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NATCO GROUP INC
Form 8-K
July 29, 2004

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): July 28, 2004

NATCO Group Inc.

(Exact Name of Registrant as Specified in its Charter)

DELAWARE (State of Incorporation)	001-15603 (Commission File Number)	22-2906892 (IRS Employer Identification No.)
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2950 North Loop West, 7th Floor Houston, Texas (Address of Principal Executive Offices)	77092 (Zip Code)
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Registrant's Telephone Number, Including Area Code: (713) 683-9292

ITEM 5. OTHER EVENTS

On July 28, 2004, NATCO Group Inc. entered into a Separation Agreement with Nathaniel A. Gregory, its Chief Executive Officer. Pursuant to the Agreement, Mr. Gregory is stepping down immediately as the Company's Chairman of the Board of Directors, and will resign as its Chief Executive Officer and as a director on September 7, 2004. John U. Clarke, an independent director who has served on the Company's Board of Directors since February 2000, will replace Mr. Gregory as Chairman of the Board, effective immediately. Mr. Clarke also is expected to serve as NATCO's interim CEO starting September 7, 2004, and remain in that position during the Board's search for a permanent CEO.

During any time Mr. Clarke serves as interim CEO, he would not be deemed to be "independent" under Securities and Exchange Commission (SEC) and New York Stock Exchange (NYSE) rules and therefore would resign temporarily from the Audit and the Governance, Nominating & Compensation Committees of the Company's Board of Directors. The Board currently expects that Mr. Clarke would resume these committee positions on the selection of a new CEO. In the

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meantime, however, the Audit Committee would have only two members and would be without an "audit committee financial expert" and thus would be out of compliance with NYSE and SEC requirements. Assuming we fill the position of CEO promptly and Mr. Clarke returns to these committees, we do not anticipate any material and adverse consequences from this temporary noncompliance.

Mr. Gregory received an initial payment under the Separation Agreement, which he used to exercise outstanding options to purchase 164,363 shares of the Company's common stock at an exercise price of \$5.03 per share and to pay taxes due on such exercise. He also will be entitled to receive an additional payment in October, and other compensation and benefits, as specified in the agreement. Mr. Gregory will make himself available for provision of advisory services for a period of one year as provided in the agreement.

Also on July 28, 2004, the Company repurchased an aggregate of 498,670 shares of its common stock from Mr. Gregory and Patrick M. McCarthy, the Company's President, at a price of \$7.859 per share, which represented the 15-trading day average of the closing price of the common stock as reported on the New York Stock Exchange for the period ended July 23, 2004. Mr. Gregory and Mr. McCarthy used these proceeds and other funds to repay in full all outstanding loans to the Company that were scheduled to mature on July 31, 2004.

On July 29, 2004, NATCO Group Inc. issued a press release to announce the management changes described above and also reported information regarding its bookings, backlog and revenues for the 2004 second quarter and reaffirmed prior guidance, before various charges, including CEO separation costs.

The Separation Agreement and press release are filed as exhibits to this Current Report on Form 8-K, and the contents of such exhibits are incorporated in this document by reference.

Company officials will conduct a conference call starting at 10:00 a.m. EDT (9:00 a.m. CDT) on Tuesday, Aug. 3, 2004 to discuss these leadership changes and the Company's second quarter financial and operating results. The August 3 conference call will be webcast live over the internet. Persons wishing to listen to the webcast should go to the following link 10 minutes prior to the webcast: <http://www.firstcallevts.com/service/ajwz409140582gf12.html>. The call will be archived on the Company's website, <http://www.natcogroup.com>, for replay approximately 1 hour after the completion of the call. To access the replay, click on Investor Relations.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

- 10.1 Separation Agreement between the Company and Nathaniel A. Gregory dated July 28, 2004
- 99.1 Press Release dated July 29, 2004

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

In its press release of July 29 discussed above, the Company also reported information regarding its bookings, backlog and revenues for the 2004 second quarter and reaffirmed prior guidance, before various charges, including CEO separation costs. The Company intends to release complete 2004 second quarter financial results on Tuesday, August 3, 2004, before the open of the market.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: July 29, 2004

NATCO Group Inc.

By: /s/ Patrick M. McCarthy

Patrick M. McCarthy
President

ordance 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 cumulative effect of a change in accounting principle or a restatement: our Tangible Equity Amount 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 changes in U.S. GAAP becomes effective, such Tangible Equity Amount will be calculated on a pro forma basis as if such change had not occurred; or S-19 our 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 changes in U.S. GAAP becomes effective, such Total Managed Assets 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. 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 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 an 'accelerated filer' within the meaning of Rule 12b-2 under the Exchange Act. Under this ' -- Restrictions on Declaration and Payment of Dividends' subsection, we use several terms that have special meanings relevant to the mandatory dividend suspension tests described above. We define these 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. 'New Common Equity Amount' means, at any date, the net proceeds (after underwriters' or placement agents' fees, commissions or discounts and other expenses relating to the issuances) received by us from new issuances of our common stock (whether in one or more public offerings registered under the Securities Act of 1933, or the Securities Act, or private placements or other transactions exempt from registration under the Securities Act) during the period commencing on the 90th day prior to such date, and which are designated by our Board of Directors at or before the time of issuance as being available to pay dividends on the series A preferred shares and other parity stock (including

the series B preferred shares). '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. **NOTICES RELATED TO ACTUAL MANDATORY SUSPENSION OF DIVIDENDS** By not later than the 15th day prior to each dividend payment date for which dividends are being suspended because we have failed either of the two tests set forth above and we do not otherwise intend to declare or pay dividends out of any New Common Equity Amount, we will give notice of such suspension by first class mail, postage prepaid, addressed to the holders of record of the series A preferred shares on the applicable dividend record date; provided that, if the series A preferred shares are held in book-entry form through DTC, we may give such notice in any manner permitted by DTC. We will also file a copy of such notice on Form 8-K with the SEC. Such notice, in addition to stating that S-20 dividends will be suspended, will set forth the fact that the Tangible Equity Amount is less than 5.5% of Total Managed Assets for the most recently completed fiscal quarter if dividends are suspended by reason of failing to satisfy the first test described above, and the fact that the Average Four Quarters Fixed Charge Ratio is less than 1.10 if dividends are suspended by reason of failing to satisfy the second test described above. However, we will not be required to give such notice if the amount of the dividends for such dividend payment date does not exceed the New Common Equity Amount. **LIQUIDATION RIGHTS** In the event that we voluntarily or involuntarily liquidate, dissolve or wind up our affairs, holders of the series A preferred shares and any parity stock are entitled to receive out of our assets available for distribution to stockholders, after satisfaction of liabilities to creditors, if any, and before any distribution of assets is made on our common stock or any of our other shares of stock ranking junior as to such a distribution to the series A preferred shares and any parity stock, a liquidating distribution in the amount of \$25 per series A preferred share plus any declared and unpaid dividends, without the accumulation of any undeclared dividends. Holders of the series A preferred shares will not be entitled to any other amounts from us after they have received their full liquidation preference. In any such distribution, if our assets are not sufficient to pay the liquidation preferences in full to all holders of the series A preferred shares and all holders of any parity stock, the amounts paid to the holders of series A preferred shares and to the holders of any parity stock will be paid pro rata in accordance with the respective aggregate liquidation preferences of those holders. In any such distribution, the 'liquidation preference' of any holder of preferred stock means the amount payable to such holder in such distribution, including any declared but unpaid dividends (and any unpaid, accrued cumulative dividends in the case of any holder of parity stock on which dividends accrue on a cumulative basis, if any). If the liquidation preference has been paid in full to all holders of the series A preferred shares and any holders of parity stock, the holders of our other stock shall be entitled to receive all our remaining assets according to their respective rights and preferences. For purposes of this section, a merger or consolidation by us with or into any other entity, including a merger or consolidation in which the holders of the series A preferred shares receive cash, securities or property for their shares, or the sale, lease or exchange of all or substantially all of our assets will not constitute a liquidation, dissolution or winding up of our affairs. **REDEMPTION** The series A preferred shares are not subject to any mandatory redemption, sinking fund, retirement fund, purchase fund or other similar provisions. The series A preferred shares are not redeemable prior to September 15, 2010. On or after September 15, 2010, the series A preferred shares will be redeemable at our option at any time, as described below, in whole or in part, upon not less than 30 nor more than 60 calendar days' notice, at a redemption price equal to \$25 per series A preferred share, plus any declared and unpaid dividends, without the accumulation of any undeclared dividends. Holders of the series A preferred shares will have no right to require the redemption or repurchase of the series A preferred shares. If the series A preferred shares are to be redeemed, the notice of redemption shall be given by first class mail (or delivered through the customary practices of DTC) to the holders of record of the series A preferred shares to be redeemed, not less than 30 nor more than 60 calendar days prior to the date fixed for redemption thereof; provided that, if the series A preferred shares are held in book-entry form through DTC, we may give such notice in any manner permitted by DTC. Each notice of redemption will include a statement setting forth: the redemption date; the number of series A preferred shares to be redeemed and, if less than all the series A preferred shares are to be redeemed, the number of such series A preferred shares to be redeemed; the redemption price; and S-21 the place or places where holders may surrender certificates evidencing the series A preferred shares for payment of the redemption price. If notice of redemption of any series A preferred shares has been given and if the funds

necessary for such redemption have been set aside by us for the benefit of the holders of any series A preferred shares so called for redemption, then, from and after the redemption date, such series A preferred shares shall no longer be deemed outstanding and all rights of the holders of such series A preferred shares will terminate, except the right to receive the redemption price. In case of any redemption of only part of the series A preferred shares at the time outstanding, the series A preferred shares to be redeemed shall be selected either pro rata or in such other manner as we may determine to be fair and equitable. We intend that, if we redeem the series A preferred shares, we will redeem such series A preferred shares only to the extent the aggregate redemption price is equal to or less than the net proceeds, if any, received by us or any of our affiliates from new issuances by us or any of our affiliates during the period commencing on the 180th calendar day prior to the date of redemption to purchasers other than our affiliates of any securities which have equal or greater equity characteristics for us as the series A preferred shares. See 'Description of the Series A Preferred Shares -- Redemption.'

VOTING RIGHTS Except as provided below, the holders of the series A preferred shares will have no voting rights. Whenever dividends on any series A preferred shares have not been declared and paid for the equivalent of six or more dividend payments, whether or not for consecutive dividend periods (a 'nonpayment'), the holders of such series A preferred shares, voting together as a single class with holders of any and all other series of voting preferred stock (as defined below) then outstanding (including the holders of any series B preferred shares), will be entitled to vote for the election of a total of two additional members of our Board of Directors (the 'preferred stock directors'); provided that the election of any such directors will not cause us to violate the corporate governance requirement of the New York Stock Exchange (or any other exchange or automated quotation system on which our securities may be listed or quoted) that requires listed or quoted companies to have a majority of independent directors; and provided further that our Board of Directors shall, at no time, include more than two preferred stock directors. In that event, the number of directors on our Board of Directors will automatically increase by two, and the new directors will be elected at a special meeting called at the request of the holders of at least 20% of the series A preferred shares or of any other series of voting preferred stock (provided that such request is received at least 90 calendar days before the date fixed for the next annual or special meeting of the stockholders, failing which election shall be held at such next annual or special meeting of stockholders), and at each subsequent annual meeting. As used in this prospectus supplement, 'voting preferred stock' means any other class or series of our preferred stock ranking equally with the series A preferred shares either as to dividends or the distribution of assets upon liquidation, dissolution or winding up and upon which like voting rights have been conferred and are exercisable, and includes the series B preferred shares. Whether a plurality, majority or other portion of the series A preferred shares and any other voting preferred stock have been voted in favor of any matter shall be determined by reference to the respective liquidation preference amounts of the series A preferred shares and such other voting preferred stock voted. If and when dividends for at least four dividend periods, whether or not consecutive, following a nonpayment have been paid in full, or declared and a sum sufficient for such payment shall have been set aside (a 'nonpayment remedy'), the holders of the series A preferred shares shall immediately and, without any further action by the company, be divested of the foregoing voting rights, subject to the revesting of such rights in the event of each subsequent nonpayment. If such voting rights for the series A preferred shares and all other holders of voting preferred stock have terminated, the term of office of each preferred stock director so elected will terminate and the number of directors on our Board shall automatically decrease by two. In determining whether dividends have been paid for four dividend periods following a nonpayment, we may take account of any dividend we elect to pay for such a dividend period after the regular dividend payment date for that period has passed.

S-22 Any preferred stock director may be removed at any time without cause by the holders of record of a majority of the outstanding series A preferred shares and any other shares of voting preferred stock then outstanding (voting together as a class) when they have the voting rights described above. In the event that a nonpayment shall have occurred and there shall not have been a nonpayment remedy, any vacancy in the office of a preferred stock director (other than prior to the initial election after a nonpayment) may be filled by the written consent of the preferred stock director remaining in office or, if none remains in office, by a vote of the holders of record of a majority of the outstanding series A preferred shares and any other shares of voting preferred stock then outstanding (voting together as a class) when they have the voting rights described above; provided that the filling of each vacancy will not cause us to violate the corporate governance requirement of the New York Stock Exchange (or any other exchange or automated quotation system on which our securities may be listed or quoted) that requires listed or quoted companies to have a majority of independent directors. The preferred stock directors will each be entitled to one vote per director on any

matter. So long as any series A preferred shares remain outstanding, we will not, without the affirmative vote or consent of the holders of at least two-thirds of the outstanding series A preferred shares and all other series of voting preferred stock entitled to vote thereon, voting together as a single class, given in person or by proxy, either in writing or at a meeting: amend or alter the provisions of our certificate of incorporation or the Certificate of Designations for the series A preferred shares so as to authorize or create, or increase the authorized amount of, any specific class or series of stock ranking senior to the series A preferred shares with respect to payment of dividends or the distribution of our assets upon liquidation, dissolution or winding up of CIT Group Inc.; amend, alter or repeal the provisions of our certificate of incorporation or the Certificate of Designations for the series A preferred shares so as to materially and adversely affect the special rights, preferences, privileges and voting powers of the series A preferred shares, taken as a whole; or consummate a binding share exchange or reclassification involving the series A preferred shares or a merger or consolidation of us with another entity, unless in each case (i) the series A preferred shares remain outstanding or, in the case of any such merger or consolidation with respect to which we are not the surviving or resulting entity, are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (ii) such series A preferred shares remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers of the series A preferred shares, taken as a whole, provided, however, that (1) any increase in the amount of the company's authorized but unissued shares of preferred stock, (2) any increase in the authorized or issued series A preferred shares and, (3) the creation and issuance, or an increase in the authorized or issued amount, of other series of preferred stock ranking equally with or junior to the series A preferred shares with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and/or the distribution of assets upon our liquidation, dissolution or winding up, will not be deemed to materially and adversely affect the special rights, preferences, privileges or voting powers of the series A preferred shares. If any amendment, alteration, repeal, share exchange, reclassification, merger or consolidation described above would materially and adversely affect one or more but not all series of voting preferred stock (including the series A preferred shares for this purpose), then only the series of preferred stock materially and adversely affected and entitled to vote shall vote as a class in lieu of all other series of preferred stock. Without the consent of the holders of the series A preferred shares, so long as such action does not adversely affect the special rights, preferences, privileges and voting powers of the series A preferred S-23 shares, taken as a whole, we may amend, alter, supplement or repeal any terms of the series A preferred shares: to cure any ambiguity, or to cure, correct or supplement any provision contained in the Certificate of Designations for the series A preferred shares that may be defective or inconsistent; or to make any provision with respect to matters or questions arising with respect to the series A preferred shares that is not inconsistent with the provisions of the Certificate of Designations. The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding series A preferred shares shall have been redeemed or called for redemption upon proper notice and sufficient funds shall have been set aside by us for the benefit of the holders of series A preferred shares to effect such redemption. LISTING OF THE SERIES A PREFERRED SHARES We will apply to list the series A preferred shares on the New York Stock Exchange under the symbol 'CIT PrA.' Approval of our application will be subject, among other things, to satisfactory distribution of the series A preferred shares. We expect that, if approved, trading of the series A preferred shares on the New York Stock Exchange will commence within 30 calendar days after initial delivery. TRANSFER AGENT AND REGISTRAR The Bank of New York will be the transfer agent, registrar, dividend disbursing agent and redemption agent for the series A preferred shares. BOOK-ENTRY; DELIVERY AND FORM Each series A preferred share will be deposited with, or on behalf of, DTC or any successor thereto, as depositary, and registered in the name of Cede & Co. (DTC's partnership nominee). DTC has advised us that it is a limited-purpose trust company organized under the New York Banking Law, a 'banking organization' within the meaning of the New York Banking Law, a member of the Federal Reserve System, a 'clearing corporation' within the meaning of the New York Uniform Commercial Code, and a 'clearing agency' registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for over two million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC participants ('participants') deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between participants' accounts. This

eliminates the need for physical movement of securities certificates. 'Direct participants' in DTC include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ('DTCC'). DTCC, in turn, is owned by a number of direct participants of DTC and members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, each of which is a subsidiary of DTCC, as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to DTC's book-entry system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly ('indirect participants'). The rules applicable to DTC and its participants are on file with the SEC. Purchases of the series A preferred shares under DTC's book-entry system must be made by or through direct participants, which will receive a credit for the series A preferred shares on the records of DTC. The ownership interest of each actual purchaser of the series A preferred shares, which we refer to as the 'beneficial owner,' is in turn to be recorded on the participants' records. Beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings S-24 from the direct participant or indirect participant through which the beneficial owner entered into the transaction. Transfers of ownership interests in the series A preferred shares will be effected only through entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the series A preferred shares, except in the event that use of the book-entry system for the series A preferred shares is discontinued. The laws of some states require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to own, transfer or pledge beneficial interests in the series A preferred shares. To facilitate subsequent transfers, all series A preferred shares deposited by participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the series A preferred shares with DTC and their registration in the name of Cede & Co. or such other DTC nominee effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the series A preferred shares. DTC's records reflect only the identity of the direct participants to whose accounts such series A preferred shares are credited, which may or may not be the beneficial owners. The participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners, will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to DTC. Although voting with respect to the series A preferred shares is limited, in those cases where a vote is required, neither DTC nor Cede & Co. (nor any other DTC nominee) will itself consent or vote with respect to series A preferred shares, unless authorized by a direct participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts the series A preferred shares are credited on the record date (identified in a listing attached to the omnibus proxy). Payments on the series A preferred shares will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit direct participants' accounts upon DTC's receipt of funds and corresponding detail information from us on the relevant payment date in accordance with their respective holdings shown on DTC's records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in 'street name,' and will be the responsibility of such participant and not of DTC nor its nominee or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments to Cede & Co. (or such nominee as may be requested by an authorized representative of DTC) is our responsibility, disbursement of such payments to direct participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of direct and indirect participants. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof. We have no responsibility for the performance by DTC or its participants of their respective obligations as described herein or under the rules and procedures governing their respective operations. S-25

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS The following is a summary of the material U.S. federal income tax consequences relevant to the purchase, ownership and disposition of the series A preferred shares. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the 'Code'), Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof, all as currently in effect and all of which are subject to change (which change could apply retroactively and could affect the U.S. federal income tax consequences described below) and to different interpretations. This summary does not address all of the U.S. federal income tax considerations that may be relevant to a particular investor's circumstances, and does not address any aspect of state, local, non-U.S. or other U.S. federal tax consequences. This summary addresses only series A preferred shares held as capital assets within the meaning of the Code and does not address U.S. federal income tax considerations applicable to investors that are subject to special tax rules, such as: securities dealers or brokers, or traders in securities electing mark-to-market treatment; banks, thrifts, or other financial institutions; insurance companies; regulated investment companies or real estate investment trusts; tax-exempt organizations; persons holding our series A preferred shares as part of a 'straddle,' 'hedge,' 'synthetic security' or 'conversion transaction' for U.S. federal income tax purposes, or as part of some other integrated investment; partnerships or other pass-through entities; persons subject to the alternative minimum tax; certain former citizens or residents of the United States; a 'passive foreign investment company' or a 'controlled foreign corporation' for U.S. federal income tax purposes; or 'U.S. Holders' (as defined below) whose functional currency is not the U.S. dollar. As used herein, a 'U.S. Holder' is a beneficial owner of a series A preferred share that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate whose income is subject to U.S. federal income tax regardless of its source, or (iv) a trust if (A) a United States court has the authority to exercise primary supervision over the administration of the trust and one or more United States persons (as defined under the Code) are authorized to control all substantial decisions of the trust or (B) it has a valid election in place to be treated as a United States person. A 'Non-U.S. Holder' is any beneficial owner of a series A preferred share that is not a U.S. Holder and that is not 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 the series A preferred shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. A partner in a partnership holding the series A preferred shares should consult its own tax advisor with regard to the U.S. federal income tax consequences to such partner of the purchase, ownership and disposition of the series A preferred shares by the partnership.

THE DISCUSSION OF THE MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP, SALE OR OTHER DISPOSITION OF THE SERIES A PREFERRED SHARES IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE TO ANY PARTICULAR PERSON. ACCORDINGLY, ALL PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE U.S. FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES RELATING TO THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE SERIES A PREFERRED SHARES.

S-26 U.S. HOLDERS Distributions. A distribution paid by us on the series A preferred shares will constitute a dividend for U.S. federal income tax purposes to the extent the distribution is paid out of our current or accumulated earnings and profits as determined under U.S. federal income tax principles. The gross amount of any such dividend will be included in the gross income of a U.S. Holder, as ordinary dividend income from U.S. sources. Dividends paid to certain non-corporate U.S. Holders (including individuals) in taxable years beginning before January 1, 2009 generally will constitute qualified dividend income eligible for U.S. federal income tax at a reduced rate (with a maximum rate of 15%), provided certain conditions and requirements are satisfied (including a 61-day holding period requirement during the 121-day period beginning 60 days before the ex-dividend date, or, in the case of a dividend attributable to a period or periods aggregating over 366 days, a 91-day holding period during the 181-day period beginning 90 days before the ex-dividend date). Corporate U.S. Holders of the series A preferred shares may be eligible for the 70% dividends received deduction with respect to dividend distributions that are paid on the series A preferred shares, subject to certain conditions and limitations, including a 46-day holding period requirement during the 90-day period beginning 45 days before the ex-dividend date, or, in the case of a dividend attributable to a period or periods aggregating over 366 days, a 91-day holding period during the 181-day period beginning 90 days before the ex-dividend date. There can be no assurance that we will have sufficient current or

accumulated earnings and profits for distributions on the series A preferred shares to qualify as dividends for U.S. federal income tax purposes. Distributions in excess of our current or accumulated earnings and profits will not be taxable to a U.S. Holder to the extent that such distributions do not exceed such U.S. Holder's adjusted tax basis in its series A preferred shares, but rather will reduce the adjusted tax basis of such series A preferred shares (but not below zero). To the extent that such distributions exceed such U.S. Holder's adjusted tax basis in its series A preferred shares such distributions will be included in income as capital gain. Such capital gain will be long-term capital gain if the U.S. Holder has held the series A preferred shares for more than one year. For certain U.S. Holders (including individuals), long-term capital gains are generally taxable at a maximum federal income tax rate of 15% (for tax years beginning before January 1, 2009). U.S. Holders should be aware that dividends that exceed certain thresholds in relation to such U.S. Holders' tax basis in their series A preferred shares could be characterized as 'extraordinary dividends' (as defined in section 1059 of the Code). Generally, a corporate U.S. Holder that receives an extraordinary dividend is required to reduce its tax basis by the portion of such dividend that is not taxed because of the dividends received deduction, and is required to recognize taxable gain to the extent such portion of the dividend exceeds the U.S. Holder's tax basis in such series A preferred shares. U.S. Holders who are individuals and who receive an 'extraordinary dividend' would be required to treat any losses on the sale of the series A preferred shares as long-term capital losses to the extent such dividends received by them qualify for the reduced 15% tax rate. Investors should consult their own tax advisers with respect to the potential application of the 'extraordinary dividend' rules to an investment in series A preferred shares.

Sale or Exchange of the Series A Preferred Shares. In general, a U.S. Holder will recognize capital gain or loss upon the sale or other taxable disposition of series A preferred shares in an amount equal to the difference between the sum of the fair market value of any property and the amount of cash received in such disposition and such U.S. Holder's adjusted tax basis in such series A preferred shares at the time of such disposition. Any such capital gain will be long-term capital gain if the series A preferred shares have been held by the U.S. Holder for more than one year. Long-term capital gains are generally taxable at a maximum federal income tax rate of 15% (for tax years beginning before January 1, 2009) in the case of certain non-corporate U.S. Holders (including individuals). The ability to utilize capital losses is subject to limitations under the Code.

Redemption of the Series A Preferred Shares. A redemption of series A preferred shares generally will be treated under section 302 of the Code as a distribution unless the redemption satisfies one of the tests set forth in section 302(b) of the Code and is therefore treated as a sale or exchange of the redeemed shares. If a redemption of series A preferred shares is treated as a sale or exchange, the redemption will be taxable as described under the caption '-- Sale or Exchange of the Series A Preferred Shares' above, except that an amount received in respect of declared but unpaid dividends will generally S-27 be taxable as a dividend as described under the caption '-- Distributions' above if we have sufficient current or accumulated earnings and profits. A redemption will be treated as a sale or exchange if it (i) results in a 'complete termination' of a U.S. Holder's interest in us, (ii) is 'substantially disproportionate' with respect to a U.S. Holder, or (iii) is not 'essentially equivalent to a dividend' with respect to a U.S. Holder, all within the meaning of Section 302(b) of the Code. In determining whether any of these tests has been met, shares of our stock considered to be owned by a U.S. Holder by reason of certain constructive ownership rules, as well as shares actually owned by such U.S. Holder, must generally be taken into account. If a particular U.S. Holder does not own (actually or constructively) any shares of any other classes of our stock, or owns only an insubstantial percentage of our shares, and does not participate in our control or management, a redemption of all of the series A preferred shares held by such U.S. Holder generally will qualify for sale or exchange treatment. However, the determination as to whether any of the tests of section 302(b) of the Code will be satisfied with respect to any particular U.S. Holder depends upon the facts and circumstances at the time of the redemption. If a redemption of series A preferred shares is treated as a distribution, the entire amount received will be taxable as described under the caption '-- Distributions' above. In such case, a U.S. Holder's adjusted tax basis in the redeemed series A preferred shares will be transferred to any remaining shares of our stock held by such U.S. Holder immediately after the redemption. If a U.S. Holder does not own any of our shares immediately after the redemption, such basis may, under certain circumstances, be transferred to shares of our stock held by a person related to such U.S. Holder or it may be lost entirely. Prospective investors should consult their own tax advisors for purposes of determining the tax consequences resulting from redemption of our series A preferred shares in their particular circumstances.

NON-U.S. HOLDERS Distributions. Except as described below, dividends paid to a Non-U.S. Holder generally will be subject to withholding of U.S. federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. In order to claim the benefits of an applicable

income tax treaty, a Non-U.S. Holder will be required to satisfy applicable certification (for example, Internal Revenue Service Form W-8BEN or other applicable form) and other requirements prior to the distribution date. Non-U.S. Holders eligible for a reduced rate of United States withholding tax under an applicable income tax treaty may obtain a refund of any amounts withheld in excess of that rate by filing a refund claim with the United States Internal Revenue Service. Non-U.S. Holders should consult their own tax advisors regarding their entitlement to benefits under an applicable income tax treaty and the requirements for claiming any such benefits. Dividends paid to a Non-U.S. Holder that are 'effectively connected' with its conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States) generally are exempt from the 30% United States withholding tax. Instead, any such dividends will be subject to U.S. federal income tax in the same manner as if the Non-U.S. Holder were a U.S. Holder, as described above. Non-U.S. Holders will be required to comply with certification and disclosure requirements (for example, Internal Revenue Service Form W-8ECI or applicable successor form) in order for effectively connected income to be exempt from the 30% United States withholding tax. A corporate Non-U.S. Holder may also be subject to an additional 'branch profits tax' at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty) with respect to any effectively connected dividends received on the series A preferred shares. Sale or Exchange of the Series A Preferred Shares. A Non-U.S. Holder generally will not be subject to U.S. federal income tax on gain recognized on a disposition of series A preferred shares unless (i) the gain is 'effectively connected' with such Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States); (ii) the Non-U.S. Holder is an individual who is present in the United States for 183 or more days in the taxable year of the disposition and certain other conditions are satisfied; or (iii) we are or have been a United States real property S-28 holding corporation for U.S. federal income tax purposes and the Non-U.S. Holder held, directly or indirectly, at any time during the five-year period ending on the date of disposition, more than 5% of the series A preferred shares and such Non-U.S. Holder is not eligible for any treaty exemption. Gain from the disposition of series A preferred shares by a Non-U.S. Holder that is 'effectively connected' with its conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax in the same manner as if the Non-U.S. Holder were a U.S. Holder, as described above. A corporate Non-U.S. Holder may also be subject to an additional 'branch profits tax' at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty) with respect to any effectively connected gain from the disposition of series A preferred shares. As discussed above under ' -- U.S. Holders -- Redemption of the Series A Preferred Shares,' the proceeds received from a redemption of the series A preferred shares may be treated as a distribution in certain circumstances, in which case, the discussion above under ' -- Distributions' would be applicable. We have not been, are not and do not anticipate becoming a United States real property holding corporation for U.S. federal income tax purposes. **BACKUP WITHHOLDING AND INFORMATION REPORTING** U.S. Holders. In general, a U.S. Holder (other than corporations and other exempt holders) will be subject to information reporting requirements with respect to dividends and other taxable distributions, and the proceeds from a sale, redemption or other disposition of the series A preferred shares, paid within the United States. In addition, a U.S. Holder will be subject to backup withholding on such amounts if such U.S. Holder (i) fails to provide an accurate taxpayer identification number to the payor; (ii) has been notified by the United States Internal Revenue Service that it has failed to report all interest or dividends required to be shown on its U.S. federal income tax returns; or (iii) in certain circumstances, fails to comply with applicable certification requirements. The proceeds from a sale of series A preferred shares by a U.S. Holder outside the United States through a non-U.S. office of a non-U.S. broker, in which the sales proceeds are paid to such U.S. Holder outside the United States, generally will not be subject to backup withholding and information reporting requirements. However, U.S. information reporting, but not backup withholding, will apply to a payment of sales proceeds, even if that payment is made outside the United States, if the U.S. Holder sells its series A preferred shares through a non-U.S. office of a broker that is (i) a United States person (as defined under the Code); (ii) a controlled foreign corporation for United States tax purposes; (iii) a foreign person 50% or more of whose gross income is effectively connected with the conduct of a United States trade or business for a specified three-year period; or (iv) a foreign partnership, if at any time during its tax year (1) one or more of its partners are United States persons, who in the aggregate hold more than 50% of the income or capital interest in the partnership; or (2) such foreign partnership is

engaged in the conduct of a United States trade or business. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability provided the required information is furnished to the Internal Revenue Service on a timely basis. Non-U.S. Holders. Dividends paid to a Non-U.S. Holder on its series A preferred shares generally will be subject to information reporting requirements. Copies of the information returns reporting such dividends and any withholding thereon may also be made available to the tax authorities in the country in which the Non-U.S. Holder resides under the provisions of an applicable income tax treaty. A Non-U.S. Holder will be subject to backup withholding for dividends paid to such holder unless such holder certifies under penalty of perjury that it is a Non-U.S. Holder (and the payor does not have actual knowledge or reason to know that such holder is a United States person as defined under the Code), or such holder otherwise establishes an exemption. Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale of the series A preferred shares that is effected within the United States or conducted through certain United States-related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a Non-U.S. Holder S-29 (and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person) or such holder otherwise establishes an exemption. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability provided the required information is furnished to the Internal Revenue Service on a timely basis. S-30

UNDERWRITING We intend to offer the series A preferred shares in the U.S. through the underwriters. Goldman, Sachs & Co., Lehman Brothers Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as representatives of the underwriters named below. Subject to the terms and conditions described in the purchase agreement among us and the underwriters, we have agreed to sell the underwriters, and the underwriters severally have agreed to purchase from us, the number of series A preferred shares listed opposite their names below.

NUMBER OF UNDERWRITER SERIES A PREFERRED SHARES -----		Goldman, Sachs & Co.....	3,576,667	Lehman Brothers Inc.....	3,576,667	Merrill Lynch, Pierce, Fenner & Smith Incorporated.....	3,576,667	Citigroup Global Markets Inc.....	696,667	J.P. Morgan Securities Inc.....	1,176,667	Wachovia Capital Markets, LLC.....	696,667	Bear, Stearns & Co. Inc.....	233,333	BNP Paribas Securities Corp.....	233,333	HSBC Securities (USA) Inc.....	233,332	-----	
Total.....		14,000,000		-----		-----		-----		-----		-----		-----		-----		-----		-----	

The underwriters have agreed to purchase all of the series A preferred shares sold under the purchase agreement if any of the series A preferred shares are purchased. If an underwriter defaults, the purchase agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the purchase agreement may be terminated. We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities. The underwriters are offering the series A preferred shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the series A preferred shares, and other conditions contained in the purchase agreements, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

COMMISSIONS AND DISCOUNTS The representatives have advised us that the underwriters propose initially to offer the series A preferred shares to the public at the initial offering price on the cover page of this prospectus supplement and to dealers at that price less a concession not in excess of \$0.50 per share (\$0.30 per share sold to certain institutions). The underwriters may allow, and the dealers may reallow, a discount not in excess of \$0.40 per share to other dealers. After the initial offering, the public offering price, concession and discount may be changed. The following table shows the public offering price, underwriting discount and proceeds before expenses to CIT.

PER SHARE TOTAL -----	Public offering price.....	\$25.0000	\$350,000,000
	Underwriting discount.....	\$ 0.7875	\$ 11,025,000
	Proceeds, before expenses to CIT.....		\$24.2125
			\$338,975,000

The underwriting discount will be \$0.50 per series A preferred share offered hereby with respect to any series A preferred shares sold in an aggregate liquidation preference of \$1,000,000 or more to a single purchaser, which decreases the total underwriting discount and increases the total proceeds to CIT Group Inc. by \$2,760,000.

S-31 The expenses of the offering, not including the underwriting discount, are estimated at \$450,000 and are payable by CIT. **NEW YORK STOCK EXCHANGE LISTING** We expect the shares to be approved for listing on the New York Stock Exchange under the symbol 'CIT PrA.' In order to meet the requirements for listing in that exchange the

underwriters have undertaken to sell a minimum number of shares to a minimum number of beneficial owners as required by that exchange. Before this offering, there has been no public market for our series A preferred shares. An active trading market for the series A preferred shares may not develop. It is also possible that after the offering the series A preferred shares will not trade in the public market at or above the initial offering price.

PRICE STABILIZATION, SHORT POSITIONS AND PENALTY BIDS Until the distribution of the series A preferred shares is complete, SEC rules may limit underwriters and selling group members from bidding for and purchasing our series A preferred shares. However, the representatives may engage in transactions that stabilize the price of the series A preferred shares, such as bids or purchases to peg, fix or maintain that price. If the underwriters create a short position in the series A preferred shares in connection with the offering, i.e., if they sell more series A preferred shares than are listed on the cover of this prospectus supplement, the representatives may reduce that short position by purchasing series A preferred shares in the open market. Purchases of the series A preferred shares to stabilize its price or to reduce a short position may cause the price of the series A preferred shares to be higher than it might have been in the absence of such purchases. The representatives may also impose a penalty bid on underwriters and selling group members. This means that if the representatives purchase shares in the open market to reduce the underwriter's short position or to stabilize the price of such shares, they may reclaim the amount of the selling concession from the underwriters and selling group members who sold those shares. The imposition of a penalty bid may also affect the price of the series A preferred shares in that it discourages resales of those series A preferred shares. Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the series A preferred shares. In addition, neither we nor any of the underwriters makes any representation that the representatives or the lead managers will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

OTHER RELATIONSHIPS We have entered into an agreement to purchase shares of our common stock from Goldman, Sachs & Co. in connection with a previously announced accelerated stock buyback program. The net proceeds of this offering and the concurrent offering of the series B preferred shares will be used in conjunction with such accelerated stock buyback program. Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us. They have received and will receive customary fees and commissions for these transactions.

S-32 LEGAL MATTERS Certain legal matters in connection with the offering of the series A preferred shares will be passed upon for us by Shearman & Sterling LLP, New York, New York. Certain legal matters in connection with the offering of the series A preferred shares will be passed upon for the underwriters by Wilmer Cutler Pickering Hale and Dorr LLP.

EXPERTS The consolidated balance sheets of CIT Group Inc. and its subsidiaries as of December 31, 2004 and December 31, 2003 and the related consolidated statements of income, stockholders' equity and cash flows for the years ended December 31, 2004, December 31, 2003, the three months ended December 31, 2002 and the year ended September 30, 2002, incorporated in the accompanying prospectus by reference to CIT Group Inc.'s Current Report on Form 8-K dated July 20, 2005, and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) as of December 31, 2004, incorporated in the accompanying prospectus by reference to the Annual Report on Form 10-K of CIT Group Inc. for the year ended December 31, 2004 have been so incorporated by reference in reliance on the report (which contains an adverse opinion on the effectiveness of internal control over financial reporting) of PricewaterhouseCoopers LLP, independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

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PROSPECTUS [CIT LOGO] CIT GROUP INC. \$15,000,000,000 COMMON STOCK PREFERRED STOCK DEPOSITARY SHARES SENIOR DEBT SECURITIES SUBORDINATED DEBT SECURITIES WARRANTS STOCK PURCHASE CONTRACTS STOCK PURCHASE UNITS ----- The securities covered by this prospectus may be sold from time to time by CIT Group Inc. We may offer the securities independently or together in any combination, called 'units,' 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 these securities 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 the 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 OCTOBER 28, 2004

TABLE OF CONTENTS PAGE ---- ABOUT THIS PROSPECTUS.....	3
WHERE YOU CAN FIND MORE INFORMATION.....	3
FORWARD-LOOKING STATEMENTS.....	4
PROSPECTUS SUMMARY.....	5
USE OF PROCEEDS.....	6
DESCRIPTION OF DEBT SECURITIES.....	7
DESCRIPTION OF CAPITAL STOCK.....	16
DESCRIPTION OF DEPOSITARY SHARES.....	16
DESCRIPTION OF WARRANTS.....	19
DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS.....	21
PLAN OF DISTRIBUTION.....	21
LEGAL MATTERS.....	23
EXPERTS.....	23

2 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 or any prospectus supplement. We have not authorized anyone else to provide you with different information. We are not making an offer of any securities in any state where the offer is not permitted. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front cover of those documents and that any information we have incorporated by reference is accurate as of any date other than the date of the document incorporated by reference or such other date referred to in such document, regardless of the time of delivery of this prospectus or 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. Under this shelf registration process, we may sell or issue, in one or more offerings up to a total amount of \$15,000,000,000 of our: common stock; preferred stock; depositary shares; debt securities, in one or more series, which may be senior debt securities or subordinated debt securities; warrants; stock purchase contracts; stock purchase units; and units consisting of any combination of these securities. 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 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 may also add to, update or change any of the information contained in this prospectus. The prospectus supplement may also contain information about any material federal income tax considerations relating to the securities described in the prospectus supplement. You should read both this prospectus and the applicable prospectus supplement together with the additional information described under 'Where You Can Find More Information.' This prospectus may not be used to consummate a sale of securities unless it is accompanied by a prospectus supplement. This prospectus contains summaries of provisions of certain documents that are 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 450 Fifth Street, N.W., 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 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. The SEC allows us to incorporate

by reference into this prospectus the information we file 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, 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 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 registered under this registration statement: our Annual Report on Form 10-K for the year ended December 31, 2003; our Definitive Proxy Statement filed with the SEC on April 5, 2004; our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2004; our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004; our Current Reports on Form 8-K filed with the SEC on January 22, 2004, April 22, 2004, July 22, 2004, August 17, 2004, September 9, 2004, September 14, 2004, September 21, 2004 and October 21, 2004; 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, prospectus supplements to this prospectus, 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, prospectus supplements to this prospectus 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 funding, borrowing costs and net finance margin; our capital, leverage and credit ratings; our operational and legal risks; our commitments to extend credit or purchase equipment; and how we may be affected by legal proceedings. 4 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; 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; 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. PROSPECTUS SUMMARY The following summary is qualified in its entirety by the more detailed information included elsewhere or incorporated by reference in this prospectus. Because this is a summary, it may not contain all the information that is important to you. 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,' 'we,' 'us,' 'our' and 'the company' refer to CIT Group Inc., unless the context clearly indicates otherwise. CIT GROUP INC. CIT Group Inc., a Delaware corporation, is a leading global commercial and consumer finance company. Founded in 1908, we provide financing and leasing capital for companies in a wide variety of industries, including many of today's leading industries and emerging businesses. We offer factoring and vendor, equipment, commercial, consumer and structured financing products. We have broad access to customers and

markets through our 'franchise' businesses. Each business focuses on specific industries, asset types and markets, with portfolios diversified by client, industry and geography. Managed assets were \$49.9 billion, owned financing and leasing assets were \$41.5 billion and stockholders' equity was \$5.7 billion at June 30, 2004. We provide a wide range of financing and leasing products to small, midsize and larger companies across a wide variety of industries, including manufacturing, retailing, transportation, aerospace, construction, technology, communication, and various service-related industries. Our secured lending, leasing and factoring products include direct loans and leases, operating leases, leveraged and single investor leases, secured revolving lines of credit and term loans, credit protection, accounts receivable collection, import and export financing, debtor-in-possession and turnaround financing, and acquisition and expansion financing. Consumer lending, conducted in our Specialty Finance segment, consists primarily of home equity lending to consumers originated largely through a network of brokers and correspondents. 5 Transactions are generated through direct calling efforts with borrowers, lessees, equipment end-users, vendors, manufacturers and distributors and through referral sources and other intermediaries. In addition, our strategic business units work together in referring transactions to other CIT units to best meet our customers' overall financing needs. We also buy and sell participations in and syndications of finance receivables and/or lines of credit. From time to time, in the normal course of business, we purchase finance receivables on a wholesale basis to supplement our origination volume and sell certain finance receivables and equipment under operating leases to reduce concentrations, for other balance sheet management purposes, or to improve profitability. ----- Our principal executive offices are located at 1 CIT Drive, Livingston, New Jersey 07039. Our telephone number is (973) 740-5000. USE OF PROCEEDS Unless the applicable prospectus supplement indicates otherwise, we currently intend to use the net proceeds from any sale of the offered securities to provide additional working funds for us and our subsidiaries. Generally, we use the proceeds from sales of our securities primarily to originate and purchase receivables in the ordinary course of our business. We have not yet determined the amounts that we may use in connection with our business or that we may furnish to our subsidiaries. From time to time, we may also use the proceeds to finance the bulk purchase of receivables and/or the acquisition of other finance-related businesses. 6 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 and to which any prospectus supplement may relate. The particular terms of the debt securities offered will be described in the applicable prospectus supplement. The prospectus supplement relating to a series of debt securities being offered pursuant to this prospectus will be attached to this prospectus. We may issue senior debt securities and subordinated debt securities. The senior debt securities are to be issued under an indenture (the 'senior indenture') to be entered into between us and J.P. Morgan Trust Company, National Association, as trustee, the form of which is filed as an exhibit to the registration statement of which this prospectus forms a part. The subordinated debt securities are to be issued under an indenture (the 'subordinated indenture') to be entered into between us and J.P. Morgan Trust Company, National Association, as trustee, the form of which is filed as an exhibit to the registration statement of which this prospectus forms a part. The senior indenture and the subordinated indenture are sometimes referred to in this prospectus collectively as the 'indentures' and each individually as an 'indenture.' The indentures may be supplemented from time to time. This prospectus briefly outlines some of the indenture provisions. 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 in this prospectus and the applicable prospectus supplement by reference. You should review the indentures that are filed as exhibits to the registration statement for additional information. In addition, the material specific financial, legal and other terms as well as 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 The indenture provisions do not limit the amount of debt that we may issue under the indentures or otherwise, and 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 unsecured and senior indebtedness. See ' --

Subordination' below. Any of our secured indebtedness will rank ahead of the debt securities to the extent 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. 7 The prospectus supplement relating to any series of debt securities being offered will include specific terms relating to the offering. These terms will include, among other terms, some or all of the following, as applicable: the title and series of such debt securities, which may include medium-term notes; the total principal amount of the series of debt securities and whether there shall be any limit upon the aggregate principal amount of such debt securities; the date or dates, or the method or methods, if any, by which such date or dates will be determined, on which the principal of the debt securities will be payable; the rate or rates at which such debt securities will bear interest, if any, which rate may be zero in the case of certain debt securities issued at an issue price representing a discount from the principal amount payable at maturity, or the method by which such rate or rates will be determined (including, if applicable, any remarketing option or similar method), and the date or dates from which such interest, if any, will accrue or the method by which such date or dates will be determined; the date or dates on which interest, if any, on such debt securities will be payable and any regular record dates applicable to the date or dates on which interest will be so payable; the place or places where the principal of or any premium or interest on such debt securities will be payable, where any of such debt securities that are issued in registered form may be surrendered for registration of or transfer or exchange, and where any such debt securities may be surrendered for conversion or exchange; if such debt securities are to be redeemable at our option, the date or dates on which, the period or periods within which, the price or prices at which and the other terms and conditions upon which such debt securities may be redeemed, in whole or in part, at our option; provisions specifying whether we will be obligated to redeem or purchase any of such debt securities pursuant to any sinking fund or analogous provision or at the option of any holder of such debt securities and, if so, the date or dates on which, the period or periods within which, the price or prices at which and the other terms and conditions upon which such debt securities will be redeemed or purchased, in whole or in part, pursuant to such obligation, and any provisions for the remarketing of such debt securities so redeemed or purchased; if other than denominations of \$1,000 and any integral multiple thereof, the denominations in which any debt securities to be issued in registered form will be issuable and, if other than a denomination of \$5,000, the denominations in which any debt securities to be issued in bearer form will be issuable; provisions specifying whether the debt securities will be convertible into other securities of CIT and/or exchangeable for securities of CIT or other issuers and, if so, the terms and conditions upon which such debt securities will be so convertible or exchangeable; if other than the principal amount, the portion of the principal amount (or the method by which such portion will be determined) of such debt securities that will be payable upon declaration of acceleration of the maturity thereof; if other than U.S. dollars, the currency of payment, including composite currencies, of the principal of, and any premium or interest on any of such debt securities; provisions specifying whether the principal of, and any premium or interest on such debt securities will be payable, at the election of CIT or a holder of debt securities, in a currency other than that in which such debt securities are stated to be payable and the date or dates on which, the period or periods within which, and the other terms and conditions upon which, such election may be made; any index, formula or other method used to determine the amount of payments of principal of, any premium or interest on such debt securities; provisions specifying whether such debt securities are to be issued in the form of one or more global securities and, if so, the identity of the depositary for such global security or securities; 8 provisions specifying whether such debt securities are senior debt securities or subordinated debt securities and, if subordinated debt securities, the specific subordination provisions applicable thereto; in the case of subordinated debt securities,

provisions specifying the relative degree, if any, to which such subordinated debt securities of the series will be senior to or be subordinated in right of payment to other series of subordinated debt securities or other indebtedness of CIT, as the case may be, whether such other series of subordinated debt securities or other indebtedness is outstanding or not; any deletions from, modifications of or additions to the events of default or covenants of CIT with respect to such debt securities; terms specifying whether the provisions described below under ' -- Discharge; Defeasance and Covenant Defeasance' will be applicable to such debt securities; terms specifying whether any of such debt securities are to be issued upon the exercise of warrants, and the time, manner and place for such debt securities to be authenticated and delivered; and any other terms of such debt securities and any other deletions from or modifications or additions to the applicable indenture in respect of such debt securities. We will have the ability under the indentures to 'reopen' a previously issued series of debt securities and issue additional debt securities of that series or establish additional terms of that series. We also are permitted to issue debt securities with the same terms as previously issued debt securities. We may in the future issue debt securities other than the debt securities described in this prospectus. There is no requirement that any other debt securities that we issue be issued under the indentures described in this prospectus. Thus, any other debt securities that we may issue may be issued under other indentures or documentation containing provisions different from those included in the indentures or applicable to one or more issues of the debt securities described in this prospectus.

NEGATIVE PLEDGE The indentures do not limit the amount of other securities that we or our subsidiaries may issue. However, an indenture provision, which we refer to in this prospectus as the 'Negative Pledge,' provides that we will not pledge or otherwise subject any of our property or assets to any lien to secure indebtedness for money borrowed that is incurred, issued, assumed or guaranteed by us, subject to certain exceptions. The terms of the Negative Pledge do nevertheless permit us to create: liens in favor of any of our subsidiaries; purchase money liens; liens existing at the time of any acquisition that we may make; liens in favor of the United States, any state or governmental agency or department to secure obligations under contracts or statutes; liens securing the performance of letters of credit, bids, tenders, sales contracts, purchase agreements, repurchase agreements, reverse repurchase agreements, bankers' acceptances, leases, surety and performance bonds and other similar obligations incurred in the ordinary course of business; liens upon any real property acquired or constructed by us primarily for use in the conduct of our business; arrangements providing for our leasing of assets, which we have sold or transferred with the intention that we will lease back these assets, if the lease obligations would not be included as liabilities on our consolidated balance sheet; liens to secure non-recourse debt in connection with our leveraged or single-investor or other lease transactions; 9 consensual liens created in our ordinary course of business that secure indebtedness that would not be included in total liabilities as shown on our consolidated balance sheet; liens created by us in connection with any transaction that we intend to be a sale of our property or assets; liens on property or assets financed through tax-exempt municipal obligations; liens arising out of any extension, renewal or replacement, in whole or in part, of any financing permitted under the Negative Pledge, so long as the lien extends only to the property or assets, with improvements, that originally secured the lien; and liens that secure certain other indebtedness which, in an aggregate principal amount then outstanding, does not exceed 10% of our consolidated net worth. In addition, under the indenture pursuant to which any of our senior subordinated debt is issued, we have agreed not to permit: the aggregate amount of senior subordinated indebtedness outstanding at any time to exceed 100% of the aggregate amount of the par value of our capital stock plus our consolidated surplus (including retained earnings); or the aggregate amount of senior subordinated indebtedness and junior subordinated indebtedness outstanding at any time to exceed 150% of the aggregate amount of the par value of the capital stock plus our consolidated surplus (including retained earnings). Under the more restrictive of these tests, as of June 30, 2004, we could issue up to approximately \$5.7 billion of additional senior subordinated indebtedness.

CONSOLIDATION, MERGER OR SALE Subject to the provisions of the Negative Pledge described above, we will not be prevented from consolidating or merging with any other person or selling our assets as, or substantially as, an entirety. However, we have agreed not to consolidate with or merge into any other person or convey or transfer or lease substantially all of our properties and assets to any person, unless, among other things: the successor entity (if other than the company) expressly assumes by a supplemental indenture the due and punctual payment of the principal of, and any premium and any interest on, all the debt securities then outstanding and the performance and observance of every covenant in the indenture that we would otherwise have to perform as if it were an original party to the indenture; and the person to which our properties and assets are sold expressly assumes, as a part of the purchase price, by a supplemental indenture the due and punctual payment of the principal of, and any premium and any interest on, all the debt

securities then outstanding and the performance and observance of every covenant in the indenture that we would otherwise have to perform as if it were an original party to the indenture. The successor entity or purchaser of our properties and assets, as applicable, will assume all our obligations under the indentures as if it were an original party to such indentures. After assuming the obligations, the successor entity will have all our rights and powers under such indentures.

EVENTS OF DEFAULT An 'event of default' means any one of the following events that occurs with respect to a series of debt securities issued under the indenture: we fail to pay interest on any debt security of such series for 30 days after payment was due; we fail to make the principal or any premium payment on any debt security of such series when due; we fail to make any sinking fund payment or analogous obligation when due in respect of any debt securities of such series; 10 we fail to perform any other covenant in the indenture and this failure continues for 30 days after we receive written notice of it (other than any failure to perform in respect of a covenant included in the indenture solely for the benefit of another series of debt securities); any event of default shall have occurred in respect of our indebtedness (including guaranteed indebtedness but excluding any subordinated indebtedness), and, as a result, an aggregate principal amount exceeding \$25.0 million of such indebtedness is accelerated prior to its scheduled maturity and such acceleration is not rescinded or annulled within 30 days after we receive written notice; or we or a court take certain actions relating to the bankruptcy, insolvency or reorganization of our company. A supplemental indenture or the form of security for a particular series of debt securities may include additional events of default or changes to the events of default described above. The events of default applicable to a particular series of debt securities will be discussed in the prospectus supplement relating to such series. Other than as specified above, a default under our other indebtedness will not be a default under the indenture for the debt securities covered by this prospectus, and a default under one series of debt securities will not necessarily be a default under another series. If an event of default with respect to outstanding debt securities of any series occurs and is continuing, then the trustee or the holders of at least 25% in principal amount of outstanding debt securities of that series may declare, in a written notice, the principal amount (or specified amount) on all debt securities of that series to be immediately due and payable. In the case of certain events of bankruptcy or insolvency of CIT, all unpaid principal amount (or specified amount) of and all accrued and unpaid interest on the outstanding debt securities of such series shall automatically become immediately due and payable. The trustee may withhold notice to the holders of our debt securities of any default (except for defaults that involve our failure to pay principal of, premium, if any or interest, if any, or any sinking fund payment, if applicable, on any series of debt securities) if the trustee considers that withholding notice is in the interests of the holders of that series of debt securities. At any time after a declaration of acceleration with respect to debt securities of any series has been made, the holders of a majority in principal amount (or specified amount) of the outstanding debt securities of that series, by written notice to us and the trustee, may rescind and annul such declaration and its consequences if: we have paid or deposited with the trustee a sum sufficient to pay overdue interest and overdue principal other than the accelerated interest and principal; and we have cured or the holders have waived all events of default, other than the non-payment of accelerated principal and interest with respect to debt securities of that series, as provided in the indenture. We refer you to the prospectus supplement relating to any series of debt securities that are discount securities for the particular provisions relating to acceleration of a portion of the principal amount of the discount securities upon the occurrence of an event of default. If a default in the performance or breach, of an indenture shall have occurred and be continuing, the holders of not less than a majority in principal amount of the outstanding securities of all series, by notice to the trustee, may waive any past event of default or its consequences under the applicable indenture. However, an event of default cannot be waived with respect to any series of securities in the following two circumstances: a failure to pay the principal of, and premium, if any, or interest on, any security; or a covenant or provision that cannot be modified or amended without the consent of each holder of outstanding securities of that series. Other than its duties in case of a default, the trustee is not obligated to exercise any of its rights or powers under an indenture at the request, order or direction of any holders, unless the holders offer the trustee reasonable indemnity. If they provide this reasonable indemnity, the holders of a majority in 11 principal amount outstanding of any series of debt securities may, subject to certain limitations, direct the time, method and place of conducting any proceeding or any remedy available to the trustee, or exercising any power conferred upon the trustee, for any series of debt securities. We are required to deliver to the trustee an annual statement as to our fulfillment of all of our obligations under each existing indenture.

MODIFICATION OF INDENTURE The indenture provisions permit us and the trustee to amend, modify or supplement an indenture and any supplemental indenture under which a series of debt securities is issued. Generally, these changes require the

consent of the holders of at least 66 2/3% of the outstanding principal amount of each series of debt securities affected by the change. However, no modification of the maturity date or principal or interest payment terms, no modification of the currency for payment, no impairment of the right to sue for the enforcement of payment at the maturity of the debt security, no modification of any conversion rights and no modification reducing the percentage required for modifications or modifying the foregoing requirements or reducing the percentage required to waive certain specified covenants is effective against any holder without its consent. In addition, no supplemental indenture shall adversely affect the rights of any holder of senior indebtedness with respect to subordination without the consent of such holder. In computing whether the holders of the requisite principal amount of outstanding debt securities have taken action under an indenture or supplemental indenture: for an original issue discount security, we will use the amount of the principal that would be due and payable as of that date, as if the maturity of the debt had been accelerated due to a default; and for a debt security denominated in a foreign currency or currencies, we will use the U.S. dollar equivalent of the outstanding principal amount as of that date, using the exchange rate in effect on the date of original issuance of the debt security.

SUBORDINATION The extent to which a particular series of subordinated debt securities may be subordinated to our unsecured and unsubordinated indebtedness will be set forth in the prospectus supplement for any such series and any indenture may be modified by a supplemental indenture to reflect such subordination provisions.

PAYMENT AND TRANSFER Unless otherwise specified in the related prospectus supplement, we will pay principal, interest and any premium on fully registered securities at the place or places designated by us for such purposes. We will make payment to the persons in whose names the debt securities are registered on the close of business on the day or days specified by us. Any other payments will be made as set forth in the applicable prospectus supplement. All paying agents initially designated by us with respect to payments on the debt securities will be named in the related prospectus supplement. We may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts, except that we will be required to maintain a paying agent in each place where the principal of and any premium or interest on any debt securities are payable. Unless otherwise provided in the related prospectus supplement, holders may transfer or exchange debt securities at the corporate trust office of the trustee or at any other office or agency maintained by us for such purposes. We will not charge a service fee for any transfer or exchange of certificated securities, but we may require payment of a sum sufficient to cover any stamp tax or other governmental charge and any other reasonable expenses (including fees and expenses of the trustee) that we are required to pay in connection with a transfer or exchange.

12 You may effect the transfer of certificated securities and the right to receive the principal, premium and interest on certificated securities only by surrendering the certificate representing those certificated securities and either reissuance by us or the trustee of the certificate to the new holder or the issuance by us or the trustee of a new certificate to the new holder. We are not required to: register the transfer of or exchange securities of any series during a period beginning at the opening of business 15 days before the day we transmit a notice of redemption of securities of the series selected for redemption and ending at the close of business on the day of the transmission; or register the transfer of or exchange any security so selected for redemption in whole or in part, except the unredeemed portion of any security being redeemed in part. All transfer agents initially designated by us will be named in the related prospectus supplement. We may at any time rescind the designation of any transfer agent or approve a change in the office through which any transfer agent acts, except that we will be required to maintain a transfer agent in each place where the principal of and any premium or interest on any debt securities are payable. We have initially appointed the trustee as security registrar, transfer agent and paying agent for the debt securities.

GLOBAL SECURITIES We may issue the global securities in either registered or bearer form, in either temporary or permanent form. Where any debt securities of any series are issued in bearer form, the restrictions and considerations applicable to such debt securities and with respect to the payment, transfer and exchange of such debt securities will be described in the related prospectus supplement. Debt securities that are represented in whole or in part by one or more global securities will be registered in the name of a depository or its nominee identified in the applicable prospectus supplement, and such global securities will be deposited with, or on behalf of, the depository. The applicable prospectus supplement will describe the specific terms of the depository arrangement with respect to the applicable securities of that series. We anticipate that the following provisions will apply to all depository arrangements. Once a global security is issued, the depository will credit on its book-entry system the respective principal amounts of the individual securities represented by that global security to the accounts of institutions that have accounts with the depository. These institutions are known as participants. The underwriters for the securities will designate the accounts to be credited.

However, if we have offered or sold the securities either directly or through agents, we or the agents will designate the appropriate accounts to be credited. Ownership of beneficial interest in a global security will be limited to participants or persons that may hold beneficial interests through participants. Ownership of beneficial interest in a global security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the depositary's participants or persons that hold through participants. The laws of some states require that certain purchasers of securities take physical delivery of securities. Such limits and such laws may limit the market for beneficial interests in a global security. So long as the depositary for a global security, or its nominee, is the registered owner of a global security, the depositary or nominee will be considered the sole owner or holder of the securities represented by the global security for all purposes under the indenture. Except as provided in the applicable prospectus supplement, owners of beneficial interests in a global security: will not be entitled to have securities represented by global securities registered in their names; will not receive or be entitled to receive physical delivery of securities in definitive form; and will not be considered owners or holders of these securities under the indenture. Payments of principal, any premium and interest on the individual securities registered in the name of the depositary or its nominee will be made to the depositary or its nominee as the holder of that global security. Neither we nor the trustee will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests of a global security, or for maintaining, supervising or reviewing any records relating to beneficial ownership interests, and each of us and the trustee may act or refrain from acting without liability on any information provided by the depositary. We expect that the depositary, after receiving any payment of principal, any premium or interest in respect of a global security, will immediately credit the accounts of the participants with payment in amounts proportionate to their respective holdings in principal amount of beneficial interest in a global security as shown on the records of the depositary. We also expect that payments by participants to owners of beneficial interests in a global security will be governed by standing customer instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in 'street name,' and will be the responsibility of such participants. Debt securities represented by a global security will be exchangeable for debt securities in definitive form of like tenor in authorized denominations only if the depositary notifies us that it is unwilling or unable to continue as the depositary and a successor depositary is not appointed by us within 90 days or we, in our discretion, determine not to require all of the debt securities of a series to be represented by a global security and notify the trustee of our decision.

DISCHARGE; DEFEASANCE AND COVENANT DEFEASANCE We may discharge certain obligations to the holders of any debt securities of any series that have not already been delivered to the trustee for cancellation and that either have become due and payable or will become due and payable within one year (or scheduled for redemption within one year) if we deposit with the trustee, in trust, funds in the currency in which such debt securities are payable in an amount sufficient to pay the entire indebtedness on such debt securities with respect to principal and any premium and interest to the date of such deposit (if such debt securities have then become due and payable) or to the maturity date of such debt securities, as the case may be. We also may, at our option, elect to: discharge any and all of our obligations with respect to the debt securities of such series, except for, among other things, our obligation to register the transfer of or exchange such debt securities and to maintain an office or agency with respect to such debt securities (which we refer to in this prospectus as 'defeasance'); or release ourselves from our obligation to comply with certain restrictive covenants under the indenture, and to provide that any failure to comply with such obligations shall not constitute a default or an event of default with respect to such series of debt securities (which we refer to in this prospectus as 'covenant defeasance'). Defeasance or covenant defeasance, as the case may be, shall be conditioned upon the irrevocable deposit by us with the trustee, in trust, of an amount in U.S. dollars or in the foreign currency in which such debt securities are payable at stated maturity, or government obligations, or both, applicable to such debt securities which, through the scheduled payment of principal and interest in accordance with their terms, will provide money in an amount sufficient to pay the principal of and any premium and interest on such debt securities on the scheduled due dates. Such trust may only be established if, among other things: the applicable defeasance or covenant defeasance does not result in a breach or violation of, or constitute a default under, the applicable indenture or any other material agreement or instrument to which we are a party or by which we are bound; no event of default or event which with notice or lapse of time or both would become and an event of default with respect to the debt securities to be defeased shall have occurred and be continuing on the date of establishment of such trust; and we shall have delivered to the trustee an opinion of counsel to the effect that the deposit and related defeasance or covenant defeasance, as the case may be, would not

cause the holders of the securities to recognize income, gain or loss for U.S. federal income tax purposes. 14 In the case of a defeasance, we must also deliver any ruling to such effect received from or published by the United States Internal Revenue Service. **CONCERNING THE TRUSTEE** J.P. Morgan Trust Company, National Association, a national banking association, will act as trustee under our senior indenture and our subordinated indenture, as permitted by the terms thereof. At all times, the trustee must be organized and doing business under the laws of the United States, any state thereof or the District of Columbia, and must comply with all applicable requirements under the Trust Indenture Act. The trustee may resign at any time by giving us written notice or may be removed: by act of the holders of a majority in principal amount of a series of outstanding debt securities; or if it (i) fails to comply with the obligations imposed upon it under the Trust Indenture Act; (ii) is not organized and doing business under the laws of the United States, any state thereof or the District of Columbia; (iii) becomes incapable of acting as trustee; or (iv) or a court takes certain actions relating to bankruptcy, insolvency or reorganization. If the trustee resigns, is removed or becomes incapable of acting, or if a vacancy occurs in the office of the trustee for any cause, we, by or pursuant to a board resolution, will promptly appoint a successor trustee or trustees with respect to the debt securities of such series. We will give written notice to holders of the relevant series of debt securities, of each resignation and each removal of the trustee with respect to the debt securities of such series and each appointment of a successor trustee. Upon the appointment of any successor trustee, we, the retiring trustee and such successor trustee, will execute and deliver a supplemental indenture in which each successor Trustee will accept such appointment and which will contain such provisions as necessary or desirable to transfer to such successor trustee all the rights, powers, trusts and duties of the retiring trustee with respect to the relevant series of debt securities. The trustee may be contacted at the following address: J.P. Morgan Trust Company, National Association, 611 Woodward Ave. 11th Floor Detroit, Michigan 48226. The form of senior indenture and the form of subordinated indenture are filed as exhibits to this registration statement. Holders of any series of debt securities may obtain an indenture or any other documents relating to a series of debt securities by contacting us or the trustee or by accessing the SEC's web site. See 'Where You Can Find More Information'. J.P. Morgan Trust Company, National Association and certain of its affiliates have in the past and may in the future provide banking, investment and other services to us. A trustee under a senior indenture or a senior subordinated indenture may act as trustee under any of our other indentures. **NEW YORK LAW TO GOVERN** The indentures will be governed by and construed in accordance with the laws of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in that state. 15 **DESCRIPTION OF CAPITAL STOCK** This section contains a description of our capital stock. The following summary of the terms of our capital stock is not meant to be complete and is qualified by reference to our certificate of incorporation, as amended, and our by-laws, as amended, which are incorporated by reference as exhibits into the registration statement of which this prospectus is a part. As of June 30, 2004, our authorized capital stock consisted of: (1) 600,000,000 shares of common stock, par value \$0.01 per share, of which 212,092,592 were issued and 211,195,862 were outstanding, 896,730 were issued and held in treasury; and (2) 100,000,000 shares of preferred stock, par value \$0.01 per share, none of which have been issued. **COMMON STOCK** Each share of our common stock entitles the holder thereof to one vote on all matters, including the election of directors, and, except as otherwise required by law or provided in any resolution adopted by our board of directors with respect to any series of preferred stock, the holders of the shares of common stock will possess all voting power. Our certificate of incorporation does not provide for cumulative voting in the election of directors. Generally, all matters to be voted on by the stockholders must be approved by a majority, or, in the case of the election of directors, by a plurality, of the votes cast, subject to state law and any voting rights granted to any of the holders of preferred stock. Notwithstanding the foregoing, approval of the following three matters requires the vote of holders of 66 2/3% of our outstanding capital stock entitled to vote in the election of directors: (1) amending, repealing or adopting of by-laws by the stockholders; (2) removing directors (which is permitted for cause only); and (3) amending, repealing or adopting any provision that is inconsistent with certain provisions of our certificate of incorporation. The holders of common stock do not have any preemptive rights. There are no subscription, redemption, conversion or sinking fund provisions with respect to the common stock. Subject to any preferential rights of any outstanding series of preferred stock that our board of directors may create, from time to time, the holders of common stock will be entitled to dividends as may be declared from time to time by the board of directors from funds available therefor. Upon liquidation of CIT, subject to the rights of holders of any preferred stock outstanding, the holders of common stock will be entitled to receive our assets remaining after payment of liabilities proportionate to their pro rata ownership of the outstanding shares of common stock.

PREFERRED STOCK Our board of directors has the authority, without further action of our stockholders, to issue up to 100,000,000 shares of preferred stock, par value \$0.01 per share, in one or more series and to fix the powers, preferences, rights and qualifications, limitations or restrictions thereof, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences and the number of shares constituting any series or the designations of the series. The issuance of preferred stock could adversely affect the holders of common stock. The potential issuance of preferred stock may have the effect of discouraging, delaying or preventing a change of control of CIT, may discourage bids for the common stock at a premium over market price of the common stock and may adversely affect the market price of the common stock. As of the date of this prospectus, we do not have any shares of preferred stock outstanding, and we have no current plans to issue any shares of preferred stock.

DESCRIPTION OF DEPOSITARY SHARES GENERAL We may elect to offer fractional shares of preferred stock rather than full shares of preferred stock. In that event, we will issue receipts for depositary shares, and each of these depositary shares will represent a fraction (to be set forth in the applicable prospectus supplement) of a share of a particular series of preferred stock. 16 The shares of any series of preferred stock underlying the depositary shares will be deposited under a deposit agreement between us and a bank or trust company selected by us. The depositary will have its principal office in the United States and a combined capital and surplus of at least \$50,000,000. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled, in proportion to the applicable fraction of a share of preferred stock underlying the depositary share, to all the rights and preferences of the preferred stock underlying that depositary share. Those rights may include dividend, voting, redemption, conversion and liquidation rights. The depositary shares will be evidenced by depositary receipts issued under a deposit agreement. Depositary receipts will be distributed to those persons purchasing the fractional shares of preferred stock underlying the depositary shares, in accordance with the terms of the offering. The following description of the material terms of the deposit agreement, the depositary shares and the depositary receipts is only a summary, and you should refer to the forms of the deposit agreement and depositary receipts that will be filed with the SEC in connection with the offering of the specific depositary shares for more complete information. Pending the preparation of definitive engraved depositary receipts, the depositary may, upon our written order, issue temporary depositary receipts substantially identical to the definitive depositary receipts but not in definitive form. These temporary depositary receipts entitle their holders to all the rights of definitive depositary receipts. Temporary depositary receipts will then be exchangeable for definitive depositary receipts at our expense.

DIVIDENDS AND OTHER DISTRIBUTIONS The depositary will distribute all cash dividends or other cash distributions received with respect to the underlying stock to the record holders of depositary shares in proportion to the number of depositary shares owned by those holders. If there is a distribution other than in cash, the depositary will distribute property received by it to the record holders of depositary shares that are entitled to receive the distribution, unless the depositary determines that it is not feasible to make the distribution. If this occurs, the depositary may, with our approval, sell the property and distribute the net proceeds from the sale to the applicable holders.

WITHDRAWAL OF UNDERLYING PREFERRED STOCK Unless we say otherwise in a prospectus supplement, holders may surrender depositary receipts at the principal office of the depositary and, upon payment of any unpaid amount due to the depositary, be entitled to receive the number of whole shares of underlying preferred stock and all money and other property represented by the related depositary shares. We will not issue any partial shares of preferred stock. If the holder delivers depositary receipts evidencing a number of depositary shares that represent more than a whole number of shares of preferred stock, the depositary will issue a new depositary receipt evidencing the excess number of depositary shares to that holder.

REDEMPTION OF DEPOSITARY SHARES If a series of preferred stock represented by depositary shares is subject to redemption, the depositary shares will be redeemed from the proceeds received by the depositary resulting from the redemption, in whole or in part, of that series of underlying stock held by the depositary. The redemption price per depositary share will be equal to the applicable fraction of the redemption price per share payable with respect to that series of underlying stock. Whenever we redeem shares of underlying stock that are held by the depositary, the depositary will redeem, as of the same redemption date, the number of depositary shares representing the shares of underlying stock so redeemed. If fewer than all the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected by lot or proportionately or by other equitable method, as may be determined by the depositary. 17

VOTING Upon receipt of notice of any meeting at which the holders of the underlying stock are entitled to vote, the depositary will mail the information contained in the notice to the record holders of the depositary shares underlying the preferred stock. Each record holder of the depositary shares on the record date (which will be the same date as the

record date for the underlying stock) will be entitled to instruct the depositary as to the exercise of the voting rights pertaining to the amount of the underlying stock represented by that holder's depositary shares. The depositary will then try, as far as practicable, to vote the number of shares of preferred stock underlying those depositary shares in accordance with those instructions, and we will agree to take all reasonable actions which may be deemed necessary by the depositary to enable the depositary to do so. The depositary will not vote the underlying shares to the extent it does not receive specific instructions with respect to the depositary shares representing the preferred stock.

CONVERSION OR EXCHANGE OF PREFERRED STOCK If the deposited preferred stock is convertible into or exchangeable for other securities, the following will apply. The depositary shares, as such, will not be convertible into or exchangeable for such other securities. Rather, any holder of the depositary shares may surrender the related depositary receipts, together with any amounts payable by the holder in connection with the conversion or the exchange, to the depositary with written instructions to cause conversion or exchange of the preferred stock represented by the depositary shares into or for such other securities. If only some of the depositary shares are to be converted or exchanged, a new depositary receipt or receipts will be issued for any depositary shares not to be converted or exchanged.

AMENDMENT AND TERMINATION OF THE DEPOSIT AGREEMENT The form of depositary receipt evidencing the depositary shares and any provision of the deposit agreement may at any time be amended by agreement between us and the depositary. However, any amendment which materially and adversely alters the rights of the holders of depositary shares will not be effective unless the amendment has been approved by the holders of at least a majority of the depositary shares then outstanding. The deposit agreement may be terminated by us upon not less than 60 days' notice whereupon the depositary shall deliver or make available to each holder of depositary shares, upon surrender of the depositary receipts held by such holder, the number of whole or fractional shares of preferred stock represented by such receipts. The deposit agreement will automatically terminate if (a) all outstanding depositary shares have been redeemed or converted into or exchanged for any other securities into or for which the underlying preferred stock are convertible or exchangeable or (b) there has been a final distribution of the underlying stock in connection with our liquidation, dissolution or winding up and the underlying stock has been distributed to the holders of depositary receipts.

CHARGES OF DEPOSITARY We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will also pay charges of the depositary in connection with its duties in accordance with the deposit agreement. Holders of depositary receipts will pay transfer and other taxes and governmental and other charges, including a fee for any permitted withdrawal of shares of underlying stock upon surrender of depositary receipts, as are expressly provided in the deposit agreement to be for their accounts.

REPORTS The depositary will forward to holders of depositary receipts all reports and communications from us that we deliver to the depositary and that we are required to furnish to the holders of the underlying stock. **18 LIMITATION ON LIABILITY** Neither we nor the depositary will be liable if either of us is prevented or delayed by law or any circumstance beyond our control in performing our respective obligations under the deposit agreement. Our obligations and those of the depositary will be limited to performance in good faith of our respective duties under the deposit agreement. Neither we nor the depositary will be obligated to prosecute or defend any legal proceeding in respect of any depositary shares or underlying stock unless satisfactory indemnity is furnished. We and the depositary may rely upon written advice of counsel or accountants, or upon information provided by persons presenting underlying stock for deposit, holders of depositary receipts or other persons believed to be competent and on documents believed to be genuine. In the event the depositary receives conflicting claims, requests or instructions from any holders of depositary shares, on the one hand, and us, on the other, the depositary will act on our claims, requests or instructions.

RESIGNATION AND REMOVAL OF DEPOSITARY The depositary may resign at any time by delivering notice to us of its election to resign. We may remove the depositary at any time. Any resignation or removal will take effect upon the appointment of a successor depositary and its acceptance of the appointment. The successor depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least \$50,000,000. **DESCRIPTION OF WARRANTS** The following is a general description of the terms of the warrants we may issue from time to time. This description is subject to the detailed provisions of a warrant agreement to be entered into between us and a warrant agent we select at the time of issue and the description in the prospectus supplement relating to the applicable series of warrants.

GENERAL We may issue warrants to purchase debt securities, preferred stock, depositary shares, common stock or any combination thereof. Such warrants may be issued independently or together with any such securities and may be

attached or separate from such securities. We may issue each series of warrants under a separate warrant agreement to be entered into between a warrant agent and us. The warrant agent will act solely as our agent and will not assume any obligation or relationship of agency for or with holders or beneficial owners of warrants. A prospectus supplement will describe the particular terms of any series of warrants we may issue, including the following: the title of such warrants; the aggregate number of such warrants; the price or prices at which such warrants will be issued; the currency or currencies, including composite currencies, in which the price of such warrants may be payable; the designation and terms of the securities purchasable upon exercise of such warrants and the number of such securities issuable upon exercise of such warrants; the price at which and the currency or currencies, including composite currencies, in which the securities purchasable upon exercise of such warrants may be purchased; the date on which the right to exercise such warrants shall commence and the date on which such right will expire; whether such warrants will be issued in registered form or bearer form; 19 if applicable, the minimum or maximum amount of such warrants which may be exercised at any one time; if applicable, the designation and terms of the securities with which such warrants are issued and the number of such warrants issued with each such security; if applicable, the date on and after which such warrants and the related securities will be separately transferable; information with respect to book-entry procedures, if any; if applicable, a discussion of certain U.S. federal income tax considerations; and any other terms of such warrants, including terms, procedures and limitations relating to the exchange and exercise of such warrants.

AMENDMENTS AND SUPPLEMENTS TO WARRANT AGREEMENT We and the warrant agent may amend or supplement the warrant agreement for a series of warrants without the consent of the holders of the warrants issued thereunder to effect changes that are not inconsistent with the provisions of the warrants and that do not materially and adversely affect the interests of the holders of the warrants.

20 DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS The following is a general description of the terms of the stock purchase contracts and stock purchase units we may issue from time to time. The applicable prospectus supplement will describe the terms of any stock purchase contracts or stock purchase units and, if applicable, prepaid stock purchase contracts. The description in the prospectus supplement will be qualified in its entirety by reference to (1) the stock purchase contracts, (2) the collateral arrangements and depositary arrangements, if applicable, relating to such stock purchase contracts or stock purchase units and (3) if applicable, the prepaid stock purchase contracts and the document pursuant to which such prepaid stock purchase contracts will be issued.

STOCK PURCHASE CONTRACTS We may issue stock purchase contracts, including contracts obligating holders to purchase from us, and obligating us to sell to holders, a fixed or varying number of common stock, preferred stock or depositary shares at a future date or dates. The consideration per share of common stock, preferred stock or depositary shares may be fixed at the time that the stock purchase contracts are issued or may be determined by reference to a specific formula set forth in the stock purchase contracts. Any stock purchase contract may include anti-dilution provisions to adjust the number of shares issuable pursuant to such stock purchase contract upon the occurrence of certain events.

STOCK PURCHASE UNITS The stock purchase contracts may be issued separately or as a part of units ('stock purchase units'), consisting of a stock purchase contract and debt securities, preferred securities or debt or equity obligations of third parties, including U.S. Treasury securities, in each case securing holders' obligations to purchase common stock, preferred stock or depositary shares under the stock purchase contracts. The stock purchase contracts may require us to make periodic payments to holders of the stock purchase units, or vice versa, and such payments may be unsecured or prefunded and may be paid on a current or on a deferred basis. The stock purchase contracts may require holders to secure their obligations thereunder in a specified manner and in certain circumstances we may deliver newly issued prepaid stock purchase contracts upon release to a holder of any collateral securing such holder's obligations under the original stock purchase contract. Any one or more of the above securities, common stock or the stock purchase contracts or other collateral may be pledged as security for the holders' obligations to purchase or sell, as the case may be, the common stock, preferred stock or depositary shares under the stock purchase contracts. The stock purchase contracts may also allow the holders, under certain circumstances, to obtain the release of the security for their obligations under such contracts by depositing with the collateral agent as substitute collateral treasury securities with a principal amount at maturity equal to the collateral so released or the maximum number of shares deliverable by such holders under stock purchase contracts requiring the holders to sell common stock, preferred stock or depositary shares to us.

PLAN OF DISTRIBUTION We may sell the securities covered by this prospectus in any of the following three ways (or in any combination): through underwriters, dealers or remarketing firms; directly to one or more purchasers, including to a limited number of institutional purchasers; or through agents. Any such dealer or

agent, in addition to any underwriter, may be deemed to be an underwriter within the meaning of the Securities Act of 1933, as amended (the 'Securities Act'). Any discounts or commissions received by an underwriter, dealer, remarketing firm or agent on the sale or resale of securities may be considered by the SEC to be underwriting discounts and commissions under the Securities Act. 21 In addition, we may enter into derivative transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. If the applicable prospectus supplement indicates, in connection with such a transaction, the third parties may, pursuant to this prospectus and the applicable prospectus supplement, sell securities covered by this prospectus and the applicable prospectus supplement. If so, the third party may use securities borrowed from us or others to settle such sales and may use securities received from us to close out any related short positions. We may also loan or pledge securities covered by this prospectus and the applicable prospectus supplement to third parties, who may sell the loaned securities or, in an event of default in the case of a pledge, sell the pledged securities pursuant to this prospectus and the applicable prospectus supplement. The terms of the offering of the securities with respect to which this prospectus is being delivered will be set forth in the applicable prospectus supplement and will include, among other things: the type of and terms of the securities offered; the price of the securities; the proceeds to us from the sale of the securities; the names of the securities exchanges, if any, on which the securities are listed; the name of any underwriter, dealer, remarketing firm or agent and the amount of securities underwritten or purchased by each of them; any over-allotment options under which underwriters may purchase additional securities from us; any underwriting discounts, agency fees or other compensation to underwriters or agents; and any discounts or concessions which may be allowed or reallocated or paid to dealers. If underwriters are used in the sale of securities, such securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The securities may be offered to the public either through underwriting syndicates represented by managing underwriters or directly by one or more underwriters acting alone. Unless otherwise set forth in the applicable prospectus supplement, the obligations of the underwriters to purchase the securities described in the applicable prospectus supplement will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all such securities if any are purchased by them. Any public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time. If dealers acting as principals are used in the sale of any securities, such securities will be acquired by the dealers, as principals, and may be resold from time to time in one or more transactions at varying prices to be determined by the dealer at the time of resale. The name of any dealer and the terms of the transaction will be set forth in the prospectus supplement with respect to the securities being offered. Securities may also be offered and sold, if so indicated in the applicable prospectus supplement, in connection with a remarketing upon their purchase, in accordance with a redemption or repayment pursuant to their terms, or otherwise, by one or more firms, which we refer to herein as the 'remarketing firms,' acting as principals for their own accounts or as our agents, as applicable. Any remarketing firm will be identified and the terms of its agreement, if any, with us and its compensation will be described in the applicable prospectus supplement. Remarketing firms may be deemed to be underwriters, as that term is defined in the Securities Act in connection with the securities remarketed thereby. The securities may be sold directly by us or through agents designated by us from time to time. In the case of securities sold directly by us, no underwriters or agents would be involved. Any agents involved in the offer or sale of the securities in respect of which this prospectus is being delivered, and any commissions payable by us to such agents, will be set forth in the applicable prospectus supplement. Unless otherwise indicated in the applicable prospectus supplement, any such agent will be acting on a best efforts basis for the period of its appointment. We may authorize agents, underwriters or dealers to solicit offers by certain specified institutions to purchase the securities to which this prospectus and the applicable prospectus supplement relates from us at the public offering price set forth in the applicable prospectus supplement, plus, if applicable, accrued 22 interest, pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. Such contracts will be subject only to those conditions set forth in the applicable prospectus supplement, and the applicable prospectus supplement will set forth the commission payable for solicitation of such contracts. Agents, dealers, underwriters and remarketing firms may be entitled, under agreements entered into with us to indemnification by us against certain civil liabilities, including liabilities under the Securities Act, or to contribution to payments they may be required to make in respect thereof. Agents, dealers, underwriters and remarketing firms may be customers of, engage in transactions with, or perform services for us or our subsidiaries in the ordinary course of business. Unless otherwise indicated in the applicable

prospectus supplement, all securities offered by this prospectus, other than our common stock that is listed on the New York Stock Exchange, will be new issues with no established trading market. We may elect to list any series of securities on an exchange, and, in the case of our common stock, on any additional exchange, but, unless otherwise specified in the applicable prospectus supplement, we shall not be obligated to do so. In addition, underwriters will not be obligated to make a market in any securities. No assurance can be given regarding the activity of trading in, or liquidity of, any securities. Any underwriter may engage in over-allotment, stabilizing transactions, short covering transactions and penalty bids in accordance with Regulation M under the Exchange Act. Over-allotment involves sales in excess of the offering size, which create a short position. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. Short covering transactions involve purchases of the securities in the open market after the distribution is completed to cover short positions. Penalty bids permit the underwriters to reclaim a selling concession from a dealer when the securities originally sold by the dealer are purchased in a covering transaction to cover short positions. Those activities may cause the price of the securities to be higher than it would otherwise be. If commenced, the underwriters may discontinue any of the activities at any time. LEGAL MATTERS Unless otherwise indicated in a supplement to this prospectus, the validity of the securities will be passed upon for us by Shearman & Sterling LLP, New York, New York. EXPERTS The consolidated balance sheets of CIT Group Inc. and its subsidiaries as of December 31, 2003, December 31, 2002 and September 30, 2002 and the related consolidated statements of income, stockholders' equity and cash flows for the year ended December 31, 2003, the three months ended December 31, 2002, the year ended September 30, 2002, the period from June 2, 2001 through September 30, 2001 and the period from January 1, 2001 through June 1, 2001 included in the Current Report on Form 8-K dated September 21, 2004, incorporated by reference herein and in the registration statement of which this prospectus forms a part, have been so incorporated by reference in reliance on the reports of PricewaterhouseCoopers LLP, independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting. 23 [THIS PAGE INTENTIONALLY LEFT BLANK]

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SHARES 6.350% NON-CUMULATIVE PREFERRED STOCK, SERIES A [CIT LOGO] -----
 PROSPECTUS SUPPLEMENT JULY 26, 2005 ----- GOLDMAN, SACHS & CO. LEHMAN
 BROTHERS MERRILL LYNCH & CO. CITIGROUP JPMORGAN WACHOVIA SECURITIES BEAR, STEARNS
 & CO. INC. BNP PARIBAS HSBC
