

CIT GROUP INC
Form 424B2
January 26, 2007

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Registration No. 333-131159

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Maximum Aggregate Offering Price	Amount of Registration Fee (1)
6.10% Junior Subordinated Notes Due 2067	\$500,000,000	99.941%	\$53,500

(1) The filing fee is calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

PROSPECTUS SUPPLEMENT

(To Prospectus Dated January 19, 2006)

U.S. \$500,000,000

CIT Group Inc.

6.10% Junior Subordinated Notes due March 15, 2067

This is an offering by CIT Group Inc. of \$500,000,000 of its 6.10% Junior Subordinated Notes due March 15, 2067. Interest on the notes will accrue from and including the original issue date up to, but not including, March 15, 2017 or earlier redemption date at a fixed rate equal to 6.10% per year, and will be payable semi-annually in arrears on March 15 and September 15 of each year, commencing on September 15, 2007, subject to our right to defer interest payments for up to ten years and other conditions described in this prospectus supplement under “Description of the Notes.” From and including March 15, 2017 until maturity or earlier redemption, interest on the notes will be payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing on June 15, 2017, at an annual rate equal to three-month LIBOR (as defined herein) plus a margin equal to 1.815% (181.5 basis points), subject to our right to defer interest payments for up to ten years and other conditions described in this prospectus supplement under “Description of the Notes.”

At our option, we may redeem the notes in whole or in part, on or after March 15, 2017, for cash in an amount equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest (including any compounded interest) on such notes to the redemption date, which amount we refer to as the “par redemption amount.”

Prior to March 15, 2017, we may redeem the notes, at our option, upon the occurrence of a “Tax Event” or a “Rating Agency Event,” each as defined in this prospectus supplement, in whole but not in part, for cash in an amount equal to a specified make-whole redemption amount. We may also redeem the notes, at our option, prior to March 15, 2017, in whole or in part, for cash in an amount equal to a specified make-whole redemption amount. See “Description of the Notes—Redemption.”

The notes will be issued in minimum denominations of \$2,000 and integral multiples of \$1,000, will be our junior subordinated unsecured obligations and will rank junior to our existing senior and subordinated indebtedness, as defined in the accompanying prospectus, and any other senior and subordinated indebtedness that we or any of our subsidiaries incur in the future, except for any indebtedness that explicitly ranks on parity with the notes.

As further described in this prospectus supplement, if we have failed to satisfy certain financial tests, which failure we refer to as a trigger event, we will be required, unless a market disruption event, or MDE, has occurred and is continuing, to make commercially reasonable efforts to sell certain of our equity securities and to pay interest on the notes only from the net proceeds of those sales and other sales of those equity securities during the 180 days prior to the next interest payment date, and to the extent such proceeds are insufficient to pay such interest in full, we will be required to mandatorily defer any remaining accrued and unpaid interest. An Event of Default will occur if non-payment of interest, due to an optional or mandatory deferral, or any combination thereof, continues for more than ten consecutive years without all accrued and unpaid interest (including any compounded interest) having been paid in full. In certain events of our bankruptcy, insolvency or receivership prior to the maturity or redemption of any of the notes, whether voluntary or not, a holder of the notes will have no claim for, and thus no right to receive, mandatorily deferred and unpaid interest (including compounded interest thereon) that has not been settled through the application of the alternative payment mechanism (as described herein) to the extent the amount of such interest exceeds two years of accrued and unpaid mandatorily deferred interest. The notes will not be subject to redemption at the option of the holder or to any sinking fund payments. We do not plan to apply to list the notes on any securities exchange or to include them in any automated quotation system.

Investing in the notes involves risks. See “Risk Factors” beginning on page S-12 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Per Note	Total
Initial offering price (1)	99.941%	\$ 499,705,000
Underwriting discount	1.000%	\$ 5,000,000
Proceeds, before expenses, to CIT Group Inc.	98.941%	\$ 494,705,000

(1) Plus accrued interest, if any, from the original issue date.

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company, Clearstream or Euroclear, as the case may be, on or about January 31, 2007.

Barclays Capital

Lehman Brothers

Merrill Lynch & Co.

Banc of America Securities LLC

Citigroup

JPMorgan

UBS Investment Bank

Bear, Stearns & Co. Inc.

Goldman, Sachs & Co.

Morgan Stanley

Wachovia Securities

The date of this prospectus supplement is January 24, 2007.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the notes that we are offering and other matters relating to us and our financial condition. The second part is the attached base prospectus, which gives more general information about securities we may offer from time to time, some of which does not apply to the notes we are offering. The description of the terms of the notes contained in this prospectus supplement supplements the description in the attached prospectus under "Description of Debt Securities," and to the extent it is inconsistent with that description, the information in this prospectus supplement replaces the information in the attached prospectus. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. If information in the prospectus supplement differs from information in the attached base prospectus, you should rely on the information in this prospectus supplement.

Except as the context otherwise requires, or as otherwise specified or used in this prospectus supplement or the accompanying prospectus, the terms "we," "our," "us," "the company," "CIT," "CIT Group" and "CIT Group Inc." refer to CIT Group Inc. only and not any of its subsidiaries. References in this prospectus supplement to "U.S. dollars," "U.S. \$" or "\$" are to the currency of the United States of America.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the prospectus or to documents which we otherwise refer you to. We and the underwriters have not authorized anyone else to provide you with different or additional information. We are not making an offer of these notes in any jurisdiction where the offer is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus supplement or in the prospectus is accurate as of any date other than the date on the front of that document.

The distribution of this prospectus supplement and the attached prospectus and the offering of the notes in certain jurisdictions may be restricted by law. Persons who come into possession of this prospectus supplement and the attached prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the attached prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

You should not consider any information in this prospectus supplement or the prospectus to be investment, legal or tax advice. You should consult your own counsel, accountant and other advisors for legal, tax, business, financial and related advice regarding the purchase of the notes. We are not making any representation to you regarding the legality of an investment in the notes by you under applicable investment or similar laws.

You should read and consider all information contained or incorporated by reference in this prospectus supplement and the prospectus before making your investment decision.

SUMMARY

The following summary highlights selected information contained elsewhere in this prospectus supplement and in the documents incorporated by reference in this prospectus supplement and does not contain all the information you will need in making your investment decision. You should read carefully this entire prospectus supplement, the attached prospectus and the documents incorporated by reference in this prospectus supplement.

CIT Group Inc.

CIT Group Inc., a Delaware corporation, is a leading global commercial and consumer finance company with a focus on middle-market companies. Founded in 1908, we provide financing and leasing capital for consumers and companies in a wide variety of industries. We offer vendor, equipment and commercial finance products, factoring, home lending, small business lending, student lending, structured financing products, and commercial real estate financing, as well as mergers and acquisitions and management advisory services.

We have broad access to customers and markets through our diverse businesses. Each business has industry alignment and focuses on specific sectors, products, and markets, with portfolios diversified by client and geography. The majority of our businesses focus on commercial clients ranging from small to larger companies with particular emphasis on the middle-market. We serve a wide variety of industries, including manufacturing, transportation, retailing, wholesaling, construction, healthcare, communications, media and entertainment and various service-related industries. We also provide financing to consumers in the home and student loan markets.

Our commercial products include direct loans and leases, operating leases, leveraged and single investor leases, secured revolving lines of credit and term loans, credit and interest rate protection, accounts receivable collection, import and export financing, debtor-in-possession and turnaround financing, acquisition and expansion financing and U.S. government-backed small business loans. Consumer products are primarily first mortgage loans and government-backed student loans. Our commercial and consumer offerings include both fixed and floating-interest rate products.

We also offer a wide variety of services to our commercial and consumer clients, including capital markets structuring and syndication, finance-based insurance, and advisory services in asset finance, balance sheet restructuring, merger and acquisition and commercial real estate analysis.

We generate transactions through direct calling efforts with borrowers, lessees, equipment end-users, vendors, manufacturers and distributors, and through referral sources and other intermediaries. In addition, our business units work together both in referring transactions among units (i.e. cross-selling) and by combining various products and structures to meet our customers' overall financing needs. We also buy and sell participations in and syndications of finance receivables and lines of credit. From time to time, in the normal course of business, we purchase finance receivables on a wholesale basis (commonly called bulk portfolio purchases).

We generate revenue by earning interest income on the loans we hold on our balance sheet, collecting rentals on the equipment we lease and generating fee and other income from our service-based operations. We also sell certain finance receivables and equipment to reduce our concentration risk, manage our balance sheet or improve profitability.

We fund our businesses in the capital markets. The primary funding sources are term debt (U.S., European, and other), commercial paper (U.S., Canada and Australia), and asset-backed securities (U.S. and Canada).

Our principal executive offices are located at 505 Fifth Avenue, New York, New York 10017. Our telephone number is (212) 771-0505.

The Offering

Issuer	CIT Group Inc.
Securities	6.10% Junior Subordinated Notes due March 15, 2067 (the "notes")
Aggregate Principal Amount	\$500,000,000
Maturity Date	The notes will mature on March 15, 2067, provided that if such day is not a Business Day, the payment of principal and accrued interest, if any, may be made on the next succeeding Business Day, as if it were made on the date such payment was due, and no interest will accrue as a result of such delayed payment.
Interest	<p>Subject to certain requirements during any optional deferral period or following a trigger event, as described below, interest on the notes will accrue:</p> <p>□ from and including the original issue date up to, but not including, March 15, 2017 or earlier redemption date at a fixed rate equal to 6.10% per year, payable semi-annually in arrears on March 15 and September 15 of each year, commencing on September 15, 2007; provided, however, if such interest payment date is not a Business Day, the payment of interest may be made on the next succeeding Business Day, as if it were made on the date such payment was due, and no interest will accrue as a result of such delayed payment; and</p> <p>□ from and including March 15, 2017 up to, but not including, the maturity date or earlier redemption date, interest on the notes will accrue at an annual rate equal to three-month LIBOR (as defined herein) plus a margin equal to 1.815% (181.5 basis points), payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing on June 15, 2017; provided, however, that if any such day (other than the maturity date or a redemption date) is not a Business Day, then the interest payment date will be postponed to the following day that is a Business Day, except that if such Business Day falls in the next succeeding calendar month, such interest payment date will be the immediately preceding Business Day.</p>
Use of Proceeds	We anticipate that we will use all or a substantial portion of the net proceeds from this offering to fund a repurchase of our common stock and any remaining net proceeds for general corporate purposes.
Indenture	We will issue the notes pursuant to the subordinated indenture dated as of January 20, 2006 between CIT Group Inc. and The Bank of New York (as successor to JPMorgan Chase Bank, N.A.), as trustee, as amended and supplemented by a supplemental indenture to be dated as of the date of completion of this offering. In this prospectus supplement, we refer to the indenture, as supplemented by the supplemental indenture, as the "indenture."
Redemption	At our option, we may redeem the notes in whole or in part, on or after March 15, 2017, for cash in an amount equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest, including any compounded interest, on such notes to the redemption date, which amount we refer to as the "par redemption amount." We may also redeem the notes at our option, prior to March 15, 2017, in whole or in part, for cash in an amount equal to a specified make-whole

redemption amount. See [Description of the Notes]Redemption.

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Tax Event or Rating Agency Event	Prior to March 15, 2017, we may redeem the notes at our option, upon the occurrence of a "Tax Event" or a "Rating Agency Event," each as defined in this prospectus supplement, in whole but not in part, for cash in an amount equal to a specified make-whole redemption amount. See "Description of the Notes"Redemption.
Capital Replacement Intent	We intend that, if we redeem or defease, or if we or our affiliates purchase, the notes, we will do so only to the extent that the aggregate principal amount of notes to be redeemed, defeased or purchased is equal to or less than the net proceeds we or our affiliates have received during the six months prior to the date of such redemption, defeasance or purchase from the sale or issuance to third-party purchasers of qualifying securities (as defined in "Description of the Notes"Capital Replacement Intent).
Optional Deferral	<p>So long as no Event of Default with respect to the notes or trigger event has occurred or is continuing, we may in our discretion defer payment of interest for any interest period, for up to ten consecutive years at any time during the life of the notes, provided that any such optional deferral period may not extend beyond the maturity date of the notes. We must provide notice of our election to defer interest no more than 60 and no fewer than 15 days prior to each relevant interest payment date.</p> <p>Optionally deferred interest will accumulate and will accrue interest which will be compounded semiannually or quarterly, as applicable, to the extent permitted by applicable law, at the rate of interest from time to time applicable to the notes. We may settle any and all optionally deferred interest with cash from any source. At the end of any optional deferral period, we will be required to pay all accrued and unpaid interest, but we will then be free to optionally defer interest again subject to the same limitations set forth above. There is no limit to the number of times during the life of the notes that we may elect to defer payment of interest or the aggregate number of years we may elect to defer payment of interest as long as no single deferral period extends beyond ten consecutive years.</p>
Trigger Event	<p>A trigger event will have occurred as of any trigger determination date if either (a) the Tangible Equity Amount (as defined below) is less than 5.5% of Total Managed Assets (as defined below) for the most recently completed fiscal quarter; or (b) the Average Four Quarters Fixed Charge Ratio (as defined below) for the most recently completed fiscal quarter is less than or equal to 1.10. See "Description of the Notes"Trigger Event.</p> <p>The trigger determination date is the 30th day prior to each interest payment date.</p>
Consequences of a Trigger Event	If, as of a trigger determination date, a trigger event has occurred and for so long as it is continuing (a "trigger period"), our ability to pay interest for that interest period will be limited and we will be required to use commercially reasonable efforts to sell certain of our equity securities and to satisfy interest payments on the notes (other than any interest that accrued during an optional deferral period prior to the occurrence of the trigger event, which may remain unpaid or be paid out of any source of funds) on the next interest payment date pursuant to the Alternative Payment Mechanism, or APM. If a market disruption event, or MDE, prevents us from making such interest payment in accordance with the APM, we must defer payments of interest until the termination of the MDE, but not later than ten consecutive years after

the first date on which

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we deferred interest (whether due to an optional deferral or mandatory deferral) or the maturity date. Deferred interest payments in these circumstances will constitute mandatorily deferred interest. Any unpaid mandatorily deferred interest, together with any compounded interest thereon, may only be paid using the APM, except at maturity or if there is an Event of Default under the notes, in which case we may pay such amounts with cash from any source.

During a trigger period, any unpaid optionally or mandatorily deferred interest will accumulate and will accrue interest which will be compounded semiannually or quarterly, as applicable, to the extent permitted by applicable law, at the then applicable rate of interest on the notes.

Our obligation to satisfy interest payments on the notes (other than any interest that accrued during an optional deferral period prior to the occurrence of the trigger event) pursuant to the APM, subject to the occurrence of an MDE, during the occurrence and continuation of a trigger event will apply notwithstanding our election (if any) of an optional deferral with respect to such period. Consequently, if a trigger event has occurred as of any trigger determination date, our previous, concurrent or subsequent delivery of a notice of optional deferral will be without effect with respect to the interest payment date to which the trigger event relates.

Limitation on Deferral Periods

No interest deferral period, whether optional, mandatory, or a combination thereof shall exceed ten consecutive years, and if an interest deferral period, whether optional, mandatory or a combination thereof, exceeds ten consecutive years, the holders of the then outstanding notes shall have the right to accelerate the notes and receive principal of and all accrued but unpaid interest on the notes.

Alternative Payment Mechanism (APM)

During a trigger period, we must, subject to the occurrence of an MDE, make commercially reasonable efforts to sell shares of our common stock (which may include treasury shares and may include sales of shares of common stock to any of our employee benefit plans or dividend reinvestment plans) in an amount not exceeding the share cap amount (as defined below) or Qualifying Preferred Stock such that we will have raised an aggregate amount of net proceeds from such sales, together with any other sales of such securities over the 180-day period prior to the next interest payment date, that is sufficient to satisfy accrued and unpaid interest (including any compounded interest) on the notes (other than any interest that accrued during an optional deferral period prior to the occurrence of the trigger event, which may remain unpaid or be paid out of any source of funds) on such interest payment date, and we will be required to satisfy such accrued and unpaid interest (including any compounded interest) on the notes on such interest payment date to the extent, and only to the extent, of the amount of such aggregate net proceeds; provided, however, that in no event shall the sale of Qualifying Preferred Stock in connection with the APM in the aggregate exceed 25% of the original aggregate principal amount of the notes. To the extent the amount of such aggregate net proceeds is insufficient to satisfy such accrued and unpaid interest (including any compounded interest) on the notes in full, we will be required to mandatorily defer any remaining accrued and unpaid interest.

□Commercially reasonable efforts□ to sell the securities referred to in the foregoing paragraph means commercially reasonable efforts to complete the offer and sale of such securities to third parties that are not our subsidiaries in public offerings or private placements, provided that we will be deemed to have made such commercially reasonable efforts during an MDE or for so long as we are prevented from selling shares of our common stock or Qualifying Preferred Stock in accordance with the APM because we do not have shares available for issuance, regardless of whether we make any offers or sales during such time period. For the avoidance of doubt, we will not be considered to have made commercially reasonable efforts to effect a sale of such securities if we determine to not pursue or complete such sale due to pricing, dividend rate or dilution considerations.

The □share cap amount□ will initially equal 50,000,000 shares of our common stock. If the issued and outstanding shares of our common stock shall have been changed into a different number of shares or a different class by reason of any stock split, reverse stock split, stock dividend, reclassification, recapitalization, split-up, combination, exchange of shares or other similar transaction, then the share cap amount shall be correspondingly adjusted. We may, at our discretion, increase the share cap amount (including through the increase of our authorized share capital, if necessary) if we determine that such increase is necessary to allow us to issue sufficient shares to satisfy our obligations to pay deferred interest on the notes pursuant to the APM.

If an MDE prevents us from making interest payments in accordance with the APM, we must defer payments of interest until the termination of the MDE, but not later than ten consecutive years after the first date on which we deferred interest (whether due to an optional deferral or mandatory deferral) or the maturity date. Any unpaid mandatorily deferred interest, together with any compounded interest thereon, may only be paid using the APM, except at maturity or if there is an Event of Default under the notes, in which case we may pay such amounts with cash from any source.

Any interest payment made pursuant to the APM will first be allocated to payment of the interest due on the interest payment date for the current interest period. Any payment of interest in excess of the amount of interest due on that interest payment date for the current interest period will be applied first against any then existing accrued and unpaid interest with respect to prior interest periods for which interest must be paid pursuant to the APM, in chronological order beginning with the earliest interest period for which interest has not been paid in full and for which such interest must be paid pursuant to the APM, including compounded interest.

In the event that we defer an interest payment on the notes and on other securities that rank equally with the notes and contain similar requirements to pay interest pursuant to the APM, we will apply any net proceeds so raised on a pro rata basis towards our obligations to pay interest on the notes and such equally ranking securities in proportion to the total amounts that are due on the notes and such securities, or on such other basis as any regulatory authority may instruct (taking into account the availability of proceeds of preferred shares or other securities to settle deferred interest under any such other equally ranking securities).

Payment Restrictions

On any date on which accrued interest through the most recent interest payment date has not been paid in full and until such time as all accrued and unpaid interest, together with any compounded interest, is paid in full, we will not, and will not permit any of our subsidiaries to, declare or pay any dividends or any distributions on, or make any payments of interest, principal or premium, or any guarantee payments on, or redeem, purchase, acquire or make a liquidation payment on, any capital stock of CIT, debt securities that rank equal or junior to the notes or guarantees that rank equal or junior to the notes, except for certain exceptions detailed in Description of the NotesPayment Restrictions.

Subordination

The payment of principal of and interest on the notes will be, to the extent provided in the indenture, subordinated to the prior payment in full of all present and future senior and subordinated indebtedness, as described in Description of the NotesSubordination, and will be effectively subordinated to all indebtedness of our subsidiaries. The indenture places no limitation on the amount of additional indebtedness, including senior indebtedness that may be incurred by us. We expect, from time to time, to incur additional indebtedness, including senior indebtedness.

Limitation on Claims in the Event of our Bankruptcy, Insolvency or Receivership

In certain events of our bankruptcy, insolvency or receivership prior to the maturity or redemption of any notes, whether voluntary or not, holders of the notes will have no claim for, and thus no right to receive, mandatorily deferred and unpaid interest (including compounded interest thereon) that has not been settled through the application of the APM to the extent the amount of such interest exceeds two years of accrued and unpaid mandatorily deferred interest.

Events of Default

An Event of Default means any one of the following events that occurs with respect to the notes:

- we fail to pay interest on the notes for 30 days after payment was due; provided, however that a default under this bullet point will not occur if we have deferred interest, as permitted under the indenture, in connection with an optional or mandatory deferral;
- we fail to make the principal or any premium payment on the notes when due;
- we defer interest, whether optionally or mandatorily, or a combination thereof, for more than ten consecutive years without accrued and unpaid interest being paid in full; or
- we or a court take certain actions relating to the bankruptcy, insolvency or reorganization of our company.

The Events of Default contained in the indenture (and the circumstances under which payment of the notes could be accelerated) will not include failure to comply with certain covenants in the indenture, including, but not limited to, the covenant to use commercially reasonable efforts to sell certain of our equity securities as described under Description of the

Certain U.S. Federal Income Tax Considerations

A holder will generally take into account interest on the notes at the time it is accrued or received, in accordance with such holder's method of accounting for U.S. federal income tax purposes. If interest payments on the notes are deferred (either optionally or mandatorily), a holder will thereafter be required to include interest in income as it accrues, regardless of such holder's method of accounting for U.S. federal income tax purposes, using a constant yield method. Consequently, holders of the notes would be required to include interest in income even though no cash payments would be made during the deferral period. See "Certain U.S. Federal Income Tax Considerations" in this prospectus supplement and the attached prospectus.

In connection with the issuance of the notes, Shearman & Sterling LLP, our special tax counsel, will provide us with its opinion generally to the effect that under then current law and assuming full compliance with the terms of the subordinated indenture and other relevant documents, and based on the facts and assumptions contained in such opinion and certain representations provided by us, the notes will be treated as indebtedness for U.S. federal income tax purposes (although there is no controlling authority directly on point). Such opinion is not binding on the IRS or any court, and there can be no assurance that the IRS or a court will agree with such opinion. We agree, and by acquiring a note each holder of a note will agree, to treat the notes as indebtedness for U.S. federal income tax purposes. If the IRS were to challenge successfully the classification of the notes as indebtedness, interest payments on the notes would be treated for such purposes as dividends to the extent of our current or accumulated earnings and profits. In the case of Non-U.S. Holders, distributions treated as dividends would be subject to withholding of U.S. federal income tax, except to the extent provided by an applicable income tax treaty.

Form

The notes will be represented by one or more global securities registered in the name of Cede & Co., as nominee for DTC. Beneficial interests in the notes will be evidenced by, and transfers thereof will be effected only through, records maintained by the participants in DTC.

Trustee and Principal Paying Agent

The Bank of New York (as successor to JPMorgan Chase Bank, N.A.)

Governing Law

New York

Accounting Treatment

The notes will be reflected on our balance sheet as debt, and interest payments on the notes will be included as interest expense on our statement of income.

SELECTED CONSOLIDATED FINANCIAL INFORMATION OF CIT GROUP INC.

The following tables set out selected consolidated financial information regarding CIT's results of operations and balance sheets. The financial data at December 31, 2005 and December 31, 2004 and for the years ended December 31, 2005, December 31, 2004 and December 31, 2003 were derived from the audited consolidated financial statements of CIT incorporated by reference into this prospectus supplement. The financial data at December 31, 2003, December 31, 2002, September 30, 2002 and September 30, 2001 and for the periods ended December 31, 2002, September 30, 2002 and September 30, 2001 were derived from audited financial statements that are not incorporated by reference into this prospectus supplement. The financial data at September 30, 2006 and September 30, 2005 and for the nine-month periods then ended is derived from the unaudited consolidated financial statements of CIT included in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2006, which is incorporated by reference into this prospectus supplement. Certain prior period balances have been conformed to present period presentation. You should read the selected consolidated financial data below in conjunction with our consolidated financial statements. See "Where You Can Find More Information" in this prospectus supplement.

	At or for the Nine Months Ended	At or for the Nine Months Ended	At or for the Year Ended	At or for the Year Ended	At or for the Year Ended	At or for the Three Months Ended	At or for the Year Ended	At or for the Nine Months Ended
(\$ in millions, except per share data)	September 30, 2006	September 30, 2005	December 31, 2005	December 31, 2004	December 31, 2003	December 31, 2002	September 30, 2002	September 30, 2001
Results of Operations								
Net finance revenue, after depreciation on operating lease equipment	\$1,338.5	\$1,206.3	\$1,635.2	\$1,535.3	\$1,303.1	\$339.8	\$1,619.4	\$1,291.8
Provision for credit losses	154.0	162.4	217.0	214.2	387.3	133.4	788.3	332.5
Total revenue, net of interest expense, depreciation and credit provision	2,072.8	1,892.5	2,555.6	2,208.2	1,775.1	463.5	1,763.4	1,531.9
Salaries and general operating expenses	1,019.6	813.9	1,113.8	1,012.0	888.2	227.5	903.3	767.5
Goodwill impairment	□	□	□	□	□	□	6,511.7	□
Goodwill amortization	□	□	□	□	□	□	□	97.6
Acquisition related costs	□	□	□	□	□	□	□	54.0
Interest expense[TCH	□	□	□	□	□	□	662.6	98.8
Provision for								

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restructuring Gain on redemption of debt	19.6	25.2	25.2	□	□	□	□	□
Net income (loss) available to common shareholders	□	□	□	41.8	50.4	□	□	□
Net income (loss) per common share(1)□	756.5	688.1	936.4	753.6	566.9	141.3	(6,698.7)	263.3
basic Net income (loss) per common share(1)□	3.80	3.31	4.54	3.57	2.68	0.67	(31.66)	1.24
diluted Dividends per common share(1)	3.72	3.24	4.44	3.50	2.66	0.67	(31.66)	1.24
	0.60	0.45	0.61	0.52	0.48	0.12	□	0.25

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(\$ in millions, except per share data)	At or for the Nine Months Ended	At or for the Nine Months Ended	At or for the Year Ended	At or for the Year Ended	At or for the Year Ended	At or for the Three Months Ended	At or for the Year Ended	At or for the Nine Months Ended
	September	September	December	December	December	December	September	September
	30, 2006	30, 2005	31, 2005	31, 2004	31, 2003	31, 2002	30, 2002	30, 2001
Balance Sheet Data								
Finance receivables Reserve for credit losses	\$53,161.0	\$42,685.2	\$44,294.5	\$35,048.2	\$31,300.2	\$27,621.3	\$28,459.0	\$31,879.4
Operating lease equipment, net	658.8	652.8	621.7	617.2	643.7	760.8	777.8	492.9
Goodwill and intangible assets	10,472.5	9,184.4	9,635.7	8,290.9	7,615.5	6,704.6	6,567.4	6,402.8
Total assets	1,028.0	1,003.8	1,011.5	596.5	487.7	400.9	402.0	6,569.5
Commercial paper	73,189.6	60,150.2	63,386.6	51,111.3	46,342.8	41,932.4	42,710.5	51,349.3
Deposits	4,662.5	5,185.1	5,225.0	4,210.9	4,173.9	4,974.6	4,654.2	8,869.2
Variable-rate bank credit facilities	2,210.3	248.2	261.9	157.7	48.2	□	□	□
Variable-rate senior notes	□	□	□	□	□	2,118.0	4,037.4	□
Fixed-rate senior notes	18,376.0	14,318.1	15,485.1	11,545.0	9,408.4	4,906.9	5,379.0	9,614.6
Non-recourse, secured borrowings	26,802.1	21,157.7	22,591.7	21,557.4	19,782.6	19,681.8	18,385.4	17,113.9
education lending Preferred capital	4,463.4	3,737.7	4,048.8	□	□	□	□	□
securities	250.7	252.5	252.0	253.8	255.5	257.2	257.7	260.0
Total Stockholders' equity	7,559.2	6,611.8	6,962.7	6,055.1	5,394.2	4,870.7	4,757.8	5,947.6

(1) Net income (loss) and dividend per share calculations for the period September 30, 2001 are based on the number of common shares outstanding (basic and diluted of 211.6 million and 211.7 million, respectively) upon the completion of the July 2002 initial public offering.

At or for the Nine Months Ended	At or for the Nine Months Ended	At or for the Year Ended	At or for the Year Ended	At or for the Year Ended	At or for the Three Months Ended	At or for the Year Ended	At or for the Nine Months Ended
September	September	December	December	December	December	September	September

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(\$ in millions)	30, 2006	30, 2005	31, 2005	31, 2004	31, 2003	31, 2002	30, 2002	30, 2001
Selected Data and Ratios								
Profitability								
Net finance revenue after depreciation on operating lease equipment as a percentage of average earning assets (□AEA□)(1)	3.17%	3.41%	3.40%	3.94%	3.64%	4.22%	4.57%	4.29%
Ratio of earnings to fixed charges(2)	1.49x	1.77x	1.73x	1.97x	1.68x	1.65x	(7)	1.30x
Other Operating Ratios								
Salaries and general operating expenses as a percentage of average managed assets (□AMA□)(3)	2.20%	2.05%	2.05%	2.13%	1.94%	2.05%	1.91%	2.02%
Efficiency ratio(4)	46.7%	40.8%	41.1%	41.8%	41.1 %	38.1%	35.4%	41.2%

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	At or for the Nine Months Ended September 30, 2006	At or for the Nine Months Ended September 30, 2005	At or for the Year Ended December 31, 2005	At or for the Year Ended December 31, 2004	At or for the Year Ended December 31, 2003	At or for the Three Months Ended December 31, 2002	At or for the Year Ended September 30, 2002	At or for the Nine Months Ended September 30, 2001
Credit Quality								
60+ days contractual delinquency as a percentage of finance receivables	2.21%	1.76%	1.71%	1.73%	2.16%	3.63%	3.76%	3.46%
Non-accrual loans as a percentage of finance receivables	1.49%	1.14%	1.04%	1.31%	1.81%	3.43%	3.43%	2.67%
Net credit losses as a percentage of average finance receivables	0.40%	0.50%	0.60%	0.91%	1.77%	2.32%	1.67%	1.20%
Reserve for credit losses as a percentage of finance receivables	1.24%	1.53%	1.40%	1.76%	2.06%	2.75%	2.73%	1.55%
Leverage								
Tangible stockholders' equity(5) to managed assets(6)	9.4%	9.5%	9.8%	10.7%	10.4%	10.4%	9.9%	8.6%
Other								
Total managed assets(6)	\$71,940.6	61,288.5	62,866.4	53,470.6	49,735.6	46,357.1	47,622.3	50,877.1
Employees	7,200	6,165	6,340	5,860	5,800	5,835	5,850	6,785

(1) [AEA] means average earning assets, which is the average of finance receivables, operating lease equipment, financing and leasing assets held for sale and certain investments, less credit balances of factoring clients.

(2) For purposes of determining the ratio of earnings to fixed charges, earnings consist of income before income taxes and fixed charges. Fixed charges consist of interest on indebtedness, minority interest in subsidiary trust holding solely debentures of the Company and one-third of rent expense, which is deemed representative of an interest factor.

(3) [AMA] means average managed assets, which is average earning assets plus the average of finance receivables previously securitized and still managed by us.

(4) Efficiency ratio is the percentage of salaries and general operating expenses to total net revenue, excluding the provision for credit losses.

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- (5) Tangible stockholders' equity excludes goodwill and other intangible assets. Tangible stockholders' equity also excludes certain unrealized losses relating to derivative financial instruments and other investments, as these losses are not necessarily indicative of amounts that will be realized.
- (6) "Managed assets" means assets previously securitized and still managed by us and include (i) financing and leasing assets, (ii) certain investments and (iii) off-balance sheet finance receivables.
- (7) Earnings were insufficient to cover fixed charges by \$6,331.1 million for the year ended September 30, 2002. Earnings for the year ended 30 September 2002 included a non-cash goodwill impairment charge of \$6,511.7 million in accordance with SFAS No. 142, "Goodwill and Other Intangible Assets." The ratio of earnings to fixed charges included fixed charges of \$1,497.2 million and a loss before provision for income taxes of \$6,331.1 million resulting in a total loss provision for income taxes and fixed charges of \$4,833.9 million.

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CAPITALIZATION

The following table sets forth CIT's capitalization on a consolidated basis as of September 30, 2006. This table should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the notes to those consolidated financial statements incorporated by reference in this prospectus supplement and the accompanying prospectus.

	<u>As of September 30, 2006</u> (\$ in millions, except share data) (unaudited)
Commercial paper	\$4,662.5
Deposits	2,210.3
Term debt	45,178.1
Non-recourse, secured borrowings	4,463.4
Preferred capital securities	<u>250.7</u>
Total debt	<u>\$56,765.0</u>
Stockholders' equity:	
Preferred stock, \$0.01 par value, 100,000,000 authorized; Issued and outstanding:	
Series A 14,000,000 with a liquidation preference of \$25 per share	350.0
Series B 1,500,000 with a liquidation preference of \$100 per share	150.0
Common stock, \$0.01 par value, 600,000,000 authorized; 213,558,582 issued and 212,315,498 outstanding	2.1
Additional paid in capital net of deferred compensation of \$85.0	10,656.4
Accumulated deficit	(3,057.2)
Accumulated other comprehensive income	165.5
Treasury stock, 15,078,794 shares, at cost	<u>(707.6)</u>
Total common stockholders' equity	<u>7,059.2</u>
Total stockholders' equity	<u>7,559.2</u>
Total capitalization	<u>\$64,324.2</u>

RISK FACTORS

Risks Related to the Ownership of the Notes

We may elect to defer interest payments on the notes.

So long as no Event of Default with respect to the notes or trigger event, as described below, has occurred and is continuing, we may elect to defer one or more interest payments on the notes at any time and from time to time for up to ten consecutive years. During any such optional deferral period, we may pay deferred interest out of any source of funds. An Event of Default will occur if non-payment of interest continues for more than ten consecutive years due to an optional and/or mandatory deferral of interest, without all accrued and unpaid interest (including compounded interest) having been paid in full. Upon termination of any optional deferral period or mandatory deferral period, as the case may be, and the payment of all amounts then due, we may commence a new optional deferral period, subject to certain requirements. There is no limit to the number of times during the life of the notes that we may elect to defer payment of interest or the aggregate number of years we may elect to defer payment of interest as long as no single deferral period extends beyond ten consecutive years. See "Description of the Notes" Option to Defer Interest.

We will be required to defer interest and to pay interest on the notes with proceeds from the issuance of certain of our equity securities if a trigger event occurs, and we may not be able to.

If a trigger event occurs, as specified in the "Description of the Notes" Trigger Event, we must defer payments of interest on the notes, except to the extent that interest on the notes is paid through the Alternative Payment Mechanism, as described under "Description of the Notes" Alternative Payment Mechanism. Our ability to raise proceeds in connection with a trigger event by issuing common stock (which may include treasury shares and may include sales of shares of common stock to any of our employee benefit plans or dividend reinvestment plans) in an amount not exceeding the share cap amount or Qualifying Preferred Stock (as defined herein) will, in each case, depend on, among other things, market conditions at the time (including the occurrence of an MDE), the acceptability to prospective investors of the terms of the securities issued, our financial performance and a variety of other factors beyond our control, including our ability to obtain any required consents or approvals, such as any corporate, shareholder, governmental or regulatory authorizations that may be required. Accordingly, there could be circumstances where we would have sufficient cash to make interest payments, but we will be restricted from doing so because we have not been able to obtain sufficient proceeds from sales of our common stock or Qualifying Preferred Stock. In certain events of our bankruptcy, insolvency or receivership prior to the maturity or redemption of any notes, whether voluntary or not, holders of the notes will have no claim for unpaid mandatorily deferred interest (including compounded interest thereon) to the extent the amount of such interest exceeds two years of such accrued and unpaid interest. See "Description of the Notes" Limitation on Claims in the Event of our Bankruptcy, Insolvency or Receivership.

Upon the occurrence of a bankruptcy, insolvency or receivership with respect to us, claims for payment may be limited.

Holders of the notes will have no claim for unpaid mandatorily deferred interest (including compounded interest thereon) to the extent the amount of such interest exceeds two years of accrued and unpaid mandatorily deferred interest. Moreover, the claims of holders of the notes in a bankruptcy, insolvency or similar proceeding are subject to the broad equitable powers of the court. For example, although we do not believe such an argument should prevail, a party in interest in such a proceeding might argue that such holders should be treated as equity holders rather than creditors, and the court could rule in favor of such party. This could further limit or reduce any amounts that a holder of the notes could receive in a bankruptcy, insolvency, receivership or similar proceeding. See "Description of the Notes" Limitation on Claims in the Event of our Bankruptcy, Insolvency or Receivership.

Holders of the notes have limited rights to accelerate payments of the amounts due under the notes.

The holder of the notes may accelerate payment of the notes only upon the occurrence and continuation of the following events:

- we fail to pay interest on the notes for 30 days after payment was due; provided, however that a default under this bullet point will not occur if we have deferred interest, as permitted under the indenture, in connection with an optional or mandatory deferral;
- we fail to make the principal or any premium payment on the notes when due;
- we defer interest, whether at our option or mandatorily, or a combination thereof, for more than ten consecutive years without accrued and unpaid interest being paid in full; or
- we or a court take certain actions relating to the bankruptcy, insolvency or reorganization of our company.

The Events of Default contained in the indenture (and the circumstances under which, payment of the notes could be accelerated) will not include failure to comply with certain covenants in the indenture, including those described under "Description of the Notes" Alternative Payment Mechanism.

Interest payments on the notes may be deferred and, in such case, holders of the notes will be required to recognize income for U.S. federal income tax purposes in advance of the receipt of cash attributable to such income.

If interest payments on the notes are deferred (either optionally or mandatorily), each holder will thereafter be required to accrue interest income in respect of the notes for U.S. federal income tax purposes using a constant yield method, regardless of such holder's method of accounting for such purposes, before such holder receives any cash payment attributable to such income. See "Certain U.S. Federal Income Tax Considerations" U.S. Holders' Interest Income and Original Issue Discount. In that event, such holder may not receive the cash related to such income if such holder disposes of its notes at a price that does not fully reflect the deferred interest.

An active aftermarket for the notes may not develop.

The notes constitute a new issue of securities with no established trading market. We cannot assure you that an active aftermarket for the notes will develop or be sustained or that holders of the notes will be able to sell their notes at favorable prices or at all. Although the underwriters have indicated to us that they intend to make a market in the notes, as permitted by applicable laws and regulations, they are not obligated to do so and may discontinue any such market-making at any time without notice. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the notes. The notes are not listed, and we do not plan to apply to list the notes on any securities exchange or to include them in any automated quotation system.

If the holders of the notes waive our covenants to pay interest pursuant to the Alternative Payment Mechanism, our credit ratings may be negatively affected.

The indenture contains covenants that require us to pay interest during a trigger period only through the APM with proceeds from the sale of our common stock (which may include treasury shares and may include sales of shares of common stock to any of our employee benefit plans or dividend reinvestment plans) in an amount not exceeding the share cap amount or Qualifying Preferred Stock. We may amend these covenants, and holders of a majority of the aggregate principal amount of the notes can waive compliance with these covenants, and no holder of our senior indebtedness will have the right to enforce these covenants. Although, in the short term, holders of the notes may have an economic incentive to waive these covenants in order to receive a payment of current or deferred interest, if such covenants are waived and we pay interest during a period where we would otherwise be required to pay or defer interest only pursuant to the terms of the APM, our credit ratings could be negatively affected, which in turn, may have an adverse effect on our business and financial condition. See "Description of the Notes" Trigger Event, "Consequences of a Trigger Event" and "Alternative Payment Mechanism."

We may redeem the notes prior to the maturity date and you may not be able to reinvest in a comparable security.

At our option, we may redeem the notes in whole or in part, on or after March 15, 2017, for cash in an amount equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest, including any compounded

interest, on such notes to the redemption date, which amount we refer to as the par redemption amount. We may also redeem the notes at our option, prior to March 15, 2017, upon the occurrence of a "Tax Event" or a "Rating Agency Event," each as defined in this prospectus supplement, in whole but not in part, for cash in an amount equal to a specified make-whole redemption amount. We may also redeem the notes at our option, prior to March 15, 2017, in whole or in part, for cash in an amount equal to a specified make-whole redemption amount. See "Description of the Notes"Redemption." In the event we choose to redeem your notes, you may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on the notes.

The notes are effectively subordinated to substantially all of our other indebtedness.

Our obligations under the notes are subordinate and junior in right of payment to all of our senior and subordinated indebtedness and will be effectively subordinated to all indebtedness of our subsidiaries, except any indebtedness that by its terms is subordinated to, or ranks on an equal basis with, the notes. This means that we cannot make any payments on the notes if we default on a payment of senior or subordinated indebtedness and do not cure the default within the applicable grace period, if the holders of the senior or subordinated indebtedness have the right to accelerate the maturity of the senior or subordinated indebtedness and request that we cease payments on the notes or if the terms of our senior or subordinated indebtedness otherwise restrict us from making payments to junior creditors.

As of September 30, 2006, we had approximately \$52.1 billion of outstanding liabilities on a pro forma basis that effectively ranks and would rank senior to the notes. Due to the subordination provisions described in "Description of the Notes"Subordination," in the event of our insolvency, funds which we would otherwise use to pay the holders of the notes will be used to pay the holders of senior and subordinated indebtedness to the extent necessary to pay such senior or subordinated indebtedness in full. As a result of those payments, the holders of the notes may recover less, ratably, than the holders of our senior or subordinated indebtedness. In addition, the holders of our senior or subordinated indebtedness may, under certain circumstances, restrict or prohibit us from making payments on the notes. There are no terms in the indenture or the note that limit our or any of our subsidiaries' ability to incur additional indebtedness, and we expect from time to time to incur additional indebtedness constituting senior or subordinated indebtedness.

The interest rate of the notes will fluctuate when the fixed rate period ends, and may decline below the fixed rate from time to time.

At the conclusion of the fixed rate period for the notes on March 15, 2017, the notes will begin to accrue interest at a floating rate. The floating rate may be volatile over time and could be substantially less than the fixed rate, which could reduce the value of the notes in any available aftermarket, apart from the reduction in current interest income.

General market conditions and unpredictable factors could adversely affect market prices for the notes.

There can be no assurance about the market prices for the notes. Several factors, many of which are beyond our control, will influence the market value of the notes. Factors that might influence the market value of the notes include, but are not limited to:

- whether interest payments have been made and are likely to be made on the notes from time to time;
- our creditworthiness, financial condition, performance and prospects;
- whether the ratings on the notes provided by any ratings agency have changed;
- the market for similar securities; and
- economic, financial, geopolitical, regulatory or judicial events that affect us or the financial markets generally (including the occurrence of an MDE).

If you purchase notes, whether in this offering or in the secondary market, the notes may subsequently trade at a discount to the price that you paid for them.

The rating agencies that rate the notes may change their rating methodologies, including their views on "notching" practices, which could result in a downgrade of the notes.

The rating methodologies for securities with features similar to the notes are still developing and the rating agencies may change their methodologies in the future. This may include (but is not limited to) the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the notes, sometimes called "notching." If any of the rating agencies were to change their practices for rating such securities in the future and one or more of the ratings of the notes were subsequently downgraded as a result of such changes, the trading price of the notes could be negatively affected.

The notes have not been classified by the Securities Valuation Office (the "SVO") of the National Association of Insurance Commissioners ("NAIC").

The SVO of the NAIC may from time to time classify securities in U.S. insurers' portfolios as debt, preferred equity or common equity instruments. The NAIC classification of an investment directly affects U.S. insurance company investors because it affects the capital required for such investment by such investors, but it is not determinative in any way in respect of any other tax, accounting or legal considerations for investors generally. As of the date hereof, the NAIC has not provided a view on the classification of the notes. The SVO will not provide an official designation of the security-type of the notes offered hereby unless and until an insurance company subject to regulation by a U.S. state insurance department purchases the notes, reports them to the SVO and the SVO receives and reviews the final, executed documentation related to the notes and publishes its final NAIC Designation in the Valuations of Securities CD-ROM or in some other forum which serves as the official expression from the NAIC. There can be no assurance of the classification that the SVO will initially assign to the notes or that the notes will not be negatively reclassified by the SVO thereafter. An unfavorable designation of the notes by the SVO could adversely impact the secondary trading market for the notes.

FORWARD-LOOKING STATEMENTS

This prospectus supplement and the documents incorporated by reference in this prospectus supplement may contain "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995. Forward-looking statements relate to expectations or forecasts of future events. They use words such as "anticipate," "believe," "could," "estimate," "expect," "forecast," "target," "project," "intend," "plan," "potential" and terms of similar meaning in connection with a discussion of potential future events, circumstances or future operating or financial performance. You can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. Any forward-looking statements contained in this prospectus supplement and the documents incorporated by reference in this prospectus supplement are subject to unknown risks, uncertainties and contingencies. Forward-looking statements are included, for example, in the discussions about:

- our liquidity risk management;
- our credit risk management;
- our asset and liability management;
- our funding, borrowing costs and net finance revenue;
- our capital, leverage and credit ratings;
- our operational risks, including success of build-out initiatives;
- legal risks;
- our growth rates;
- our commitments to extend credit or purchase equipment; and
- how we may be affected by legal proceedings.

All forward-looking statements involve risks and uncertainties, many of which are beyond our control, which may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Also, forward-looking statements are based upon management's estimates of fair values and of future costs, using currently available information. Therefore, actual results may differ materially from those expressed or implied in those statements. Factors that could cause such differences include, but are not limited to:

- risks of economic slowdown, downturn or recession;
- industry cycles and trends;
- demographic trends;
- risks inherent in changes in market interest rates and quality spreads;
- funding opportunities and borrowing costs;
- changes in funding markets, including commercial paper, term debt and the asset-backed securitization markets;
- uncertainties associated with risk management, including credit, prepayment, asset/liability, interest rate and currency risks;
- adequacy of reserves for credit losses;

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- risks associated with the value and recoverability of leased equipment and lease residual values;
- changes in laws or regulations governing our business and operations;
- changes in competitive factors; and
- future acquisitions and dispositions of businesses or asset portfolios.

Any or all of our forward-looking statements here or in other publications may turn out to be wrong, and there are no guarantees about our performance. We do not assume the obligation to update any forward-looking statement for any reason.

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USE OF PROCEEDS

We estimate that the net proceeds from the sale of the notes will be approximately \$494.1 million, after deducting the underwriters' discounts and commissions and estimated offering expenses. We anticipate that we will use all or a substantial portion of the net proceeds from this offering to fund a repurchase of our common stock and any remaining net proceeds for general corporate purposes.

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DESCRIPTION OF THE NOTES

CIT Group Inc. will issue the 6.10% Junior Subordinated Notes due March 15, 2067, which we refer to as the notes, under the subordinated indenture dated as of January 20, 2006 between us and The Bank of New York (as successor to JPMorgan Chase Bank, N.A.), as trustee, as amended and supplemented by a supplemental indenture to be dated as of the date of completion of this offering. We refer to the subordinated indenture, as amended and supplemented by the supplemental indenture as the "indenture." The following description of certain terms of the notes and certain provisions of the indenture in this prospectus supplement supplements the description under "Description of Debt Securities" in the attached prospectus and, to the extent it is inconsistent with that description, replaces the description in the attached prospectus. This description is only a summary of the material terms and does not purport to be complete. We urge you to read the indenture in its entirety because it, and not this description, will define your rights as a holder of the notes. We will file the supplemental indenture as an exhibit to a Current Report on Form 8-K which will be incorporated by reference in the attached prospectus. You may also request copies of these documents from us at our address set forth below under "Where You Can Find More Information." Unless otherwise specified, when we refer to "CIT Group Inc.," "CIT Group," "CIT," "we," "us," "our" and "the company" in this section, we refer to CIT Group Inc. only and not any of its subsidiaries.

General

We will initially issue \$500,000,000 aggregate principal amount of the notes. We may from time to time, without the consent of the existing holders, create and issue additional subordinated debt having the same terms and conditions as the notes being offered hereby in all respects, except for issue date, issue price and, if applicable, the first payment of interest thereon. Additional notes issued in this manner will be consolidated with, and will form a single series with, the previously outstanding notes unless such additional subordinated debt will not be treated as fungible with the notes being offered hereby for U.S. federal income tax purposes.

The notes will not be subject to redemption at the option of the holders or contain a sinking fund provision. The entire principal amount of the notes will mature and become due and payable, together with any accrued and unpaid interest thereon, including compounded interest (as defined under "Option to Defer Interest"), if any, on March 15, 2067, unless earlier accelerated by the holders or redeemed by us.

Interest

Fixed Rate Period

Subject to certain requirements during any optional deferral period or following a trigger event, as described below, interest on the notes will accrue from and including the original issue date up to, but not including, March 15, 2017 at a fixed rate equal to 6.10% per year, payable semi-annually in arrears on March 15 and September 15 of each year, commencing on September 15, 2007.

The amount of interest payable for any full interest payment period during the fixed rate period will be computed on the basis of a 360-day year of twelve 30-day months. The term "interest payment period" means the period from and including an interest payment date (or in the case of the first interest payment period, the original issue date) up to, but not including, the next interest payment date or earlier redemption date. The amount of interest payable at a fixed rate for any period shorter than a full interest payment period for which interest is computed, will be computed on the basis of 30-day months and, for periods of less than a 30-day month, the actual number of days elapsed per 30-day month. In the event that any date on which interest is payable on the notes is not a Business Day, the payment of interest may be made on the next succeeding Business Day, as if it were made on the date such payment was due, and no interest will accrue as a result of such delayed payment. Interest not paid on any payment date during the fixed rate period will accrue and compound semi-annually at a rate per year equal to the rate of interest on the notes until paid, subject to the conditions set out under "Trigger Event."

Floating Rate Period

Subject to certain requirements during any optional deferral period or following a trigger event, as described below, from and including March 15, 2017 up to, but not including, the maturity date or earlier redemption date, interest on the notes will accrue at an annual rate equal to three-month LIBOR plus a margin equal to 1.815% (181.5 basis points), payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each

year, commencing on June 15, 2017.

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Interest payments during the floating rate period will include accrued interest from and including the last date in respect of which interest has been paid, or duly provided for, to, but not including, the interest payment date or maturity date, as the case may be. If a scheduled interest payment date is not a Business Day (other than the maturity date or redemption date), then the interest payment date will be postponed to the following day that is a Business Day, except that if such Business Day falls in the next succeeding calendar month, such Interest Payment Date will be the immediately preceding Business Day, subject to the conditions set out under "Trigger Event."

Interest not paid on any payment date during the floating rate period will accrue and compound quarterly at a rate per year equal to the rate of interest from time to time applicable on the notes up to, but not including, the next payment date and will be computed on the basis of a 360-day year and the actual number of days elapsed. All percentages resulting from any interest rate calculation will be rounded upward or downward, as appropriate, to the next higher or lower one one-hundred-thousandth of a percentage point.

The calculation agent will calculate the floating rate and the amount of interest payable on each quarterly payment date relating to the floating rate period. Promptly upon such determination, the calculation agent will notify us and, if the trustee is not then serving as the calculation agent, the trustee, of the floating rate for the new quarterly interest payment period. The floating rate determined by the calculation agent, absent manifest error, will be binding and conclusive on us, the holders of the notes and the trustee. The Bank of New York will initially act as the calculation agent.

"Three-month LIBOR," with respect to an interest payment period, means the rate (expressed as a percentage per year) for deposits in U.S. dollars for a three-month period that appears on Telerate Page 3750 as of 11:00 a.m. (London time) on the second London banking day immediately preceding the first day of such interest payment period. The term "Telerate Page 3750" means the display on MoneyLine Telerate page 3750 or any successor service or page for the purpose of displaying the London interbank offered rates of major banks.

If three-month LIBOR cannot be determined as described above, we will select four major banks in the London interbank market. We will request that the principal London offices of those four selected banks provide their offered quotations to prime banks in the London interbank market at approximately 11:00 a.m., London time, on the second London banking day immediately preceding the first day of the applicable interest payment period. These quotations will be for deposits in U.S. dollars for a three month period. Offered quotations must be based on a principal amount equal to an amount that is representative of a single transaction in U.S. dollars in the market at the time.

If two or more quotations are provided, three-month LIBOR for the interest payment period will be the arithmetic mean of the quotations. If fewer than two quotations are provided, we will select three offered rates quoted by three major banks in New York City, on the second London banking day immediately preceding the first day of the applicable interest payment period. The rates quoted will be for loans to leading European banks in U.S. dollars for a three-month period. Rates quoted must be based on a principal amount equal to an amount that is representative of a single transaction in U.S. dollars in the market at the time. If at least three New York City banks selected by us are quoting rates, three-month LIBOR for the interest payment period will be the arithmetic mean of the quotations. If fewer than three New York City banks selected by us are quoting rates, three-month LIBOR for the applicable interest payment period will be the same as for the immediately preceding interest payment period or, if the immediately preceding interest payment period is a fixed rate interest payment period, the same as for the most recent quarter for which three-month LIBOR can be determined.

"Business Day" means any day which is not a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies located in New York City are authorized or obligated by law to close, and with respect to the floating rate period, a day that is also a London banking day.

"London banking day" means any day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

Record Dates

Interest is payable on each interest payment date to the person in whose name the note is registered at the close of business on the Business Day next preceding the interest payment date. In the event the notes will not

continue to remain in book-entry only form or are not in the form of a global certificate, we will have the right to select record dates, which will be at least one Business Day before an interest payment date.

Subordination

The notes will be subordinate in right of payment to the prior payment in full of all of our senior and subordinated indebtedness and will be effectively subordinated to all indebtedness of our subsidiaries, except for any indebtedness that

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explicitly ranks on parity with the notes. In the event of (1) any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding in connection therewith, relative to CIT or to its creditors, as such, or to its assets, or (2) any voluntary or involuntary liquidation, dissolution or other winding up of CIT, whether or not involving insolvency or bankruptcy or (3) any assignment for the benefit of creditors or (4) the taking of corporate action by CIT in furtherance of any such action or (5) the admitting in writing by CIT of its inability to pay its debts generally as they become due, then and in any such event the holders of our senior and subordinated indebtedness will be entitled to receive payment in full of all amounts due or to become due on or in respect of all our senior and subordinated indebtedness, before the holders of the notes will be entitled to receive or retain any payment on account of principal of, or any premium or interest on, the notes. By reason of such subordination, in the event of liquidation or insolvency of CIT, holders of our senior and subordinated indebtedness and holders of our other obligations that are not subordinated to our senior and subordinated indebtedness may recover more, ratably, than the holders of the notes.

Subject to the payment in full of all our senior and subordinated indebtedness, the rights of the holders of the notes will be subrogated to the rights of the holders of our senior and subordinated indebtedness to receive payments or distributions of cash, property or securities of CIT applicable to such senior or subordinated indebtedness until the principal of, any premium and interest on, the notes have been paid in full.

No payment of principal (including redemption and sinking fund payments) of, or any premium or interest on, the notes may be made (1) in the event and during the continuation of any default by CIT in the payment of principal, premium, interest or any other amount due on any of our senior or subordinated indebtedness or (2) if the maturity of any our senior or subordinated indebtedness has been accelerated because of a default.

The indenture does not limit or prohibit us or our subsidiaries from incurring additional senior or subordinated indebtedness, which may include indebtedness that is senior to the notes, but subordinated to our other obligations.

Redemption

We may, at our option, redeem the notes on or after March 15, 2017, in whole or in part (subject to the following paragraph) at the par redemption amount (as defined below). We may also, at our option, prior to March 15, 2017, upon the occurrence of a "Tax Event" or a "Rating Agency Event," as each is defined below, redeem the notes in whole but not in part at a cash redemption price equal to the applicable make-whole redemption amount described below. We may also redeem the notes at our option, prior to March 15, 2017, in whole or in part, for cash in an amount equal to the applicable make-whole redemption amount described below.

We may not redeem fewer than all outstanding notes unless all accrued and unpaid interest, together with any compounded interest, has been paid in full on all notes for all interest payment periods terminating on or before the redemption date.

As used in this section:

"Comparable treasury issue" means the U.S. Treasury security selected by the quotation agent as having a term comparable to the period from the redemption date to March 15, 2017 that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities with a term comparable to such period.

"Comparable treasury price" means, with respect to a redemption date (1) the average of five reference treasury dealer quotations for such redemption date, after excluding the highest and lowest reference treasury dealer quotations, or (2) if the quotation agent obtains fewer than five such reference treasury dealer quotations, the average of all such quotations.

"H.15(519)" means the weekly statistical release designated as such, or any successor publication, published by the Federal Reserve System Board of Governors, available through the Board of Governors of the Federal Reserve System's website at <http://www.federalreserve.gov/releases/H15/> or any successor site or publication. We make no representation or warranty as to the accuracy or completeness of the information displayed on such website, and such information is not incorporated by reference herein and should not be considered a part of this

prospectus supplement.

□Make-whole redemption amount□ will be equal to the sum of (i) the present value of the aggregate principal amount outstanding of the notes to be redeemed on the payment date falling on March 15, 2017 and (ii) the present values of scheduled semi-annual interest payments from, but not including, the date fixed for redemption through and including the payment date on March 15, 2017, in each case discounted to the date fixed for redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury rate plus (x) in the case of a Tax Event or a Rating Agency Event, 50 basis points or (y) in all other cases, 20 basis points, plus, in each case, any accrued and unpaid interest,

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together with any compounded interest to the date of redemption, as calculated by the quotation agent; provided, however that in no event will the make-whole redemption amount be less than the par redemption amount.

□Par redemption amount□ means a cash redemption price of 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest, together with any compounded interest, on such notes to the date of redemption.

□Quotation agent□ means one of the reference treasury dealers appointed by us.

□Rating Agency Event□ means a change by any nationally recognized statistical rating organization within the meaning of Rule 15c3-1 under the Exchange Act that currently publishes a rating for us (a □rating agency□) to its equity credit criteria for securities such as the notes, as such criteria is in effect on the date of this prospectus supplement (the □current criteria□), which change results in a lower equity credit being given to the notes as of the date of such change than the equity credit that would have been assigned to the notes as of the date of such change by such rating agency pursuant to its current criteria.

□Reference treasury dealer□ means (1) Lehman Brothers Inc. and (2) any additional primary U.S. government securities dealers in New York City (each, a □primary treasury dealer□) selected by us and their successors, provided, however, that if any of them ceases to be a primary treasury dealer we will substitute another primary treasury dealer.

□Reference treasury dealer quotations□ means, with respect to each reference treasury dealer and any redemption date, the average, as determined by the quotation agent, of the bid and asked prices for the comparable treasury issue (expressed in each case as a percentage of its principal amount) quoted in writing to the quotation agent at 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

□Tax Event□ means the receipt by CIT of an opinion of counsel to the effect that, as a result of (a) any amendment, clarification or change in U.S. law or regulation, (b) any judicial decision, official administrative pronouncement, ruling, regulatory procedure, notice or announcement, including any notice or announcement of intent to adopt such procedures or regulations or (c) a threatened challenge asserted in connection with an audit of us or any of our subsidiaries, or a threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the notes, in each case, by any legislative body, court, governmental agency or regulatory authority, on or after the date of the original issuance of the notes, there is more than an insubstantial increase in the risk that interest payable on the notes is not, or at any time subsequent to our receipt of such opinion will not be, currently deductible, in whole or in part, by CIT for U.S. federal income tax purposes.

□Treasury rate□ means the yield, under the heading that represents the average for the week immediately prior to the redemption date, appearing in the most recently published statistical release designated □H.15(519)□ or any successor publication that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption □Treasury Constant Maturities,□ for the maturity corresponding to the comparable treasury issue (if no maturity is within three months before or after the end of the relevant interest payment period, yields for the two published maturities most closely corresponding to the comparable treasury issue will be determined and the Treasury rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month). If such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, □Treasury rate□ means the rate per year equal to the semi-annual equivalent yield to maturity of the comparable treasury issue, calculated using a price for the comparable treasury issue (expressed as a percentage of its principal amount) equal to the comparable treasury price for such redemption date. The treasury rate will be calculated on the third Business Day preceding the redemption date.

We will mail, or will cause the trustee to mail notice of every redemption notice by first class mail, postage prepaid, addressed to the holders of record of the notes to be redeemed at their respective last addresses appearing on our books. Such mailing will be at least 15 days and not more than 60 days before the date fixed for redemption. Any notice mailed as provided in this paragraph will be conclusively presumed to have been duly given, whether or not the holder receives such notice, but failure duly to give such notice by mail, or any defect in such notice or in the mailing of such notice, to any holder of notes designated for redemption will not affect the redemption of any other notes. Each notice will state (i) the redemption date; (ii) the redemption price; (iii) that the notes are being redeemed pursuant to the indenture or the terms of the notes together with the facts

permitting such redemption; (iv) if less than all outstanding notes are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular notes to be redeemed; (v) the place or places where the notes are to be redeemed; and (vi) that interest on the notes to be redeemed will cease to accrue on the redemption date.

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Any notes to be redeemed pursuant to the aforementioned notice will, on the date fixed for redemption, become due and payable at the redemption price. From and after such date such notes will cease to bear interest. Upon surrender of any such notes for redemption in accordance with said notice, such notes will be paid by CIT at the redemption price, subject to certain conditions. If any notes called for redemption are not so paid upon surrender thereof for redemption, the redemption price will, until paid, bear interest from the redemption date at the rate prescribed therefor in the notes. Any notes redeemed only in part will be surrendered in accordance with the provisions of the indenture. In exchange for the unredeemed portion of such surrendered notes, new notes in an aggregate principal amount equal to the unredeemed portion will be issued.

Capital Replacement Intent

If we redeem or defease, or if we or our affiliates purchase, any notes prior to their maturity date, as described above under "[Redemption,]" we intend to redeem, defease or purchase such notes only to the extent that the aggregate principal amount of notes to be redeemed, defeased or purchased is equal to or less than the net proceeds we or our affiliates have received during the six months prior to the date of such redemption, repurchase or defeasance from the sale or issuance to third-party purchasers of qualifying securities.

As used in this section, "qualifying securities" means: (i) our common stock or (ii) other securities or combinations of securities which rank equally with or junior to the notes and have equal or greater equity characteristics as the notes, at the date of redemption, except that if we issue securities to any of our subsidiaries, such securities will be deemed to be qualifying securities only if such subsidiary receives net proceeds in an equal or greater amount from the contemporaneous issuance to a person other than us or our other subsidiaries of securities having the characteristics described above.

Option to Defer Interest

So long as no Event of Default with respect to the notes or a trigger event has occurred or is continuing, CIT may in its discretion defer payment of interest for any interest period, for up to ten consecutive years at any time during the life of the notes, provided that any such optional deferral period may not extend beyond the maturity date of the notes. Optionally deferred interest will accumulate and will accrue interest which will be compounded semiannually or quarterly, as applicable, to the extent permitted by applicable law, at the then applicable rate of interest on the notes, which we refer to as "compounded interest." At the end of any optional deferral period, CIT will be required to pay all accrued and unpaid interest, but CIT will then be free to optionally defer payment of interest again subject to the same limitations set forth above. During any such optional deferral period, CIT may pay optionally deferred interest out of any source of funds. There is no limit to the number of times during the life of the notes that CIT may elect to defer payment of interest or the aggregate number of years that CIT may elect to defer payment of interest so long as no single deferral period extends beyond ten consecutive years.

CIT must provide a notice of its election to defer interest no more than 60 and no fewer than 15 days prior to each relevant interest payment date. A notice of optional deferral, once given, will be irrevocable and the deferral of payments on the related interest payment date will be considered an optional deferral, unless a trigger event has occurred as of the 30th day prior to such interest payment date, in which case the provisions under the heading "[Consequences of a Trigger Event]" will be applicable for all purposes. Unpaid interest on the notes will continue to accrue and compound during the pendency of any optional deferral period at the rate of interest from time to time applicable to the notes. Any deferral of interest on the notes by election of CIT under this provision is referred to as an "optional deferral," and the period during which such interest is deferred is referred to as an "optional deferral period." CIT has no current intention to exercise its right of optional deferral.

Trigger Event

A "trigger event" will have occurred if CIT makes a determination that one of the following conditions exists as of a trigger determination date:

- (i) the Tangible Equity Amount (as defined below) is less than 5.5% of Total Managed Assets for the most recently completed fiscal quarter; or
- (ii) the Average Four Quarters Fixed Charge Ratio (as defined below) for the most recently completed fiscal quarter is less than or equal to 1.10.

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All financial terms used in this caption [Trigger Event] will be determined in accordance with U.S. GAAP as applied and reflected in our related financial statements as of the relevant dates, except as provided in the next sentence. If because of a change in U.S. GAAP that results in a change in accounting principle or a restatement:

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- either of our Tangible Equity Amount or Total Managed Assets is higher or lower than it would have been absent such change, then, for purposes of the calculations described in the first test set forth above, commencing with the fiscal quarter for which such change in U.S. GAAP becomes effective, such Tangible Equity Amount or Total Managed Assets, as applicable, will be calculated on a pro forma basis as if such change had not occurred; or
- the Average Four Quarters Fixed Charge Ratio as of a fiscal quarter end is higher or lower than it would have been absent such change, then, for purposes of the calculations described in the second test set forth above, and for so long as such calculations are required to be performed, the Average Four Quarters Fixed Charge Ratio will be calculated on a pro forma basis as if such change had not occurred.

The trigger determination date is the 30th day prior to each interest payment date.

If at any relevant time or for any relevant period, we are not a reporting company under the Exchange Act, then for any such relevant dates and periods we will prepare and post on our Web site at www.cit.com the financial statements that we would have been required to file with the SEC had we continued to be a reporting company under the Exchange Act, in each case on or before the dates that we would have been required to file such financial statements had we continued to be a large accelerated filer within the meaning of Rule 12b-2 under the Exchange Act.

For purposes of determining whether a trigger event has occurred or is continuing, we define the following terms as follows:

Average Four Quarters Fixed Charge Ratio means, as of any fiscal quarter end: (a) the sum, for each of the prior four fiscal quarters inclusive of such fiscal quarter end, of the quotient of (x) Adjusted Earnings before Interest and Taxes and (y) Fixed Charges divided by (b) 4. For purposes of this definition, Adjusted Earnings before Interest and Taxes means earnings, as of any fiscal quarter end, excluding (i) income taxes, (ii) interest expense, (iii) extraordinary items, (iv) goodwill impairment and (v) amounts related to discontinued operations.

Fixed Charges means, as of any fiscal quarter end, the sum of (x) interest expense and (y) preferred dividends.

Tangible Equity Amount means, as of any fiscal quarter end, our total stockholders' equity, as reflected on our consolidated balance sheet as of such fiscal quarter end, excluding (i) goodwill and (ii) other intangible assets.

Total Managed Assets means, as of any fiscal quarter end, total balance sheet assets plus securitized receivables.

U.S. GAAP means, at any date or for any period, U.S. generally accepted accounting principles as in effect on such date or for such period.

Consequences of a Trigger Event

If, as of a trigger determination date, a trigger event has occurred and for so long as it is continuing (a trigger period), our ability to pay interest for that interest period will be limited and we will be required to use commercially reasonable efforts to satisfy interest payments on the notes (other than any interest that accrued during an optional deferral period prior to the occurrence of the trigger event, which may remain unpaid or be paid out of any source of funds) pursuant to the Alternative Payment Mechanism, or APM. See Alternative Payment Mechanism. If a market disruption event, or MDE, prevents us from making such interest payment in accordance with the APM, we must defer payments of interest until the termination of the MDE, but not later than ten consecutive years after the first date on which we deferred interest (whether due to an optional deferral or mandatory deferral) or the maturity date. Deferred interest payments accruing during a trigger period in these circumstances will constitute mandatorily deferred interest. Any unpaid mandatorily deferred interest, together with any compounded interest thereon, may only be paid using the APM, except at maturity or if there is an Event of Default under the notes, in which case we may pay such amounts with cash from any source. Any interest that remains accrued and unpaid during a trigger period will be mandatorily deferred, and will accumulate and accrue interest, which will be compounded semiannually or quarterly, as applicable, to the extent permitted by applicable law, at the rate of interest from time to time applicable to the notes.

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If a trigger period occurs after commencement of an optional deferral, the optional deferral will be deemed suspended. Once the trigger period is no longer continuing, our right optionally to defer payment of interest will resume, subject to the limitations and consequences described herein.

Not later than the 15th day prior to each payment date for which a trigger event has occurred, CIT will give notice of such occurrence to the holders of the notes. Such notice, in addition to stating that interest payments must be paid in

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accordance with the APM or otherwise deferred, will set forth the results of the financial tests that caused the trigger event. CIT may, on the applicable payment date, make interest payments from proceeds received from the sale of securities in accordance with the APM, and to the extent interest is paid in full on such payment date, no mandatory deferral will commence.

CIT's use of other sources to fund interest payments during a trigger period would be a breach of its obligations under the notes but would not be an Event of Default under the indenture. Any interest that is accrued and unpaid during a trigger period will be deferred and will continue to accrue and compound semi-annually or quarterly, as applicable, to the extent permitted by applicable law, at the then applicable rate of interest on the notes.

The consequences of a trigger event and the related restrictions on interest payments will continue until we no longer fail either test described above on a subsequent trigger determination date. In the event that a trigger period is no longer continuing, CIT may pay subsequent interest in cash from any source of funds. Notwithstanding the foregoing, any unpaid interest that accrued during the continuance of a trigger period, together with any compounded interest thereon, may only be satisfied using the APM except upon maturity or an Event of Default with respect to the notes; provided, however, that any accrued and unpaid interest will in all events be due and payable upon maturity or redemption of the notes, except for foregone interest if certain events of bankruptcy, insolvency or receivership, whether voluntary or not, occur with respect to CIT prior to the maturity or redemption of the notes. See "Limitation on Claims in the Event of our Bankruptcy, Insolvency or Receivership."

No interest deferral period, whether optional and/or mandatory, shall exceed ten consecutive years, and if an interest deferral period, whether optional and/or mandatory, exceeds ten consecutive years, the holders of the then outstanding notes shall have the right to accelerate the notes and receive principal of and all accrued but unpaid interest on the notes.

Alternative Payment Mechanism

During a trigger period, we must, subject to the occurrence of an MDE, make "commercially reasonable efforts" to sell shares of our common stock (which may include treasury shares and may include sales of shares of common stock to any of our employee benefit plans or dividend reinvestment plans) in an amount not exceeding the share cap amount (as defined below) or Qualifying Preferred Stock such that we will have raised an aggregate amount of net proceeds from such sales, together with any other sales of such securities over the 180-day period prior to the next interest payment date, that is sufficient to satisfy accrued and unpaid interest (including any compounded interest) on the notes (other than any interest that accrued during an optional deferral period prior to the occurrence of the trigger event, which may remain unpaid or be paid out of any source of funds) on such interest payment date, and we will be required to satisfy such accrued and unpaid interest (including any compounded interest) on the notes on such interest payment date to the extent, and only to the extent, of the amount of such aggregate net proceeds; provided, however, that in no event shall the sale of Qualifying Preferred Stock in connection with the APM in the aggregate exceed 25% of the original aggregate principal amount of the notes. To the extent the amount of such aggregate net proceeds is insufficient to satisfy such accrued and unpaid interest (including any compounded interest) on the notes in full, we will be required to mandatorily defer any remaining accrued and unpaid interest.

"Commercially reasonable efforts" to sell the securities referred to in the foregoing paragraph means commercially reasonable efforts to complete the offer and sale of such securities to third parties that are not our subsidiaries in public offerings or private placements, provided that we will be deemed to have made such commercially reasonable efforts during an MDE or for so long as we are prevented from selling shares of our common stock or Qualifying Preferred Stock in accordance with the APM because we do not have shares available for issuance, regardless of whether we make any offers or sales during such time period. For the avoidance of doubt, we will not be considered to have made commercially reasonable efforts to effect a sale of such securities if we determine to not pursue or complete such sale due to pricing, dividend rate or dilution considerations.

The "share cap amount" will initially equal 50,000,000 shares of CIT's common stock. If the issued and outstanding shares of CIT's common stock shall have been changed into a different number of shares or a different class by reason of any stock split, reverse stock split, stock dividend, reclassification, recapitalization, split-up, combination, exchange of shares or other similar transaction, then the share cap amount shall be

correspondingly adjusted. CIT may, in its discretion, increase the share cap amount (including through the increase of its authorized share capital, if necessary) if CIT determines that such increase is necessary to allow it to issue sufficient shares to satisfy its obligations to pay deferred interest on the notes pursuant to the APM.

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If an MDE prevents CIT from making interest payments in accordance with the APM, CIT will be required to defer payments of interest until the termination of the MDE, but not later than ten consecutive years after the first date on which CIT deferred interest (whether due to an optional deferral or mandatory deferral) or the maturity date.

“Qualifying Preferred Stock” means perpetual preferred stock that ranks *pari passu* with or junior to all of our other outstanding preferred stock and either (1) (x) is subject to the requirement that if we redeem or defease, or if we or our affiliates purchase, any such perpetual preferred stock, we shall intend to redeem, defease or purchase such perpetual preferred stock only to the extent that the aggregate amount of such perpetual preferred stock to be redeemed, defeased or purchased is equal to or less than the net proceeds we or our affiliates have received during the six months prior to the date of such redemption, purchase or defeasance from the sale or issuance to third-party purchasers of qualifying securities and (y) has a provision that prohibits CIT from making any distributions thereon upon our failure to satisfy one or more financial tests that has been recognized as meaningful by each nationally recognized statistical rating organization that provides a rating on any of our securities or (2) is subject to a replacement capital covenant, as identified by CIT’s board of directors, that restricts us from redeeming, defeasing or purchasing such perpetual preferred stock except to the extent of certain specified percentages of the net proceeds of specified securities that have terms and provisions at the time of redemption, defeasance or purchase that are as or more equity-like than the securities then being redeemed, defeased or purchased, raised within the six month period prior to the applicable redemption, defeasance or purchase date. As used in this paragraph, “qualifying securities” means: (i) our common stock or (ii) other securities or combinations of securities which rank equally with or junior to the Qualifying Preferred Stock and have equal or greater equity characteristics as the Qualifying Preferred Stock, at the date of purchase, except that if we issue securities to any of our subsidiaries, such securities will be deemed to be qualifying securities only if such subsidiary receives net proceeds in an equal or greater amount from the contemporaneous issuance to a person other than us or our other subsidiaries of securities having the characteristics described above.

A “Market Disruption Event” or “MDE” means the occurrence, or existence of any of the following events or sets of circumstances:

- CIT would be required to obtain the consent or approval of its shareholders or a regulatory body (including, without limitation, any securities exchange) or governmental authority to issue such common stock or Qualifying Preferred Stock and such consent or approval has not yet been obtained despite CIT’s commercially reasonable efforts to obtain such consent or approval;
- trading in securities generally on the New York Stock Exchange or any other national securities exchange or over-the-counter market on which our common stock and/or Qualifying Preferred Stock is then listed or traded, or trading in any of our securities (or any options or futures contracts related to our securities) on any exchange or in the over-the-counter market, is suspended or the settlement of such trading generally is materially disrupted or minimum prices are established on any such exchange or such market by the Securities and Exchange Commission, by such exchange or by any other regulatory body or governmental authority having jurisdiction such that trading shall have been materially disrupted;
- a material disruption or banking moratorium occurs or has been declared in commercial banking or securities settlement or clearance services in the United States;
- there is such a material adverse change in general domestic or international economic, political or financial conditions, including, without limitation, as a result of terrorist activities, or the effect of international conditions on the financial markets in the United States is such, that trading in any of our securities is materially disrupted; or
- an event occurs and is continuing as a result of which the offering document for such offer and sale of securities would, in our reasonable judgment, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading and either (1) the disclosure of that event at such time, in CIT’s reasonable judgment, would have a material adverse effect on its business or (2) the disclosure relates to a previously undisclosed proposed or pending material business transaction, the disclosure of which would impede CIT’s ability to consummate such transaction, *provided* that no single suspension period contemplated by this bullet point may exceed 90 consecutive days and multiple suspension periods contemplated by this bullet point may not exceed an aggregate of 180 days in any 360-day period.

Any interest payment made pursuant to the APM will first be allocated to payment of the interest due on the interest payment date for the current interest period. Any payment of interest in excess of the amount of interest due on that interest payment date for the current interest period will be applied first against any then existing accrued and unpaid interest with respect to prior interest periods for which interest must be paid pursuant to the APM, in chronological order beginning with the earliest interest period for which interest has not been paid in full and for which such interest must be paid pursuant to the APM, including compounded interest.

In the event that we defer an interest payment on the notes and on other securities that rank equally with the notes and contain similar requirements to pay interest pursuant to the APM, we will apply any net proceeds so raised on a pro rata basis towards our obligations to pay interest on the notes and such equally ranking securities in proportion to the total amounts that are due on the notes and such securities, or on such other basis as any regulatory authority may instruct (taking into account the availability of proceeds of preferred shares or other securities to settle deferred interest under any such other equally ranking securities).

Payment Restrictions

On any date on which accrued interest on the notes through the most recent interest payment date has not been paid in full and until such time as all accrued and unpaid interest on the notes, together with any compounded interest, is paid in full, we will not, and will not permit any of our subsidiaries to, declare or pay any dividends or any distributions on, or make any payments of interest, principal or premium, or any guarantee payments on, or redeem, purchase, acquire or make a liquidation payment on, any capital stock of CIT, debt securities that rank equal or junior to the notes or guarantees that rank equal or junior to the notes, in each case other than:

- purchases of our capital stock in connection with employee or agent benefit plans or under any dividend reinvestment plan;
- purchases or repurchases of shares of our capital stock pursuant to a contractually binding requirement to buy stock existing prior to the beginning of any interest deferral period, whether optional or mandatory, including under a contractually binding stock repurchase plan;
- in connection with the reclassification of any class or series of our capital stock, or the exchange or conversion of one class or series of our capital stock for or into another class or series of our capital stock;
- the purchase of fractional interests in shares of our capital stock in connection with the conversion or exchange provisions of that capital stock or the security being converted or exchanged;
- dividends or distributions in the form of our capital stock or rights to acquire our capital stock (where such capital stock is the same stock on which the dividend is being paid or ranks pari passu or junior to such stock), or repurchases or redemptions of common stock solely from the issuance or exchange of common stock;
- any declaration of a dividend in connection with the implementation of a shareholder rights plan, or issuances of capital stock under any such plan in the future, or redemptions or repurchases of any rights outstanding under a shareholder rights plan;
- acquisitions of our capital stock previously issued in connection with acquisitions of businesses made by us (which acquisitions of our capital stock are made by us in connection with the satisfaction of indemnification obligations of the sellers of such businesses);
- the payment of any dividend within 60 days after the date of declaration thereof, if the date of declaration was prior to the beginning of any interest deferral period, whether optional or mandatory;
- any payment of current interest in respect of debt securities that rank equally with the notes (□parity debt securities□) having the same interest payment date as the notes made ratably to the holders of one or more series of such parity debt securities and the notes in proportion to the respective amounts due on such parity debt securities, on the one hand, and on the notes, on the other hand;

- any payment of principal in respect of parity debt securities having the same maturity date as the notes made ratably to the holders of one or more series of such parity debt securities and the notes in proportion to the respective amounts due on such parity debt securities, on the one hand, and on the notes, on the other hand; or
- any payment in respect of guarantees that rank equally with the notes (¶parity guarantees¶) made ratably to the beneficiaries of one or more of such parity guarantees and the holders of the notes in proportion to the respective accrued and unpaid amounts due on such parity guarantees, on the one hand, and accrued and unpaid amounts on the notes, on the other hand.

Limitation on Claims in the Event of our Bankruptcy, Insolvency or Receivership

The indenture provides that a holder of notes, by such holder's acceptance of the notes, agrees that in certain events of our bankruptcy, insolvency or receivership prior to the maturity or redemption of any notes, whether voluntary or not, such holder of notes will have no claim for, and thus no right to receive, mandatorily deferred and unpaid interest (including compounded interest thereon) to the extent the amount of such interest exceeds two years of accrued and unpaid mandatorily deferred interest. We refer to the unpaid interest for which the holder has no claim pursuant to the limitations described in this paragraph as ¶foregone interest.¶

Events of Default

An ¶Event of Default¶ means any one of the following events that occurs with respect to the notes:

- we fail to pay interest on the notes for 30 days after payment was due; provided, however that a default under this bullet point will not occur if we have deferred interest, as permitted under the indenture, in connection with an optional or mandatory deferral;
- we fail to make the principal or any premium payment on the notes when due;
- we defer interest, whether at our option or mandatorily, or a combination thereof, for more than ten consecutive years without accrued and unpaid interest being paid in full; or
- we or a court take certain actions relating to the bankruptcy, insolvency or reorganization of our company.

The Events of Default contained in the indenture (and the circumstances under which payment of the notes could be accelerated) will not include failure to comply with certain covenants in the indenture, including, but not limited to, the covenant to use commercially reasonable efforts to sell certain of our equity securities as described under ¶¶Alternative Payment Mechanism.¶

Defeasance; Satisfaction and Discharge

The defeasance, satisfaction and discharge provisions of the indenture will apply to the notes. You should refer to the description of these provisions under ¶Description of Debt Securities¶Discharge; Defeasance and Covenant Defeasance¶ in the attached prospectus.

Modification and Waiver

Modification of Indenture

The modification provisions of the indenture will apply to the notes. You should refer to the description of these provisions under ¶Description of Debt Securities¶Modification of Indenture¶ in the attached prospectus.

Waiver of Default

The holders of not less than a majority in aggregate principal amount of the notes then outstanding notes may, on behalf of the holders of all notes, waive any past default under the indenture except a default in the payment of principal,

premium, if any, or any interest on the notes and a default in respect of a covenant or provision of the indenture which cannot be modified or amended without the consent of each holder of the notes then outstanding.

Agreement Regarding Certain Tax Treatment

The notes will provide that, by acceptance of a note, or a beneficial interest therein, each holder of a note agrees to treat the notes as indebtedness for U.S. federal income tax purposes.

Governing Law

The indenture and the notes will be governed by, and construed in accordance with, the laws of the State of New York.

Book-Entry Debt Securities

The Depository Trust Company, or DTC, will act as securities depository for the notes. The notes will be issued as fully registered securities in the name of Cede & Co. or such other name as may be requested by an authorized representative of DTC. This means that certificates will not be issued to each holder of the notes. One or more certificates in fully registered form will be issued in an aggregate principal amount of the notes, and will be deposited with DTC. See "Description of Debt Securities" Global Securities and "Description of Debt Securities" Global Clearance and Settlement Procedures, in the attached prospectus.

About the Trustee

The Bank of New York (as successor to JPMorgan Chase Bank, N.A.) will be the trustee under the indenture and will be the principal paying agent, calculation agent and registrar for the notes. We have entered, and from time to time may continue to enter, into banking or other relationships with The Bank of New York or its affiliates. See "Description of Debt Securities" Concerning the Trustee in the attached prospectus.

Miscellaneous

CIT will have the right at all times to assign any of its respective rights or obligations under the indenture to a direct or indirect wholly-owned subsidiary of CIT; provided that, in the event of any such assignment, CIT will remain liable for all of its respective obligations. Subject to the foregoing, the indenture will be binding upon and inure to the benefit of the parties thereto and their respective successors and assigns. The indenture provides that it may not otherwise be assigned by the parties thereto.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a general discussion of the material U.S. federal income tax considerations relating to the purchase, ownership and disposition of the notes. Except where noted, this discussion only applies to notes that are held as capital assets by holders who purchase the notes upon their original issuance at their initial offering price. This discussion does not describe all of the material tax considerations that may be relevant to holders in light of their particular circumstances or to holders subject to special rules, such as certain financial institutions, insurance companies, tax-exempt entities, certain former citizens or residents of the United States, dealers and traders in securities or persons holding the notes as part of a hedge, straddle or other integrated transaction. In addition, this discussion does not address the effect of any state, local, foreign or other tax laws or any U.S. federal estate, gift or alternative minimum tax considerations. This discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, all as in effect on the date hereof, and all of which are subject to change or differing interpretations, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those discussed below.

As used in this prospectus supplement, the term "U.S. Holder" means a beneficial owner of a note that is for U.S. federal income tax purposes:

- an individual citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust with respect to which (i) a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or (ii) a valid election is in effect under applicable Treasury regulations to be treated as a U.S. person.

The term "Non-U.S. Holder" means a beneficial owner of a note that is neither a U.S. Holder nor a partnership (or other entity treated as a partnership for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) holds notes, the tax treatment of the partnership and its partners will generally depend on the status of the partner and the activities of the partnership and its partners. If you are a partnership (or other entity that is treated as a partnership for U.S. federal income tax purposes) or a partner in such a partnership, you should consult your own tax advisors regarding the U.S. federal income tax considerations of the purchase, ownership and disposition of notes.

Persons considering the purchase of notes should consult their own tax advisors regarding the U.S. federal income tax considerations relating to the purchase, ownership and disposition of notes in light of their particular circumstances, as well as the effect of any state, local, foreign or other tax laws.

Classification of the Notes

The determination of whether a security should be classified as indebtedness or equity for U.S. federal income tax purposes requires a judgment based on all relevant facts and circumstances. There is no statutory, judicial or administrative authority that directly addresses the U.S. federal income tax treatment of securities similar to the notes, and no rulings have been sought or are expected to be sought from the Internal Revenue Service (the "IRS"). In connection with the issuance of the notes, Shearman & Sterling LLP, our special tax counsel, will provide us with its opinion generally to the effect that under then current law and assuming full compliance with the terms of the subordinated indenture and other relevant documents, and based on the facts and assumptions contained in such opinion and certain representations provided by us, the notes will be treated as indebtedness for U.S. federal income tax purposes (although there is no controlling authority directly on point). Such opinion is not binding on the IRS or any court, and there can be no assurance that the IRS or a court will agree with such opinion. If the IRS were to challenge successfully the classification of the notes as indebtedness, interest payments on the notes would be treated for such purposes as dividends to the extent of our current or accumulated earnings and profits. In the case of Non-U.S. Holders, distributions treated as dividends would be subject to withholding of U.S.

federal income tax, except to the extent provided by an applicable income tax treaty. Holders should consult their own tax advisors regarding the tax consequences if the notes are not treated as indebtedness for U.S. federal income tax purposes.

We agree, and by acquiring a note each holder of a note will agree, to treat the notes as indebtedness for U.S. federal income tax purposes. The remainder of this discussion assumes the notes will be respected as indebtedness for U.S. federal income tax purposes.

U.S. Holders

Interest Income and Original Issue Discount

Under applicable Treasury regulations, the possibility that interest on the notes might be deferred could result in the notes being treated as issued with original issue discount ("OID"), unless the likelihood of such deferral is remote within the meaning of the regulations. We believe that the likelihood of interest deferral, either optional or mandatory, on the notes is remote within the meaning of the Treasury regulations and therefore that the possibility of such deferral will not result in the notes being treated as issued with OID. Based on the foregoing, we believe that, although the matter is not free from doubt, the notes will not be considered to be issued with OID. Accordingly, interest paid on the notes will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received in accordance with such U.S. Holder's method of accounting for U.S. federal income tax purposes.

However, there can be no assurance that the IRS or a court will agree with this position. The meaning of the term "remote" in the Treasury regulations has not been addressed in any rulings or other interpretations by the IRS or by any court. The IRS may take a position contrary to that described above, which could affect the amount and timing of income, as described below, and potentially the character of income (including gain) from the notes. U.S. Holders should consult their own tax advisors regarding the appropriate tax treatment of income on the notes.

If the possibility of interest deferral were determined not to be remote, the notes would be treated as issued with OID at the time of issuance and all stated interest would be treated as OID. In such case, a U.S. Holder would be required to include stated interest in income as it accrues, regardless of its method of accounting, using a constant yield method, and actual cash payments of interest on the notes would not be reported as taxable income.

Further, even assuming that the possibility of interest deferral is remote, if interest payments on the notes are deferred (either optionally or mandatorily), the notes will be treated as issued with OID at the time of such deferral and all stated interest due after such deferral will be treated as OID. Consequently, a U.S. Holder of notes would be required to include OID in its gross income in the manner described above even though we would not make any actual cash payments during a deferral period.

Sale, Exchange, Redemption or Retirement of the Notes

Upon the sale, exchange, redemption or retirement of a note, a U.S. Holder will generally recognize gain or loss equal to the difference between the amount realized (less any amount attributable to accrued but unpaid interest, which will be taxable as ordinary interest income to the extent not previously included in gross income) on the sale, exchange, redemption or retirement and such U.S. Holder's adjusted tax basis in the note. Assuming that there has been no deferral of interest on the notes and that the notes are not deemed to be issued with OID, a U.S. Holder's adjusted tax basis in the notes generally will be its initial purchase price. If the notes are deemed to be issued with OID, a U.S. Holder's tax basis in the notes generally will be its initial purchase price, increased by OID previously includible in that U.S. Holder's gross income to the date of disposition and decreased by payments received on the notes from and including the date that the notes were deemed to be issued with OID. Such gain or loss generally will be capital gain or loss and generally will be long-term capital gain or loss if the notes have been held for more than one year. However, based on the redemption provisions of the notes and the possibility of foregone interest in certain events of our bankruptcy, insolvency, or receivership, the IRS may take the position that, contrary to our belief, any gain from the disposition of the notes should be treated as ordinary income rather than capital gain. A U.S. Holder that is an individual is generally entitled to preferential treatment for net long-term capital gains. The ability of a U.S. Holder to deduct capital losses is limited.

Information Reporting and Backup Withholding

Information reporting requirements generally apply in connection with payments on the notes to, and the proceeds from a sale or other disposition of the notes by, non-corporate U.S. Holders. A U.S. Holder will be subject to backup withholding tax on these payments if the U.S. Holder fails to provide its taxpayer identification number to the paying agent and comply with certain certification procedures or otherwise establish an exemption from backup withholding. Any backup withholding from a payment to a U.S. Holder will be allowed as a credit against such U.S. Holder's U.S. federal income tax liability and may entitle such U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Non-U.S. Holders

Assuming that the notes will be treated as indebtedness for U.S. federal income tax purposes, no withholding of U.S. federal income tax will apply to a payment on a note to a Non-U.S. Holder under the Portfolio Interest Exemption, provided that:

- such payment is not effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States (and, if certain income tax treaties apply, such payment is not attributable to a permanent establishment maintained by the Non-U.S. Holder within the United States);
- the Non-U.S. Holder does not actually or constructively own ten percent or more of the total combined voting power of all classes of our stock entitled to vote;
- the Non-U.S. Holder is not a controlled foreign corporation that is related directly or constructively to us through stock ownership;
- the Non-U.S. Holder is not a bank that acquired the notes in consideration for an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; and
- the Non-U.S. Holder provides the withholding agent, in accordance with specified procedures, with a statement to the effect that such holder is not a U.S. person (generally through the provision of a properly executed IRS Form W-8BEN).

If a Non-U.S. Holder cannot satisfy the requirements of the Portfolio Interest Exemption described above, payments of interest on the notes (including payments in respect of OID, if any, on the notes) made to such Non-U.S. Holder will be subject to a 30 percent U.S. federal withholding tax, unless that holder provides the withholding agent with a properly executed statement (i) claiming an exemption from or reduction of withholding tax under an applicable income tax treaty; or (ii) stating that the payment on the notes is not subject to withholding tax because it is effectively connected with that holder's conduct of a trade or business in the United States.

If a Non-U.S. Holder is engaged in a trade or business in the United States and the interest on the notes is effectively connected with the conduct of that trade or business (and, if certain income tax treaties apply, is attributable to a permanent establishment maintained by the U.S. Holder within the United States), that Non-U.S. Holder will be subject to U.S. federal income tax on the interest on a net income basis in the same manner as if that Non-U.S. Holder were a U.S. Holder. In addition, a Non-U.S. Holder that is a foreign corporation that is engaged in a trade or business in the United States may be subject to a 30 percent (or, if certain income tax treaties apply, lower rates as provided in such treaties) branch profits tax.

Any gain realized by a Non-U.S. Holder on the sale, exchange, redemption or retirement of a note generally will not be subject to U.S. federal income tax unless:

- such gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States (and, if certain income tax treaties apply, is attributable to a permanent establishment maintained by the Non-U.S. Holder within the United States); or
- the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

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In general, information reporting and backup withholding will not apply to a payment of interest on a note to a Non-U.S. Holder, or to proceeds from the disposition of a note by a Non-U.S. Holder, in each case, if the holder certifies under penalties of perjury that it is a Non-U.S. Holder and neither we nor our paying agent has actual knowledge (or reason to know) to the contrary. Any amounts withheld under the backup withholding rules will be allowed as a credit against the Non-U.S. Holder's U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided the required information is timely furnished to the IRS. In general, if a note is not held through a qualified intermediary, the amount of payments made on that note, the name and address of the beneficial owner and the amount, if any, of tax withheld may be reported to the IRS.

THE U.S. FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS.

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UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated the date hereof, the underwriters named below, for whom Barclays Capital Inc., Lehman Brothers Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as representatives, have severally agreed to purchase, and we have agreed to sell to them, severally, the respective principal amount of the notes set forth opposite their names below:

<u>Name</u>	Principal amount of notes
Barclays Capital Inc.	116,667,000
Lehman Brothers Inc.	116,666,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	116,667,000
Banc of America Securities LLC	18,750,000
Bear, Stearns & Co. Inc.	18,750,000
Citigroup Global Markets Inc.	18,750,000
Goldman, Sachs & Co.	18,750,000
J.P. Morgan Securities Inc.	18,750,000
Morgan Stanley & Co. Incorporated	18,750,000
UBS Securities LLC	18,750,000
Wachovia Capital Markets, LLC	<u>18,750,000</u>
Total	<u>\$500,000,000</u>

The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the notes are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the notes if any notes are taken.

The underwriters initially propose to offer part of the notes directly to the public at the public offering price set forth on the cover page of this prospectus supplement. Any underwriter may allow, and dealers may reallow, a selling concession not in excess of 0.60% of the principal amount of the notes to certain other dealers. After the initial offering of the notes, the offering price and other selling terms may from time to time be varied by the representatives.

We have agreed that without the prior consent of the representatives, we will not offer, sell, contract to sell or otherwise dispose of any of our debt securities that are substantially similar to the notes for a period beginning the date of execution of the underwriting agreement and continuing to and including the date of completion of this offering with the exception of commercial paper issued in the ordinary course of business.

The expenses of the offering, not including the underwriting discount, are estimated at \$600,000 and are payable by CIT.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended, or to contribute to payments the underwriters may be required to make in respect thereof.

The notes are offered for sale only in those jurisdictions in the United States where it is legal to make such offers.

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We have been advised by the underwriters that they intend to make a market in the notes but they are not obligated to do so and may discontinue any market-making activities at any time without notice. No assurance can be given as to the liquidity of, or the trading markets for, the notes.

The following table shows the underwriting discounts and commissions that we are to pay to the underwriters for the notes:

Per Note	1.00%
Total	\$5,000,000

In connection with this offering and in accordance with applicable law and industry practice, the underwriters may over-allot or effect transactions that stabilize, maintain or otherwise affect the market price of the notes at levels above those that might otherwise prevail in the open market, including by entering stabilizing bids, effecting syndicate covering transactions or imposing penalty bids, each of which is described below.

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- A stabilizing bid means the placing of any bid, or the effecting of any purchase, for the purpose of pegging, fixing or maintaining the price of a security.
- A syndicate covering transaction means the placing of any bid on behalf of the underwriting syndicate or the effecting of any purchase to reduce a short position created in connection with the offering.
- A penalty bid means an arrangement that permits the underwriters to reclaim a selling concession from a syndicate member in connection with the offering when notes originally sold by the syndicate member are purchased in syndicate covering transactions.

From time to time, certain of the underwriters have provided, and may provide, various financial advisory or investment banking services to us and our affiliates, for which they have received and may continue to receive customary fees and commissions.

It is expected that delivery of the notes will be made against payment therefor on January 31, 2007, which will be the fifth business day following the date of this prospectus supplement (such settlement being referred to as "T+5"). Under Rule 15c6-1 under the Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the notes on the date of this prospectus supplement or the next two business days following the date of this prospectus supplement will be required, by virtue of the fact that the notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the notes who wish to trade the notes on the date of this prospectus supplement or the next two business days following the date of this prospectus supplement should consult their own advisors.

LEGAL MATTERS

Certain legal matters in connection with the offering of the notes will be passed upon for us by Shearman & Sterling LLP, New York, New York. Certain legal matters in connection with the offering of the notes will be passed upon for the underwriters by Wilmer Cutler Pickering Hale and Dorr LLP.

WHERE YOU CAN FIND MORE INFORMATION

CIT Group Inc. files annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission, or the SEC. Our SEC filings are available to the public over the Internet at the SEC's Web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Such information may also be inspected at The New York Stock Exchange, 20 Broad Street, New York, New York 10005. You can also find information about us by visiting our Web site at www.cit.com. We have included our Web site address as an inactive textual reference only. Information on our Web site is not incorporated by reference into and does not form a part of this prospectus supplement or the accompanying prospectus.

We are incorporating by reference into this prospectus supplement and the accompanying prospectus the information that CIT Group Inc. files with the SEC, which means that we can disclose important information to you by referring you to those documents that have been filed with the SEC. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus, and information that we file later with the SEC will automatically update and supersede the previously filed information. We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act, other than any portions of the respective filings that were furnished, under applicable SEC rules, rather than filed, until the completion of this offering.

We incorporate by reference the documents listed below.

- our Annual Report on Form 10-K for the year ended December 31, 2005 (the "Annual Report");
- our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006;
- our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2006;
- our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2006;
- our Definitive Proxy Statement filed with the SEC on April 3, 2006; and
- our Current Reports on Form 8-K filed with the SEC on January 18, 2006, January 20, 2006, January 25, 2006, January 26, 2006, February 10, 2006, February 16, 2006, February 27, 2006, March 1, 2006, March 2, 2006, March 15, 2006, March 27, 2006, March 28, 2006, March 29, 2006, April 19, 2006, April 25, 2006, April 27, 2006, May 8, 2006, May 11, 2006, May 15, 2006, May 24, 2006, May 31, 2006 (which Current Report revises our segment disclosures included in our financial statements filed in our 2005 Annual Report), June 6, 2006, June 8, 2006, July 14, 2006, July 19, 2006, July 24, 2006, July 25, 2006, July 27, 2006, August 3, 2006, August 8, 2006, August 11, 2006, August 16, 2006, August 21, 2006, August 22, 2006, September 5, 2006, September 6, 2006, September 11, 2006, September 21, 2006, October 18, 2006, October 19, 2006, October 24, 2006, October 31, 2006, November 1, 2006, November 7, 2006, November 21, 2006, December 5, 2006, December 12, 2006, December 19, 2006, December 21, 2006, January 9, 2007, January 17, 2007 and January 23, 2007.

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You may request a copy of these filings at no cost by writing or telephoning us at the following address or phone number:

Glenn A. Votek
Executive Vice President And Treasurer
CIT Group Inc.
1 CIT Drive
Livingston, New Jersey 07039
(973) 740-5000

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PROSPECTUS

**CIT GROUP INC.
Common Stock
Preferred Stock
Senior Debt Securities
Subordinated Debt Securities**

CIT Group Inc. may from time to time offer and sell shares of common stock, shares of preferred stock, senior debt securities or subordinated debt securities covered by this prospectus independently, or together in any combination that may include other securities set forth in an accompanying prospectus supplement, for sale directly to purchasers or through underwriters, dealers or agents to be designated at a future date.

We will provide the specific terms and prices of the securities that we may offer in supplements to this prospectus. The prospectus supplements may also add to, update or change information contained in this prospectus. This prospectus may not be used to offer or sell any securities unless accompanied by a prospectus supplement. You should read this prospectus and any applicable prospectus supplement carefully before you invest in the securities.

Our common stock is listed on the New York Stock Exchange under the symbol "CIT."

We may sell securities to or through underwriters, dealers or agents. For additional information on the method of sale, you should refer to the section entitled "Plan of Distribution." The names of any underwriters, dealers or agents involved in the sale of any securities and the specific manner in which they may be offered will be set forth in the prospectus supplement covering the sale of those securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is January 19, 2006.

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ABOUT THIS PROSPECTUS

The information contained in this prospectus is not complete and may be changed. You should rely only on the information provided in or incorporated by reference in this prospectus, any prospectus supplement, or documents to which we otherwise refer you. We have not authorized anyone else to provide you with different information. We are not making an offer of any securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus, any prospectus supplement or any document incorporated by reference is accurate as of any date other than the date of the document in which such information is contained or such other date referred to in such document, regardless of the time of any sale or issuance of a security.

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (the "SEC") using a "shelf" registration process. This prospectus provides you with a general description of the securities we may offer. Each time we sell or issue securities, we will provide a prospectus supplement and, if applicable, a pricing supplement, that will contain specific information about the terms of that specific offering of securities and the specific manner in which they may be offered. The prospectus supplement and any applicable pricing supplement may also add to, update or change any of the information contained in this prospectus. The prospectus supplement and any applicable pricing supplement may also contain information about any material U.S. federal income tax considerations relating to the securities described in the prospectus supplement. You should read both this prospectus, the applicable prospectus supplement and any applicable pricing supplement, together with the additional information described under "Where You Can Find More Information." You should read the entire prospectus and the applicable prospectus supplement, including the information incorporated by reference, before making an investment decision. As used in this prospectus, the terms "CIT Group Inc.," "CIT Group," "CIT," "we," "us," "our" and "the company" refer to CIT Group Inc. unless the context clearly indicates otherwise.

This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Copies of some of the documents referred to herein have been filed or will be filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described below under "Where You Can Find More Information."

The registration statement that contains this prospectus (including the exhibits to the registration statement) contains additional information about us and the securities offered under this prospectus. That registration statement can be read at the SEC web site (www.sec.gov) or at the SEC offices mentioned under the heading "Where You Can Find More Information."

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Such information may also be inspected at The New York Stock Exchange, 20 Broad Street, New York, New York 10005. You can also find information about us by visiting our website at www.cit.com. We have included our website address as an inactive textual reference only. Information on our website is not incorporated by reference into and does not form a part of this prospectus.

The SEC allows us to incorporate by reference the information we file with it into this prospectus, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and information that we file later with the SEC will automatically update and supersede the previously filed information. We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities

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Exchange Act of 1934, as amended (the “Exchange Act”), other than any portions of the respective filings that were furnished, under applicable SEC rules, rather than filed, until we complete our offerings of the securities:

- our Annual Report on Form 10-K for the year ended December 31, 2004, as amended by Amendment No. 1 and Amendment No. 2 to such Annual Report;

- our Definitive Proxy Statement filed with the SEC on April 6, 2005;
- our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2005, as amended by Amendment No. 1 to such Quarterly Report;
- our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2005, as amended by Amendment No. 1 to such Quarterly Report;
- our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2005, as amended by Amendment No. 1 to such Quarterly Report;
- our Current Reports on Form 8-K filed with the SEC on January 3, 2005, January 6, 2005, January 7, 2005, January 18, 2005, January 19, 2005, February 24, 2005, March 2, 2005, March 30, 2005, April 20, 2005, July 6, 2005, July 20, 2005, August 16, 2005, August 18, 2005, August 26, 2005, September 15, 2005, September 30, 2005, October 19, 2005, October 20, 2005, November 15, 2005, December 2, 2005, December 9, 2005, December 13, 2005, December 14, 2005, December 22, 2005 and January 18, 2005; and
- the description of our common stock contained in Form 8-A filed on June 26, 2002, and any amendment or report filed under the Exchange Act for the purpose of updating such description.

You may request a copy of these filings at no cost by writing or telephoning us at the following address or phone number:

Glenn Votek
Executive Vice President and Treasurer
CIT Group Inc.
1 CIT Drive
Livingston, New Jersey 07039
(973) 740-5000

FORWARD-LOOKING STATEMENTS

This prospectus, the prospectus supplement, the documents incorporated by reference in this prospectus and other written reports and oral statements made from time to time by the company may contain “forward-looking statements” within the meaning of the Securities Litigation Reform Act of 1995. Forward-looking statements relate to expectations or forecasts of future events. They use words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “forecast,” “project,” “intend,” “plan,” “potential,” “will,” and other words and terms of similar meaning in connection with a discussion of potential future events, circumstances or future operating or financial performance. You can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. Any forward-looking statements contained in this prospectus, the prospectus supplement and the documents incorporated by reference in this prospectus are subject to unknown risks, uncertainties and contingencies. Forward-looking statements are included, for example, in the discussions about:

- our liquidity risk management;
- our credit risk management;
- our asset and liability risk management;
- our funding, borrowing costs and net finance margin;
- our capital, leverage and credit ratings;

- our operational and legal risks;
- our ability to remediate the material weakness in internal controls related to income taxes;
- our growth rates;
- our commitments to extend credit or purchase equipment; and
- how we may be affected by legal proceedings.

All forward-looking statements involve risks and uncertainties, many of which are beyond our control, which may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Also, forward-looking statements are based upon management's estimates of fair values and of future costs, using currently available information. Therefore, actual results may differ materially from those expressed or implied in those statements. Factors that could cause such differences include, but are not limited to:

- risks of economic slowdown, downturn or recession;
- industry cycles and trends;
- demographic trends;
- risks inherent in changes in market interest rates and quality spreads;
- funding opportunities and borrowing costs;
- changes in funding markets, including commercial paper, term debt and the asset-backed securitization markets;
- uncertainties associated with risk management, including credit prepayment, asset/liability, interest rate and currency risks;
- adequacy of reserves for credit losses, including amounts related to hurricane losses and U.S. hub carrier airlines;
- risks associated with the value and recoverability of leased equipment and lease residual values;
- changes in laws or regulations governing our business and operations;
- changes in competitive factors; and
- future acquisitions and dispositions of businesses or asset portfolios.

Any or all of our forward-looking statements here or in other publications may turn out to be wrong, and there are no guarantees about the performance of the company. The company does not assume the obligation to update any forward-looking statement for any reason.

DESCRIPTION OF DEBT SECURITIES

This section contains a description of the general terms and provisions of the debt securities that may be offered by this prospectus. We may issue senior debt securities and subordinated debt securities under one of two separate indentures to be entered into between us and JPMorgan Chase Bank, N.A., as trustee. Senior debt securities will be issued under a senior indenture and subordinated debt securities will be issued under a subordinated indenture. The senior indenture and the subordinated indenture are referred to in this prospectus individually as the “indenture” and collectively as the “indentures.” The indentures may be supplemented from time to time.

This prospectus briefly outlines some of the provisions of the indentures. The following summary of the material provisions of the indentures is qualified in its entirety by the provisions of the indentures, including definitions of certain terms used in the indentures. Wherever we refer to particular sections or defined terms of the indentures, those sections or defined terms are incorporated by reference in this prospectus or the applicable prospectus supplement. You should review the indentures that are filed as exhibits to the registration statement of which this prospectus forms a part for additional information.

In addition, the material specific financial, legal and other terms as well as any material U.S. federal income tax consequences particular to securities of each series will be described in the prospectus supplement relating to the securities of that series. The prospectus supplement may or may not modify the general terms found in this prospectus and will be filed with the SEC. For a complete description of the terms of a particular series of debt securities, you should read both this prospectus and the prospectus supplement relating to that particular series.

General

Neither indenture limits the amount of debt that we may issue under the indenture or otherwise. Under the indentures, we may issue the securities in one or more series with the same or various maturities, at par or a premium, or with original issue discount.

Unless otherwise specified in the prospectus supplement, the debt securities covered by this prospectus will be our direct unsecured obligations. Senior debt securities will rank equally with our other unsecured and unsubordinated indebtedness. Subordinated debt securities will be unsecured and subordinated in right of payment to the prior payment in full of all of our senior indebtedness. See “—Subordination” below. Any of our secured indebtedness will rank ahead of the debt securities to the extent of the value of the assets securing such indebtedness.

We conduct operations primarily through our subsidiaries and substantially all of our consolidated assets are held by our subsidiaries. Accordingly, our cash flow and our ability to meet our obligations under the debt securities will be largely dependent on the earnings of our subsidiaries and the distribution or other payment of these earnings to us in the form of dividends, loans or advances and repayment of loans and advances from us. Our subsidiaries are separate and distinct legal entities and have no obligation to pay the amounts that will be due on our debt securities or to make any funds available for payment of amounts that will be due on our debt securities. Because we are a holding company, our obligations under our debt securities will be effectively subordinated to all existing and future liabilities of our subsidiaries. Therefore, our rights, and the rights of our creditors, including the rights of the holders of the debt securities, to participate in any distribution of assets of any of our subsidiaries, if such subsidiary were to be liquidated or reorganized, are subject to the prior claims of the subsidiary's creditors. To the extent that we may be a creditor with recognized claims against our subsidiaries, our claims will still be effectively subordinated to any security interest in, or mortgages or other liens on, the assets of the subsidiary that are senior to us.

The prospectus supplement relating to any series of debt securities being offered will include specific terms relating to the offer