Interest Recipient Information"), and to advise the Participant if such individual non-resident of Japan or non-Japanese corporation ceases to be so exempted (including the case where it became a specially-related person of CFC (as defined below)); and
- (ii) if the relevant CFC Notes or Coupons relating thereto are not held by a Participant, the requirement to submit to the relevant Paying Agent a written application for tax exemption (*Hikazei Tekiyo Shinkokusho*) (the "Written Application for Tax Exemption"), together with certain documentary evidence.

Failure to comply with such requirements described above (including the case where the Interest Recipient Information is not duly communicated as required under the Law) will result in the withholding by CFC of income tax at the rate of 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) of the amount of such interest.

(b) If the recipient of interest on the CFC Notes is an individual non-resident of Japan or a non-Japanese corporation having a permanent establishment within Japan and the receipt of interest is attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, such interest will not be subject to a 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) withholding tax by CFC, if the recipient provides the Interest Recipient Information or submits the Written Application for Tax Exemption as set out in paragraph 1.1(a) above. Failure to do so will result in the withholding by CFC of income tax at the rate of 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) of the amount of such interest. The amount of such interest will be aggregated with the recipient's other Japanese source income and will be subject to regular income tax or corporate tax, as appropriate.

- (c) Notwithstanding paragraphs 1.1(a) and (b) above, if an individual non-resident of Japan or a non-Japanese corporation mentioned above is a person who has a special relationship with CFC (that is, in general terms, a person who directly or indirectly controls, or is directly or indirectly controlled by, or is under direct or indirect common control with, CFC) within the meaning prescribed by the Cabinet Order under Article 6, paragraph (4) of the Act (such person being referred to as a "specially-related person of CFC") as of the beginning of the fiscal year of CFC in which the relevant Interest Payment Date falls, the exemption from Japanese withholding tax on interest mentioned above will not apply, and income tax at the rate of 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) of the amount of such interest will be withheld by CFC. If such individual non-resident of Japan or non-Japanese corporation has a permanent establishment within Japan, regular income tax or corporate tax, as appropriate, collected otherwise by way of withholding will apply to such interest under Japanese tax law.
- (d) If an individual non-resident of Japan or a non-Japanese corporation (regardless of whether it is a specially-related person of CFC) is subject to Japanese withholding tax with respect to interest on the CFC Notes under Japanese tax law, a reduced rate of withholding tax or exemption from such withholding tax may be available under the relevant tax treaty between Japan and the country of tax residence of such individual non-resident of Japan or non-Japanese corporation. As of the date of this Offering Circular, Japan has income tax treaties, conventions or agreements whereby the above-mentioned withholding tax rate is reduced, generally to 10 per cent., with, *inter alia*, Australia, Austria, Belgium, Canada, Denmark, Finland, France, Hong Kong, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States of America. Under the income tax treaty between Japan and the United States of America, certain limited categories of qualified United States residents receiving interest on the CFC Notes may, subject to compliance with certain procedural requirements under Japanese law, be fully exempt from Japanese withholding tax for interest on the CFC Notes. Under the income tax treaties with the United Kingdom, France, Australia, the Netherlands and Switzerland, similar exemptions to those provided in the income tax treaty between Japan and the United States of America will be available (provided that no exemption will apply to pension funds in the case of Australia). Japan and the United States of America have recently signed a protocol amending the current tax treaty between the two governments, whereby interest paid to qualified United States residents is expected to be generally exempt from Japanese withholding tax. However, the amending protocol has not yet been ratified and accordingly, it is not certain when the amendment will enter into force. In order to avail themselves of such reduced rate of, or exemption from, Japanese withholding tax under any applicable tax treaty, individual non-residents of Japan or non-Japanese corporations which are entitled, under any applicable tax treaty, to a reduced rate of, or exemption from, Japanese withholding tax on payment of interest by CFC are required to submit an Application Form for Income Tax Convention regarding Relief from Japanese Income Tax on Interest (as well as any other required forms and documents) in advance through CFC to the relevant tax authority before payment of interest.
- (e) Under the Law, (i) if an individual non-resident of Japan or a non-Japanese corporation that is a beneficial owner of the CFC Notes becomes a specially-related person of CFC, or an individual non-resident of Japan or a non-Japanese corporation that is a specially-related person of CFC becomes a beneficial owner of the CFC Notes, and (ii) if such CFC Notes are held through a Participant, then such individual non-resident of Japan or non-Japanese corporation should notify the Participant of such change in status by the immediately following Interest Payment Date of the CFC Notes. As described in paragraph 1.1(c) above, as the status of such individual non-resident of Japan or non-Japanese corporation as a specially-related person of CFC for Japanese withholding tax purposes is determined based on the status as of the

beginning of the fiscal year of CFC in which the relevant Interest Payment Date falls, such individual non-resident of Japan or non-Japanese corporation should, by such notification, identify and advise the Participant of the specific Interest Payment Date on which Japanese withholding tax starts to apply with respect to such individual non-resident of Japan or non-Japanese corporation as being a specially-related person of CFC.

1.2 Issue Differential

- (a) If the recipient of the Issue Differential with respect to interest-bearing CFC Notes is an individual non-resident of Japan or a non-Japanese corporation having no permanent establishment within Japan or having a permanent establishment within Japan but the receipt of such Issue Differential is not attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, no income tax or corporate tax is payable with respect to such Issue Differential.
- (b) If the recipient of the Issue Differential with respect to interest-bearing CFC Notes is an individual non-resident of Japan or a non-Japanese corporation having a permanent establishment within Japan and the receipt of such Issue Differential is attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, such Issue Differential will not be subject to any withholding tax but will be aggregated with the recipient's other Japanese source income, which is subject to Japanese taxation and subject to regular income tax or corporate tax, as appropriate.
- (c) Notwithstanding paragraphs 1.2(a) and (b) above, if an individual non-resident of Japan or a non-Japanese corporation mentioned above is a specially-related person of CFC as of the beginning of the fiscal year of CFC in which such individual non-resident of Japan or non-Japanese corporation acquired such CFC Notes, the Issue Differential will not be subject to withholding tax but will be subject to regular income tax or corporate tax, as appropriate, under Japanese tax law, regardless of whether such individual non-resident of Japan or non-Japanese corporation has a permanent establishment within Japan; provided that exemption may be available under the relevant income tax treaty.

2. Resident Investors

If the recipient of interest on the CFC Notes is an individual resident of Japan or a Japanese corporation for Japanese tax purposes, as described below, regardless of whether such recipient is a specially-related person of CFC, in addition to any applicable local tax, income tax will be withheld at the rate of 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) of (i) the amount of such interest, if such interest is paid to an individual resident of Japan or a Japanese corporation (except for a Designated Financial Institution (as defined below) which complies with the requirement for tax exemption under Article 6, paragraph (9) of the Act) (except as provided in item (ii) below) or (ii) the amount of such interest minus the amount provided in the Cabinet Order relating to Article 3-3, paragraph (6) of the Act, if such interest is paid to a Public Corporation, etc. (as defined below) or a Specified Financial Institution (as defined below) through the Japanese Custodian (as defined below) in compliance with the requirement for tax exemption under Article 3-3, paragraph (6) of the Act.

2.1 Interest

- (a) If an individual resident of Japan or a Japanese corporation (other than a Specified Financial Institution (as defined below) or a Public Corporation, etc. (as defined below), which complies with the requirement as referred to in paragraph 2.1(b) below) receives payments of interest on the CFC Notes through certain Japanese payment handling agents (each a "Japanese

Payment Handling Agent"), income tax at the rate of 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) of the amount of such interest will be withheld by the Japanese Payment Handling Agent rather than by CFC. As CFC is not in a position to know in advance the recipient's status, the recipient of interest falling within this category should inform CFC through a Paying Agent of its status in a timely manner. Failure to so inform may result in double withholding. An individual Noteholder or Couponholder being an individual resident of Japan who receives interest on the CFC Notes through a Japanese Payment Handling Agent will be taxed in Japan on such interest separately from his/her other income and only by way of withholding of the foregoing withholding tax, as far as national-level income taxes are concerned. In the case of other recipients who are individual residents of Japan (other than those referred to in the immediately preceding sentence) or Japanese corporations referred to in the beginning of this paragraph, the amount of interest received by any such recipient will be included in such recipient's other taxable income and subject to regular income tax or corporate tax, as appropriate.

- (b) If the recipient of interest on the CFC Notes is a Japanese public corporation or a Japanese public-interest corporation designated by the relevant law (each, a "Public Corporation, etc.") or a Japanese bank, a Japanese insurance company, a Japanese financial instruments business operator, etc. or other Japanese financial institution falling under certain categories prescribed by the relevant Cabinet Order under Article 3-3, paragraph (6) of the Act (each, a "Specified Financial Institution") that keeps its CFC Notes deposited with, and receives the interest through, a Japanese Payment Handling Agent with custody of the CFC Notes (the "Japanese Custodian") and such recipient submits through such Japanese Custodian to the competent tax authority the report prescribed by the Law, no income tax is levied, by way of withholding or otherwise, on such portion of interest as is prescribed by the relevant Cabinet Order as that which corresponds to the period the CFC Notes were held by such recipient, but if the recipient is a Specified Financial Institution, the recipient will be subject to regular corporate tax with respect to such interest. Additionally, if the recipient is a Japanese public-interest corporation designated by the relevant law and the interest is derived from the recipient's profit earning business designated by the relevant law, the recipient will be subject to regular corporate tax with respect to such interest. However, since CFC is not in a position to know in advance the recipient's tax exemption status, the recipient of interest falling within this category should inform CFC through a Paying Agent of its status in a timely manner. Failure to so notify CFC may result in the withholding by CFC of a 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) income tax. Any amount of interest received by such Public Corporation, etc. or Specified Financial Institution in excess of the non-taxable portion described above is subject to income tax of 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) of such excess amount to be withheld by the Japanese Custodian.
- (c) If an individual resident of Japan or a Japanese corporation (except for a Designated Financial Institution (as defined below) which complies with the requirements described in paragraph 2.1(d) below) receives interest on the CFC Notes not through a Japanese Payment Handling Agent, income tax at the rate of 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) of the amount of such interest will be withheld by CFC, and, except where the recipient is a Public Corporation, etc. (other than a Japanese public-interest corporation designated by the relevant law that derives the interest from its profit-earning business designated by the relevant law), the amount of such

interest will be aggregated with the recipient's other taxable income and subject to regular income tax or corporate tax, as appropriate.

- (d) If a Japanese bank, Japanese insurance company, Japanese financial instruments business operator, etc. or other Japanese financial institution falling under certain categories prescribed by the Cabinet Order under Article 6, paragraph (9) of the Act (each, a "Designated Financial Institution") receives interest on the CFC Notes not through a Japanese Payment Handling Agent and such recipient complies with the requirement, *inter alia*, to provide the Interest Recipient Information or to submit the Written Application for Tax Exemption as referred to in paragraph 1.1(a) above, no income tax will be imposed, either by way of withholding or otherwise, but the recipient will be subject to regular corporate tax with respect to such interest.

2.2 Issue Differential

If the recipient of the Issue Differential with respect to interest-bearing CFC Notes is an individual resident of Japan or a Japanese corporation (other than a Public Corporation), such Issue Differential will not be subject to any withholding tax but will be included in the recipient's other taxable income and subject to regular income tax or corporate tax, as appropriate.

3. Special Additional Tax for Reconstruction From the Great East Japan Earthquake

Due to the imposition of a special additional withholding tax of 0.315 per cent. (or 2.1 per cent. of 15 per cent.) to secure funds for reconstruction from the Great East Japan Earthquake, the withholding tax rate has been effectively increased to 15.315 per cent. during the period beginning on 1st January, 2013 and ending on 1st December, 2037. There is also certain special additional tax imposed upon regular income tax or corporate tax, as referred to in the foregoing descriptions, for a certain period.

Commonwealth of Australia

The following is a summary of the Australian taxation treatment, at the date of this Offering Circular, of payments of interest (as defined in section 128A (1AB) of the Income Tax Assessment Act 1936 (the "Australian Tax Act")) on the Notes and certain other matters in respect of Notes issued by CFA. It is not exhaustive and, in particular, does not deal with the position of certain classes of Noteholders (such as dealers in securities, custodians or other third parties who hold Notes on behalf of other persons). Prospective Noteholders who are Australian residents and non-residents that carry on business in Australia should seek independent advice on the tax implications of an investment in the Notes in their particular circumstances. Prospective offshore holders of Notes who are in any doubt as to their tax position should also consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances. Prospective Noteholders should also be aware that the particular terms of issue of any Series of Notes may affect the tax treatment of that Series of Notes. The following is a general guide and is not intended to be, nor should it be construed as, legal or tax advice. Noteholders who are in any doubt as to their tax positions should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.

Interest Withholding Tax

An exemption from Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act is available, in respect of the Notes to be issued by the Issuer, under section 128F of the Australian Tax Act if the following conditions are met:

- (a) CFA is a resident of Australia when it issues the Notes and when interest (as defined in section 128A(1AB) of the Australian Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts; and

- (b) the Notes are issued in a manner which satisfies the public offer test. There are five principal methods of satisfying the public offer test. In summary, they are:
 - (i) offers to 10 or more unrelated financiers, securities dealers or entities that carry on the business of investing in securities;
 - (ii) offers to 100 or more investors of a certain type;
 - (iii) offers of listed Notes;
 - (iv) offers via publicly available information sources; or
 - (v) offers to a dealer, manager or underwriter who offers to sell the Notes within 30 days by one of the preceding methods; and
- (c) CFA does not know, or have reasonable grounds to suspect, at the time of issue, that those Notes or interests in those Notes were being, or would later be, acquired directly or indirectly by an "associate" of CFA, except as permitted by section 128F(5) of the Australian Tax Act; and
- (d) at the time of the payment of interest, CFA does not know, or have reasonable grounds to suspect, that the payee is an "associate" of CFA, except as permitted by section 128F(6) of the Australian Tax Act.

Associates

An "associate" of CFA for the purposes of section 128F of the Australian Tax Act includes:

- (a) a person or entity that holds 50 per cent. or more of the voting shares of, or otherwise controls, CFA;
- (b) an entity in which more than 50 per cent. of the voting shares are held by, or which is otherwise controlled by, CFA;
- (c) a trustee of a trust where the Issuer is capable of benefiting (whether directly or indirectly) under that trust; and
- (d) a person or entity that is an "associate" of another person or company that is an "associate" of CFA under any of the foregoing.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (c) and (d) under "Interest Withholding Tax" above) "associate" does not include:

- (i) Australian resident associates who do not acquire the Notes in the course of carrying on business at or through a permanent establishment outside Australia; or
- (ii) non Australian resident associates who acquire the Notes in the course of carrying on business at or through a permanent establishment in Australia; or
- (iii) associates not mentioned in paragraph (i) or (ii) above who acquire the Notes in the capacity of:
 - (A) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the Notes, or a clearing house, custodian, funds manager or responsible entity of a registered managed investment scheme (within the meaning of the Australian Corporations Act); or
 - (B) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme.

Compliance with section 128F of the Australian Tax Act

Unless otherwise specified in any relevant Final Terms (or another relevant supplement to these Listing Particulars), CFA intends to issue Notes in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

Tax treaty relief from interest withholding tax

The Australian government has signed a number of tax treaties ("Treaties") with the Specified Countries. The Treaties apply to interest derived by a resident of a Specified Country.

The Treaties prevent Australia from imposing interest withholding tax upon interest beneficially owned by:

- (a) the government of the relevant Specified Countries and certain governmental authorities and agencies in the Specified Country; and
- (b) certain banks, and other financial institutions which substantially derive their profits by raising debt finance in the financial markets or by taking deposits at interest and using those funds in carrying on a business of providing finance, which are resident in a Specified Country and which are unrelated to, and deal wholly independently with, CFA.

However, interest paid under back-to-back loans and economically equivalent arrangements do not qualify for this benefit and the anti-avoidance provisions in the Australian Tax Act may apply.

Specified Countries include, as at the date of this Offering Circular, the United States, the United Kingdom, France, Japan, Norway, Finland, South Africa and New Zealand.

However, if the Notes are issued in a manner that satisfies the requirements of section 128F of the Australian Tax Act, it will not be necessary for Noteholders to rely on the Treaties for an exemption from Australian interest withholding tax.

Section 126 withholding

Section 126 of the Australian Tax Act imposes a type of withholding tax at the rate of (currently) 45 per cent. on the payment of interest on Notes in bearer form if CFA fails to provide the names and addresses of the holders of those Notes to the Australian Taxation Office. Section 126 does not apply to the payment of interest on Notes in bearer form held by non-residents who do not carry on business at or through a permanent establishment in Australia, where the issue of those Notes has satisfied the requirements of section 128F of the Australian Tax Act or where interest withholding tax is payable. The Australian Taxation Office has confirmed that, for the purposes of section 126 of the Australian Tax Act, the holder of Notes in bearer form is the person in possession of them. Section 126 is therefore limited in its application to persons in possession of Notes in bearer form who are residents of Australia or non-residents who are engaged in carrying on business in Australia at or through a permanent establishment in Australia. Where interests in Notes in bearer form are held through Euroclear or Clearstream, Luxembourg, CFA intends to treat the operators of those clearing systems as the holders of those Notes for the purposes of section 126 of the Australian Tax Act.

Payments of additional amounts

As set out in more detail in the "Terms and Condition of the Notes" and unless expressly provided to the contrary in the relevant Final Terms (or another relevant supplement to these Listing Particulars), if CFA is at any time compelled by law to deduct or withhold an amount in respect of any Australian withholding taxes, CFA shall, subject to certain exceptions, pay such additional amounts as may be necessary in order to ensure that the net amounts received by the Noteholders after such deduction or withholding shall equal the respective amounts which would have been received had no such deduction or withholding been required. If CFA would become obliged in relation to any Notes to pay such additional amounts, CFA may (subject to meeting certain conditions) have the option to redeem those Notes in accordance with the Terms and Conditions.

General tax

CFA has been advised that under Australian laws as presently in effect:

- (a) income tax: assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, payment by CFA of principal and interest to a Noteholder who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business through a permanent establishment in Australia, will not be subject to Australian income tax;
- (b) gains on disposal of Notes: a Noteholder who is a non-resident of Australia and has never held the Notes in the course of carrying on business through a permanent establishment in Australia will not be subject to Australian income tax on gains realised upon the sale or redemption of Notes, provided that such gains do not have an Australian source. A gain arising on the sale of a Note by a non-resident holder to another non-resident where the Notes are sold outside Australia and all negotiations are conducted, and documentation is executed, outside Australia would not be regarded as having an Australian source;
- (c) deemed interest: there are specific rules that can apply to treat a portion of the purchase price of Notes as interest for withholding tax purposes when certain Notes originally issued at a discount, or with a maturity premium or which do not pay interest at least annually are sold to an Australian resident (who does not acquire them in the course of carrying on business at or through a permanent establishment outside Australia) or a non-resident who acquires them in the course of carrying on business at or through a permanent establishment in Australia. These rules do not apply in circumstances where the deemed interest would have been exempt under section 128F of the Australian Tax Act if the Notes had been held to maturity by a non-resident;
- (d) death duties: no Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;
- (e) stamp and other duties: no *ad valorem*, stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Notes;
- (f) domestic tax withholding rules: CFA will be required to withhold tax from payments of interest paid under the Notes in accordance with section 12-140 of Schedule 1 to the Taxation Administration Act 1953 of Australia ("TAA") at the rate of (currently) 46.5 per cent. if a Noteholder has not supplied an Australian tax file number ("TFN"), in certain circumstances an Australian business number ("ABN") or proof of some exemption (as appropriate). Assuming that the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, then the requirements of section 12-140 will not apply to payments to a Noteholder who is not a resident of Australia for tax purposes and is not holding the Notes in the course of carrying on business through a permanent establishment in Australia. Payments to other classes of Noteholders may be subject to withholding where the Noteholder does not quote a TFN or ABN or provide proof of an exemption (as appropriate);
- (g) goods and services tax ("GST"): neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of the Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest under the Notes, nor the disposal of the Notes will give rise to any GST liability in Australia;
- (h) additional withholdings from certain payments to non-residents: Section 12-315 of Schedule 1 to the TAA gives the Governor-General power to make regulations requiring withholding from certain payments to non-residents. It is not expected that any regulations will be made that will impact any payments in respect of the Notes;

- (i) taxation of foreign exchange gains and losses: Divisions 775 and 960 of the Income Tax Assessment Act 1997 contain rules to deal with the taxation consequences of foreign exchange transactions. The rules are complex and may apply to any Noteholders who are Australian residents or non-residents that hold Notes that are not denominated in Australian dollars in the course of carrying on business in Australia. Any such Noteholders should consult their professional advisers for advice as to how to account for any foreign exchange gains or losses arising from their holding of those Notes;
- (j) the Commissioner of Taxation of the Commonwealth of Australia may give a direction under Section 255 of the Australian Tax Act or Section 260-5 of Schedule 1 to the TAA or any similar provision requiring CFA to deduct from any payment to any other party (including any Noteholder) any amount in respect of Australian tax payable by that other party;
- (k) the Income Tax Assessment Act 1997 contains a regime for the taxation of financial arrangements (referred to as TOFA) which can affect the taxation of financial instruments such as the Notes. The pre-existing law governing the taxation of financial arrangements will continue to apply to Notes held by taxpayers that are not subject to the TOFA regime because they do not meet certain threshold requirements. In any case, the TOFA regime does not contain any measures that would override the exemption from Australian interest withholding tax available under section 128F of the Australian Tax Act in respect of interest payable on the Notes; and
- (l) Australian resident holders: income received by Australian resident holders in respect of the Notes will be included in their assessable income for Australian tax purposes. Australian resident holders that derive a gain on a sale or redemption of Notes may be subject to Australian tax on such gain.

Canada

The following is a summary of the principal Canadian federal income tax considerations generally applicable at the date hereof to a holder who acquires ownership of a Note and who for the purposes of the Income Tax Act (Canada) (“Canadian Tax Act”) and at all relevant times: (a) is neither resident nor deemed to be resident in Canada; (b) deals at arm’s length with Caterpillar Financial Services Limited, and any transferee resident (or deemed to be resident) in Canada to whom the holder disposes of the Note; (c) does not use or hold and is not deemed to use or hold the Note in, or in the course of, carrying on a business in Canada; (d) is entitled to receive all payments (including any interest and principal) made on the Note, and (e) is not at any time a, and deals at arm’s length at all times with any, “specified shareholder” of Caterpillar Financial Services Limited for purposes of the thin capitalisation rules in the Canadian Tax Act (“Non-Resident Holder”). A “specified shareholder” for these purposes generally includes a person who (either alone or together with persons with whom that person is not dealing at arm’s length for the purposes of the Canadian Tax Act) owns or has the right to acquire or control 25% or more of Caterpillar Financial Services Limited’s shares determined on a votes or fair market value basis. Special rules which apply to non-resident insurers carrying on business in Canada and elsewhere are not discussed in this summary.

This summary is based upon: (a) the current provisions of the Canadian Tax Act and the regulations thereunder (“Regulations”) in force on the date hereof; (b) all specific proposals to amend the Canadian Tax Act or the Regulations publicly announced prior to the date hereof by, or on behalf of, the Minister of Finance (Canada) (“Tax Proposals”), and (c) the current published administrative policies and assessing practices of the Canada Revenue Agency (“CRA”) as made publicly available by it prior to the date hereof. This summary assumes that the Tax Proposals will be enacted as currently proposed, but no assurance can be given that this will be the case. This summary does not otherwise take into account or anticipate any changes in law or in the practices and policies of the CRA, whether by legislative, governmental or judicial action or interpretation, nor does it take into account provincial, territorial or foreign income tax legislation or considerations.

This summary is of a general nature only, is not exhaustive of all Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to

any particular Non-Resident Holder. Non-Resident Holders are advised to consult their own tax advisers with respect to their particular situations. *Canadian federal income tax considerations applicable to Notes may be described particularly when such Notes are offered (and then only to the extent material) in the applicable Final Terms related thereto if they are not addressed by the comments following and, in that event, the comments following will be superseded thereby to the extent indicated therein.*

Interest paid or credited or deemed to be paid or credited on a Note issued by Caterpillar Financial Services Limited to a Non-Resident Holder (including any amount paid at maturity in excess of the principal amount and interest deemed to be paid on the Note in certain cases involving an assignment or other transfer of a Note to a resident or deemed resident of Canada) will not be subject to Canadian non-resident withholding tax unless such interest (other than on a “prescribed obligation” as described below) is “participating debt interest” for the purposes of the Canadian Tax Act. Interest paid or credited or deemed to be paid or credited on a Note to a Non-Resident Holder will generally not be participating debt interest for the purposes of the Canadian Tax Act provided that no portion of such interest is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class or series of shares of the capital stock of a corporation. A prescribed obligation is an “indexed debt obligation” (as described below) in respect of which no amount payable in respect of it is (a) contingent or dependent upon the use of, or production from, property in Canada, or (b) computed by reference to: (i) revenue, profit, cash flow, commodity price or any other similar criterion, other than a change in the purchasing power of money, or (ii) dividends paid or payable to shareholders of any class or series of shares of the capital stock of a corporation. An indexed debt obligation is a debt obligation the terms of which provide for an adjustment to an amount payable in respect of the obligation for a period during which the obligation was outstanding which adjustment is determined by reference to a change in the purchasing power of money.

In the event that a Note is redeemed, cancelled, repurchased or purchased, as the case may be, by Caterpillar Financial Services Limited or any other resident or deemed resident of Canada (“Canadian Transferee”) from a Non-Resident Holder, or is otherwise assigned or transferred by a Non-Resident Holder, to a Canadian Transferee for an amount which exceeds, generally, the issue price thereof, all or a portion of such excess amount may be deemed to be interest and may be subject to Canadian non-resident withholding tax if: (i) all or any portion of such interest is participating debt interest and (ii) the Note is not considered to be an “excluded obligation” for the purposes of the Canadian Tax Act. A Note which is not an indexed debt obligation, that was issued for an amount not less than 97% of the principal amount (as defined for the purposes of the Canadian Tax Act) of the Note, and the yield from which, expressed in terms of an annual rate (determined in accordance with the Canadian Tax Act) on the amount for which the Note was issued does not exceed $\frac{4}{3}$ of the interest stipulated to be payable on the Note, expressed in terms of an annual rate on the outstanding principal amount from time to time will generally be an excluded obligation for this purpose.

If applicable, the rate of Canadian non-resident withholding tax under the Canadian Tax Act is 25% but such rate may be reduced under the terms of an applicable income tax treaty.

Generally there are no other Canadian federal income taxes that would be payable by a Non-Resident Holder as a result of holding or disposing of a Note (including for greater certainty, any gain realized by a Non-Resident Holder on a disposition of a Note). There may, however, be additional tax considerations in respect of Notes that are exchangeable or convertible.

EU Savings Directive

Under EC Council Directive 2003/48/EC (the "Directive") on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) made by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the

conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories, including Switzerland, have adopted similar measures (a withholding system in the case of Switzerland).

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Luxembourg Taxation

The following summary is of a general nature and based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Withholding Tax

(i) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the laws of 21st June, 2005 (the "Laws") mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, or on accrued but unpaid interest in respect of the Notes or is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3rd June, 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the "Territories"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 35 per cent.

(ii) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23rd December, 2005 (the "Law") mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes or on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law would be subject to withholding tax of 10 per cent.

SUBSCRIPTION AND SALE

SUMMARY OF DEALER AGREEMENT

Subject to the terms and conditions contained in an amended and restated Dealer Agreement dated 15th March, 2013 (the "Dealer Agreement", as further amended, restated and/or updated from time to time) between the Issuers, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis by the Issuers to the Permanent Dealers. However, each Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by each Issuer through the Dealers, acting as agents of the relevant Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The relevant Issuer will pay each relevant Dealer a commission in respect of Notes subscribed by it as separately agreed between them. Each Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme.

Each Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the relevant Issuer.

SELLING RESTRICTIONS

United States

The Notes and Guarantee have not been and will not be registered under the Securities Act, and the Notes 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 Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Each Dealer represents and agrees and each further Dealer appointed under the Programme will be required to represent and agree that it has offered and sold any Notes, and will offer and sell any Notes, only in accordance with Regulation S under the Securities Act. Accordingly, each Dealer represents and agrees and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold, and will not offer or sell, any Notes (a) as part of their distribution at any time or (b) otherwise until 40 days (or such other period as may be required from time to time by applicable law) after completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified to the Issuer by the relevant Dealer or, in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer further represents and agrees that neither it nor its affiliates nor any person acting on its or their behalf has or have engaged or will engage in any directed selling efforts with respect to the Notes and that it and they have complied and will comply with the offering restrictions requirements of Regulation S. Each Dealer also agrees that, at or prior to confirmation of the sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially this effect. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Bearer Notes 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 U.S. persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in the preceding sentence have the meanings given to them by the Code and Treasury regulations thereunder.

Bearer Notes are subject to U.S. federal tax law requirements and each Dealer represents and agrees and each further Dealer appointed under the Programme will be required to represent and agree that: (a) except to the extent permitted under U.S. Treasury Regulation 1.163-5(c)(2)(i)(D) (the "D Rules"),

(i) it will not offer or sell Bearer Notes during the restricted period to a person who is within the United States or its possessions or to a United States person, and (ii) it will not deliver within the United States or its possessions definitive Bearer Notes that are sold during the restricted period; (b) it will have in effect throughout the restricted period procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Notes are aware that such Bearer Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules; (c) if it is a United States person, it is acquiring the Bearer Notes for the purposes of resale in connection with their original issuance and if it retains Bearer Notes for its own account, it will only do so in accordance with the requirements of U.S. Treasury Regulation 1.163-5(c)(2)(i)(D)(6); and (d) with respect to each affiliate that acquires from it Bearer Notes for the purpose of offering or selling such Bearer Notes during the restricted period, it repeats and confirms the representations and agreements contained in (a), (b) and (c) on their behalf. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and U.S. Treasury regulations thereunder, including the D Rules.

Each issuance of Index Linked Notes and Dual Currency Notes will be subject to such additional U.S. selling restrictions as the relevant Issuer and the relevant Dealer(s) may agree, as indicated in the applicable Final Terms. Each Dealer represents and agrees and each further Dealer appointed under the Programme will be required to represent and agree that it will offer, sell or deliver such Notes only in compliance with such additional U.S. selling restrictions.

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 Offering Circular, as completed by the final terms in relation thereto, to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes 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 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 Notes referred to above shall require the Issuer, the Guarantor 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 of Notes to the public" in relation to any Notes 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, 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 each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

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 having a maturity of less than one year, (i) 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 (ii) 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 businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "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 (if applicable); 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.

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 are subject to the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957), as amended (the "Act on Special Measures Concerning Taxation"). Each of the Dealers has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that (a) 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 (which term used in (a) includes any corporation or other entity organised under the laws of Japan) for Japanese securities law purposes or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, an individual 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, regulative and governmental guidelines of Japan; and (b) it (i) has not, directly or indirectly, offered or sold any Notes issued by CFC to, or for the benefit of, any person other than a Gross Recipient (as hereinafter defined) and (ii) will not, directly or indirectly, offer or sell any Notes issued by CFC, (x) as part of its initial distribution at any time to, or for the benefit of, any person other than a Gross Recipient, and (y) otherwise until 40 days after the date of issue to, or for the benefit of, any individual resident of Japan or Japanese corporation for Japanese tax purposes (except for a Japanese financial institution, as designated in Article 3-2-2, paragraph (29) of the Cabinet Order, that will hold the Notes issued by CFC for its own proprietary account (a "Designated Financial Institution") and an individual resident of Japan or a Japanese corporation whose receipt of interest on the Notes issued by CFC will be made through a payment handling agent in Japan as defined in Article 2-2, paragraph (2) of the Cabinet Order relating to Article 3-3 of the Act on Special Measures Concerning Taxation of Japan (an "Article 3-3 Japanese Resident")). A "Gross Recipient" as used in (b) above means (A) a beneficial owner that is, for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with CFC as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan (a "specially-related person of CFC"), (B) a Designated Financial Institution, or (C) an Article 3-3 Japanese Resident.

Ireland

Each Dealer has further represented and agreed (and each further Dealer appointed under the Programme will be required to further represent and agree) that it has complied and will comply with all applicable provisions of the European Communities (Markets in Financial Instruments) Regulations 2007, as amended (the "MiFID Regulations") with respect to anything done by it in relation to the Notes or the Programme if operating in or otherwise involving Ireland and, in the case of a Dealer acting under and within the terms of an authorisation to do so for the purposes of MiFID, it has complied with any applicable requirements of the MiFID Regulations or as imposed, or deemed to have been imposed, by the Central Bank of Ireland pursuant to the MiFID Regulations and, in the case of a Dealer acting within the terms of an authorisation granted to it for the purposes of Directive 2006/48/EC of the European Parliament and the Council of 14th June, 2006 relating to the taking up and the pursuit of the business of credit institutions, as amended, replaced or consolidated from time to time, it has complied with any codes of conduct or practice made under Section 117(1) of the Central Bank Act 1989 of Ireland (as amended) and any applicable requirements of the MiFID Regulations or as imposed by the Central Bank of Ireland pursuant to the MiFID Regulations.

France

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and it has not distributed or caused to be distributed, and will not distribute or cause to be distributed, to the public in France this Offering Circular, the applicable Final Terms or any other offering material relating to the Notes and that such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties, and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, other than individuals all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*.

Russian Federation

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold or transferred or otherwise disposed of, and will not offer or sell or transfer or otherwise dispose of, any Notes (as part of their initial distribution or at any time thereafter) to or for the benefit of any persons (including legal entities) resident, incorporated, established or having their usual residence in the Russian Federation or to any person located within the territory of the Russian Federation unless and to the extent otherwise permitted under Russian law.

Since neither the issuance of the Notes nor a securities prospectus in respect of the Notes has been registered, or is intended to be registered, with the Federal Service for Financial Markets of the Russian Federation, the Notes are not eligible for initial offering or public circulation in the Russian Federation and may not be sold or offered in the Russian Federation in any way other than to Russian "qualified investors" (as defined under Russian law) in a manner that does not constitute "advertisement", "placement" or "public circulation" (as defined under Russian law) of the Notes in the Russian Federation. Information set forth in this Offering Circular is not an offer, advertisement or invitation to make offers, to sell, exchange or otherwise transfer the Notes in the Russian Federation or to or for the benefit of any Russian person or entity.

Hong Kong

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that:

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong") by means of any document, any

Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "Securities and Futures Ordinance")) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance, or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

- (b) 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 any advertisement, invitation or document relating to the Notes, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws in 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" within the meaning of the Securities and Futures Ordinance and any rules made under that Ordinance.

People's Republic of China

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that neither it nor any of its affiliates has offered or sold or will offer or sell any of the Notes in the PRC (for such purposes, not including Hong Kong, Macau SAR or Taiwan) as part of the initial distribution of the Notes.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") and, accordingly, the Notes may not be offered or sold, nor may the Notes be the subject of an invitation for subscription or purchase, nor may this document or any other document or material in connection with the offer or sale, or any invitation for subscription or purchase of the Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) 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 SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;

- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations.

Australia

No prospectus or other disclosure document (as defined in the Australian Corporations Act) in relation to the Programme or any Notes has been or will be lodged with the Australian Securities and Investments Commission, the ASX Limited or the financial market operated by it ("ASX"), or any other stock exchange or trading facility licensed under the Australian Corporations Act. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, unless the relevant Final Terms otherwise provides, it:

- (a) has not offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of any Notes in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, the Listing Particulars or any other offering material or advertisement relating to any Notes in Australia,

unless:

- (i) the aggregate consideration payable on acceptance of the offer or invitation by each offeree or invitee is at least A\$500,000 (or its equivalent in other currencies but disregarding moneys lent by the offeror, inviter or its associates (as defined in the Australian Corporations Act)) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or 7.9 of the Australian Corporations Act and is not made to a person who is a "retail client" within the meaning of Section 761G of the Australian Corporations Act;
- (ii) such action complies with the conditions of the Australian financial services licence of the person making the offer or invitation or an applicable exemption from the requirement to hold such a licence;
- (iii) such action complies with all applicable laws, regulations and directives; and
- (iv) such action does not require any document to be lodged with, or registered by, ASIC or ASX.

In the event that CFA issues 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:

- (a) use reasonable endeavours to assist CFA in ensuring that the Notes are offered for sale in a manner which will allow payments of interest (as defined in section 128A(1AB) of the Income Tax Assessment Act of 1936 of Australia (the "Australian Tax Act")) on the Notes to be exempt from withholding tax under section 128F of the Australian Tax Act and, in particular, will, within 30 days of any Note being issued to it offer that Note:
 - (i) to at least 10 persons, each of whom the employees of any Dealer involved in the sale do not know or suspect was an "associate" (as defined in section 128F(9) of the Australian Tax Act) of the other offerees, and each of whom carries on a business of providing finance, or investing or dealing in securities in the course of operating in financial markets; or
 - (ii) as a result of negotiations being initiated publicly in electronic form, or another form, that is used in financial markets for dealing in debentures which are similar to the Notes; and
- (b) provide such information:

- (i) which is specified in any additional documentation negotiated and agreed in relation to a specific issue of the Notes; or
 - (ii) which a Dealer is reasonably able to provide to enable CFA to demonstrate the manner in which the Australian Notes were issued; and
- (c) otherwise provide, so far as it is reasonably able to do so, any other information relating to the issuance and distribution of the Australian Notes as may reasonably be required by CFA in order to establish that payments of interest are exempt from withholding tax under section 128F of the Australian Tax Act,

provided that in no circumstances shall a Dealer be obliged to disclose (1) the identity of any offeree or purchaser of any Note or any information from which such identity would be capable of being ascertained, or (2) any information, the disclosure of which would be contrary to, or prohibited by, any relevant law, regulation or directive or confidentiality agreement or undertaking binding on a Dealer.

In addition, 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 sell any Note issued by the Issuer in circumstances where employees of the Dealer aware of, or involved in, the sale know, or have reasonable grounds to suspect, that the Note or an interest in or right in respect of the Note, was being or would later be, acquired either directly or indirectly by an Offshore Associate of the Issuer acting other than in the capacity of a dealer, manager or underwriter in relation to the placement of the Notes or a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Australian Corporations Act.

"Offshore Associate" means an associate (as defined in section 128F of the Income Tax Assessment Act 1936 of Australia and any successor legislation) of the Issuer that is either a non-resident of Australia which does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia or, alternatively, a resident of Australia that acquires the Notes in carrying on business at or through a permanent establishment outside of Australia.

Canada

The Notes have also 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 acknowledge, represent and agree, that:

- (a) it has not offered, sold or delivered, and that it will not offer, sell 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, in the case of Notes issued by CFS, without the written permission of CFS;
- (b) it will not distribute this Offering Circular or any other offering material relating to the Notes, in Canada in contravention of the securities laws of any province or territory of Canada and, in the case of Notes issued by CFS, without the written permission of CFS; and
- (c) it will deliver to any purchaser who purchases from it any Notes issued by CLS a notice stating in substance that, by purchasing such Notes, such purchaser represents and agrees that it has not offered or sold, and until 40 days after any closing date, will not offer or sell, directly or indirectly, any of such Notes in Canada or to, or for the benefit of, any resident thereof, except pursuant to available exemptions from applicable Canadian provincial or territorial securities laws and will deliver to any other purchaser to whom it sells any of such Notes a notice containing substantially the same statement as in this sentence.

If 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 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.

General

These selling restrictions may be modified by the agreement of the Issuers and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be reflected within the terms of the relevant Subscription Agreement between the relevant Issuer, the Guarantor (as the case may be) and the relevant Dealer.

Each Dealer has agreed that it will comply with all relevant laws, regulations and directives known by it in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Offering Circular, any other offering material or any Final Terms, 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 neither the Issuers, the Guarantor nor any other Dealer shall have any responsibility therefor.

In addition, each Dealer has agreed or will be required to agree that, unless prohibited by applicable law, it will make available upon the request of each person to whom it offers or sells Notes a copy of this Offering Circular, as amended or supplemented.

None of the Issuers, the Guarantor or any of 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.

GENERAL INFORMATION

1. Application has been made to the CSSF to approve this document as a base prospectus for each of the Issuers. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).
2. Each Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes: the issue of the Notes and the Guarantee was authorised by resolutions of the board of directors of Cat Financial passed on 1st December, 1997, 25th March, 1999, 2nd June, 2000, 13th October, 2005, 15th November, 2007, 3rd April, 2008, 20th October, 2008, 20th November, 2009, 24th March, 2011, 15 March 2012 and 15 March, 2013; the issue of Notes by CIF was authorised by the board of directors of CIF on 12th September, 1997, 24th March, 1999, 22nd May, 2000, 30th May, 2001, 12th June, 2002, 10th July, 2003, 14th July, 2004, 4th November, 2005, 16th November, 2006, 6th November, 2007, 29th October, 2008, 8th April 2010, 29th March 2011, 15th March, 2012 and 8 March 2013; the issue of Notes by CFC is conditional upon the prior authorisation by the determination of the directors of CFC; the issue of Notes by CFA was authorised on 14 March, 2013; and the issue of Notes by CFS was authorised on 11 March, 2013.
3. There has been no significant change in the financial or trading position of Cat Financial and its subsidiaries as a whole since 31st December, 2012 and no material adverse change in the financial position or prospects of Cat Financial since 31st December, 2012, of CFC or CIF since 31st December, 2011 or of CFA since 30th November, 2011.
4. None of the Issuers nor any of their respective subsidiaries was involved in any governmental, legal or arbitration proceedings in the 12 months preceding the date of this document which may have, or in such period had, a significant effect on the financial position or profitability of the relevant Issuer, nor is the relevant Issuer aware that any such proceedings are pending or threatened.
5. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg systems. The Common Code and the International Securities Identification Number (ISIN) for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be set out in the relevant 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 SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.
6. For the period of 12 months following the date of this Offering Circular, copies of the following documents will be available, during usual business hours on any day (Saturdays, Sundays and public holidays excepted), for inspection and, in the case of the documents referred to in 6.4, 6.5, 6.6 and 6.7, will be obtainable at the offices of the Fiscal Agent and of the Paying Agent for the time being in Luxembourg:
 - 6.1 the Agency Agreement (which includes the form of the Global Notes, the definitive Notes, the Coupons, the Receipts and the Talons);
 - 6.2 the Dealer Agreement;
 - 6.3 the constitutional documents of each Issuer;

- 6.4 with respect to Cat Financial (a) its most recently filed Annual Report on Form 10-K (which as of the date of this Offering Circular is for the year ended 31st December, 2012), any of its subsequently filed Quarterly Reports on Form 10-Q, including any amendments on Form 10-Q/A, and any of its subsequently filed Current Reports on Form 8-K (Cat Financial's interim financial statements are issued on a quarterly basis); and (b) all other documents filed by Cat Financial pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Offering Circular. The items set out under (a) and (b) of this paragraph 6.4 contain, as applicable, the most recently published consolidated audited annual accounts of Cat Financial, together with their quarterly consolidated accounts (unaudited) and any additional accounts or reports published by Cat Financial;
- 6.5 with respect to CIF, its most recent publicly available audited annual financial statements (which, as of the date of this Offering Circular, is for the year ended 31st December, 2011). CIF does not publish interim financial statements;
- 6.6 with respect to CFC, its most recently publicly available audited annual financial statements (which, as of the date of this Offering Circular, is for the year ended 31st December, 2011). CFC does not publish interim financial statements;
- 6.7 with respect to CFA, its most recently publicly available audited annual financial statements (which, as of the date of this Offering Circular, is for the year ended 30th November, 2011). CFA does not publish interim financial statements;
- 6.8 with respect to CFS unaudited "summary financial information" prepared in accordance with US GAAP for each of the two financial years ending on 31 December 2011 and 2012;
- 6.9 each Final Terms for Notes that are listed on the Luxembourg Stock Exchange or any other stock exchange;
- 6.10 a copy of this Offering Circular, together with any supplement to this Offering Circular or further Offering Circular;
- 6.11 a copy of the Guarantee; and
- 6.12 a copy of the Support Agreement.

In addition, copies of the Offering Circular, each Final Terms relating to Notes which are admitted to trading on the Luxembourg Stock Exchange's regulated market, any supplement to this Offering Circular and each document incorporated by reference are available on the Luxembourg Stock Exchange's website (www.bourse.lu).

Independent Accountants

7. The financial statements of Cat Financial as of 2012 and 2011 and for each of the three years in the period ended 31st December, 2012 incorporated by reference in this Offering Circular, and the effectiveness of internal control over financial reporting as of 31st December, 2012, have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm and members of the American Institute of Certified Public Accountants, as stated in their report appearing therein.

The auditors of CIF are PricewaterhouseCoopers, Chartered Accountants and Registered Auditors and members of the Institute of Chartered Accountants in Ireland, who have audited CIF's accounts, without qualification, in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) for each of the two financial years ended on 31st December, 2011.

The auditors of CFC are PricewaterhouseCoopers Aarata, an independent registered public accounting firm registered with the Certified Public Accountants and Auditing Oversight Board (Japan) and members of the Japanese Institute of Certified Public Accountants, who have audited CFC's accounts, without qualification, in accordance with generally accepted auditing standards in Japan for the financial year ended on 31st December, 2011.

The auditors of CFA are PricewaterhouseCoopers, as members of the Institute of Chartered Accountants in Australia, who have audited CFA's accounts, without qualification, in accordance with generally accepted auditing standards in Australia for the financial year ended on 30th November, 2011.

The auditors of CFS are PricewaterhouseCoopers LLP.

Neither Cat Financial nor Caterpillar publishes non-consolidated accounts. CIF is the parent company of Caterpillar International Finance Luxembourg S.a.r.l. and accordingly publishes consolidated accounts. CFC does not publish consolidated accounts.

8. Each issue of Notes having a term of less than one year issued or offered by CIF or CFC or Cat Financial or CFA or CFS where, in the case of Cat Financial, CFC, CFA or CFS, it is issued or offered in Ireland or held by persons resident or located in Ireland in circumstances where such holding represents the acceptance by the Issuer of deposits from the public in Ireland (each, a "Relevant Note") (a) constitutes commercial paper, (b) is issued in accordance with an exemption granted by the Central Bank of Ireland under Section 8(2) of the Central Bank Act 1971, inserted by Section 31 of the Central Bank Act 1989, as amended by Section 70(d) of the Central Bank Act 1997 and as further amended, (c) does not have the status of a bank deposit, (d) is not within the scope of the Deposit Protection Scheme operated by the Central Bank of Ireland and (e) the Issuer thereof is not regulated by the Central Bank of Ireland arising from the issue of commercial paper, and each Dealer has agreed that the statements at (a) to (e) inclusive above shall (i) apply in respect of any Relevant Note subscribed by it and (ii) where it acts as agent for the Issuer in connection with the subscription for any Relevant Notes, be incorporated into any agreement entered into between it and a subscriber for any Relevant Notes.
9. Any Notes issued by CFC and Coupons appertaining thereto will bear a legend substantially to the following effect:

"Interest payment on this security will be subject to Japanese withholding tax unless it is established that the security is held by or for the account of a beneficial owner that is (i) for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with CFC, as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan (a "specially-related person of CFC") or (ii) a Japanese designated financial institution, as described in Article 6, paragraph (9) of the Act on Special Measures Concerning Taxation of Japan, which complies with the requirement for tax exemption under that paragraph.

Interest payments on this security to an individual resident of Japan, to a Japanese corporation not described in the preceding paragraph or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of CFC will be subject to deduction of Japanese income tax at a rate of 15.315 per cent. (on or after 1st January, 2038, 15 per cent.) of the amount specified in subparagraph (A) or (B) below, as applicable:

- (A) if interest is paid to an individual resident of Japan, to a Japanese corporation, to an individual non-resident of Japan to or a non-Japanese corporation that is a specially-related person of CFC (except as provided in subparagraph (B) below), the amount of such interest; or

- (B) if interest is paid to a public corporation, a financial institution or a financial instruments business operator, etc. through a Japanese payment handling agent as provided in Article 3-3, paragraph (6) of the Act on Special Measures Concerning Taxation of Japan in compliance with the requirement for tax exemption under that paragraph, the amount of such interest minus the amount provided in the Cabinet Order relating to said paragraph (6).

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