



Announcing upcoming changes to the RSP

Effective January 1, 2026, several updates will take effect for the **Cummins Retirement and Savings Plan** and **Cummins Retirement and Savings Plan for Certain Collectively Bargained Employees** (collectively referred to as the RSP).

This document explains the upcoming changes and will help you determine what actions you may wish to take to prepare. **Because one or more of these changes may apply to you, please review the information carefully — some changes could also affect how your retirement contributions are taxed.**



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RSP Changes: What you need to know

The following tables summarize the plan changes, highlighting what is changing, who is affected and what actions you may need to take to prepare for any impacts.

Catch-up contribution changes

For employees age 50 or older

What is changing?	 How you make RSP catch-up contributions (see page 4)
How did it work prior to 2026?	Today, you must make separate elections for: <ul style="list-style-type: none"> Regular contributions on a Before-Tax or Roth basis Catch-up contributions on a Before-Tax or Roth basis
How will it work starting in 2026?	Effective January 1, 2026, you'll make contribution elections for regular Before-Tax and Roth only. Separate elections for catch-up contributions will no longer apply.
What does it mean for my RSP contributions?	Once you reach the IRS 402(g) limit of \$24,500 for 2026, your Before-Tax and/or Roth contributions will automatically continue to be made up to the catch-up contribution limit (refer to the Key Information section).
What action do I need to take?	If you do not currently have a separate catch-up election, then you do not need to take any action. Otherwise, you should review your Before-Tax and Roth contribution elections on or after December 20, 2025, to ensure you are set up to save the amount you want for 2026: <ul style="list-style-type: none"> If you had a separate catch-up election in 2025, your catch-up contribution will not automatically continue in 2026 and you may wish to increase your Before-Tax and/or Roth contribution elections. If you do not want to make catch-up contributions, you should ensure that your Before-Tax and/or Roth contribution rates are set so that your contributions will not exceed the IRS 402(g) limit during 2026. You can change your Before-Tax and Roth contribution elections at any time.

For employees age 50 or older AND whose FICA wages from the previous calendar year exceed \$150,000²

What is changing?	 Mandatory Roth catch-up change (see page 6)
How did it work prior to 2026?	Today, you have the choice to make your catch-up contributions on a Before-Tax or Roth basis.
How will it work starting in 2026?	Effective January 1, 2026, any catch-up contributions will automatically be made on a Roth basis due to a change in the Internal Revenue Code under the SECURE 2.0 Act of 2022 Section 603.
What does it mean for my RSP contributions?	Once you reach the IRS 402(g) limit of \$24,500 for 2026, your catch-up contributions will automatically be made on a Roth basis and calculated using the combination of your Before-Tax and Roth contribution rates up to the catch-up contribution rate limit (refer to the Key Information section).
What action do I need to take?	If you are not saving (and do not intend to save) to the IRS 402(g) limit, then there is no impact to you. Otherwise, you should review your Before-Tax and Roth contribution elections on or after December 20, 2025, to ensure you are set up to save the amount you want for 2026: <ul style="list-style-type: none"> If you had a separate catch-up election in 2025, your catch-up contribution will not automatically continue in 2026 and you may wish to increase your Before-Tax and/or Roth contribution elections. Remember that all catch-up contributions will be made on a Roth basis, so your combined rate of Before-Tax and Roth contributions will be made as Roth contributions once you hit the IRS 402(g) limit. If you do not want to make any catch-up contributions, you should ensure that your Before-Tax and/or Roth contribution rates are set so that your contributions will not exceed the IRS 402(g) limit during 2026. You can change your Before-Tax and Roth contribution elections at any time.

Maximum savings rate change

All employees eligible for the RSP

What is changing?	 The maximum savings rate is increasing from 50% to 75% of RSP eligible pay.
What does it mean for my 401(k) contributions?	Starting January 1, 2026, you may choose to contribute any percentage from 1% to 75% of your RSP eligible pay on a combined Before-Tax, Roth or After-Tax basis.
What action do I need to take?	No action is required , but you can increase your combined Before-Tax, Roth or After-Tax contribution rate ³ to 75% beginning December 20, 2025. You can make Before-Tax, Roth and/or After-Tax contributions (refer to the table in the Key information section). If you make changes, please allow 1 – 2 pay periods for rate changes to take effect.

¹"RSP" refers to both the Cummins Retirement and Savings Plan and the Cummins Retirement and Savings Plan for Certain Collectively Bargained Employees.

²The FICA wage threshold for the preceding year (2025) for catch-up contributions in 2026 is \$150,000 and subject to annual adjustment by the IRS.

Key dates

There are several key dates related to the upcoming RSP changes. For any changes that apply to you, review the dates below for details on when the changes take effect and when you'll be able to take any needed actions.

Change	Key actions	Date
 How you make RSP catch-up contributions	Last day you can make separate catch-up elections	December 19, 2025
	First day you can make Before-Tax and Roth contribution rate elections that will apply to your regular and catch-up contributions for 2026	December 20, 2025
	Last day you can make contribution rate changes effective for your first paycheck in 2026	December 26, 2025
 Mandatory Roth catch-up change	First day the mandatory Roth catch-up contribution will apply	January 1, 2026
	First paycheck that catch-up contributions will reflect the mandatory change	First 2026 paycheck*
 Maximum savings rate increase	First day you can make a contribution rate election up to the new 75% maximum for 2026	December 20, 2025

*Since employees have different pay schedules, the timing of this first paycheck will vary.

Key information – 2026 IRS 401(k) contribution limits

	Before-Tax	Roth	Total Plan Limit Limit includes Before-Tax, Roth, After-Tax and Employer contributions
Plan participant contribution limit	1-75%³ of eligible earnings up to the IRS annual limits		
Under age 50 IRS 402(g) limit		\$24,500	\$72,000
Age 50-59 and 64+ catch-up contribution Total IRS contribution limit		+ \$8,000 \$32,500	\$80,000
Age 60-63 "super catch-up" contribution Total IRS contribution limit		+ \$11,250 \$35,750	\$83,250

³After-Tax contributions of Highly Compensated Employees (HCEs) are further limited as follows: Cummins RSP: After-Tax contributions are limited to 10% of RSP eligible pay (still subject to the overall 75% limit); Cummins RSP for Certain Collectively Bargained Employees: After-Tax contributions are limited to 20% of RSP eligible pay (still subject to the overall 75% limit).





Changes to how you make RSP catch-up contributions

Who does this apply to? Employees who are age 50 or older

Overview

Starting January 1, 2026, how you make RSP elections will change. You will no longer make a separate election for your RSP catch-up contributions. Instead, you'll make contribution elections for regular Before-Tax and Roth, and your catch-up contributions will automatically continue once you reach the IRS 402(g) limit of \$24,500 for 2026. You will continue to have one contribution election for After-Tax contributions.

Why is it changing?

This change makes it easier for those who are eligible for catch-up contributions to make their contribution election once and maintain their RSP contributions without needing to manage separate catch-up elections.

What does this mean?

This change means those who are eligible to make catch-up contributions will only need to set elections once, which ensures never missing out on eligible contributions.

Let's look at an example:

This example involves a participant who intends to contribute the maximum amount allowed under both regular and catch-up contribution legal limits. If they do not update their regular Before-Tax and/or Roth elections, they may not contribute the maximum amount due to the transition from separate catch-up elections to a single combined election.

	2025 Elections (Separate catch-up elections)	2026 Elections (Single election)
Age	50	51
RSP eligible pay	\$100,000	\$100,000
Election (%)	25% regular Before-Tax + 10% Before-Tax catch-up	25% regular Before-Tax*
Contribution amount	Total participant contributions = \$31,000 Regular Before-Tax = \$23,500 (capped at the IRS 402(g) limit) + Before-Tax catch-up = \$7,500 (capped at the catch-up limit)	Total participant contributions = \$25,000 Regular Before-Tax = \$24,500 (capped at the IRS 402(g) limit) + Catch-up = \$500
Election process	Separate catch-up elections	To maintain a maximum contribution of \$31,000 in 2026, this participant must increase their regular Before-Tax contribution election of 25%. If the participant does not want to make catch-up contributions, they must either elect a contribution rate that will result in regular contributions of less than or equal to the IRS 402(g) limit (i.e., \$24,500 for 2026) or decrease their Before-Tax election to 0% before reaching the IRS 402(g) limit.

*Because a separate catch-up election will no longer be an option in 2026, the participant's prior Before-Tax catch up election is no longer in effect. Before-Tax catch-up is based on the regular Before-Tax election once the IRS 402(g) limit is met.

(continued)

Changes to how you make RSP catch-up contributions *(continued)*

What happens next?

- In preparation for January 1, 2026, separate catch-up contribution elections will be removed and will no longer be displayed on **Your Benefits Resources** beginning on December 20, 2025.
- Since catch-up contributions will no longer be based on a separate election, any existing Before-Tax and/or Roth contributions you have elected will continue to be deducted from your paycheck even after you reach the IRS 402(g) limit of \$24,500 for 2026 (up to the catch-up contribution limit).

Actions you can take

- 1. Review the **Mandatory Roth catch-up change**:** Confirm if this change impacts you.
- 2. Review your contribution strategy:** Evaluate your current contribution strategy to understand how it may affect the contributions you make to your RSP.
- 3. Consult a financial planner or tax advisor:** If you deem it appropriate for your specific situation, seek advice from a financial planner or tax advisor to understand catch-up contributions, any tax implications of Roth contributions and how these choices fit into your overall retirement strategy.
- 4. Adjust your contributions:** If necessary, adjust your regular Before-Tax and Roth contribution rates on or after December 20, 2025 to align with the new requirements by going to **Your Benefits Resources** and from *Quick Actions*, select “Change Contributions” or “Start Saving Now”. Generally, allow 1–2 pay periods for rate changes to take effect.





Mandatory Roth catch-up change

Who does this apply to? Employees who are age 50 or older in or after calendar year 2026 **AND** whose FICA wages from the previous year exceed \$150,000¹

Overview

Effective January 1, 2026, if you are age 50 or older and your FICA wages in the previous calendar year (found in Box 3 of your W-2 form) are more than \$150,000 (a threshold set by the IRS annually and subject to change) **you will no longer be able to make Before-Tax catch-up contributions** for the plan year. Any catch-up contributions you make to the RSP must be contributed on a Roth basis.

If you are making regular Before-Tax contributions, your catch-up contributions will automatically be made on a Roth basis once you reach the IRS 402(g) limit of \$24,500 for 2026 and you will be deemed to have elected to make Roth catch-up contributions. These Roth contributions will be calculated by combining your Before-Tax and Roth contribution rates.

Why is it changing?

This change is required due to a change in the Internal Revenue Code under the SECURE 2.0 Act of 2022. To learn more about these changes, see the **Internal Revenue Code**.

What does this mean?

If you are impacted, any catch-up contributions that you make to the RSP will automatically be made on a Roth basis.

Roth contributions are made on an after-tax basis, meaning you'll pay income tax on the contribution amount now. However, **qualified withdrawals in retirement are tax-free** (see **the FAQ document**), including with respect to earnings.

Am I impacted?

- **Impacted:** If you are eligible to make catch-up contributions and your FICA wages in the previous year exceed \$150,000 (indexed annually), you are impacted by this mandatory change.
- **Not Impacted:** 1) If you are not eligible to make catch-up contributions or 2) you are eligible to make catch-up contributions and your 2025 FICA wages are less than or equal to \$150,000, you are not impacted by these new rules and may continue to make Before-Tax or Roth catch-up contributions.

What happens next if I am age 50 or older and my FICA wages from the previous calendar year exceed \$150,000?

- Any separate catch-up elections (Before-Tax or Roth) that you set up previously on the Your Benefits Resources website will be removed on December 20, 2026. See the **Changes to how you make RSP catch-up contributions** section for more information.
- An amount equal to your existing regular Before-Tax or Roth contributions you have elected will continue to be deducted from your paycheck even after you reach the IRS 402(g) limit of \$24,500 for 2026.
- However, any election to make Before-Tax contributions will be deemed to be an election to make Roth catch-up contributions and your catch-up contributions, if any, will automatically be made on a Roth basis, in addition to any Roth contributions you have elected.
- If you do not wish to make any catch-up contributions, you will need to either elect a contribution rate that will result in regular contributions of less than or equal to the IRS 402(g) limit (i.e., \$24,500 for 2026) or elect a 0% Before-Tax and 0% Roth contribution rate before reaching the IRS 402(g) limit of \$24,500 for 2026.

Note: While your payroll deductions will be coming out as Roth after-tax contributions, your contribution election on **Your Benefits Resources** will still show as Before-Tax.

(continued)

¹The FICA wage threshold for the preceding year (2025) for catch-up contributions in 2026 is \$150,000 and subject to annual adjustment by the IRS.



Mandatory Roth catch-up change *(continued)*

What if I do not want my Before-Tax contributions to automatically be deducted as Roth catch-up contributions?

If you do not want your Before-Tax catch-up contributions to be automatically deducted as Roth, you must track your contributions against the 2026 IRS 402(g) limit and change your Before-Tax contribution election to 0%. If you set your Before-Tax contribution to 0%, this election will remain in effect until you update it. To resume Before-Tax contributions in the new year, you must make a new election on **Your Benefits Resources** and from *Quick Actions*, select “Change Contributions”. Generally, allow 1 – 2 pay periods for rate changes to take effect.

Let’s look at a few examples of how catch-up contributions will be impacted by the 2026 changes.

	Below the \$150,000 threshold	Above the \$150,000 threshold (Before-Tax contribution election only)	Above the \$150,000 threshold (Before-Tax and Roth contribution elections)
	Participant #1	Participant #2	Participant #3
Age	55	55	55
FICA wages in 2025	\$120,000	\$180,000	\$180,000
2025 contribution elections	Regular elections: 15%—Before-Tax 15%—Roth Catch-up elections: 5%—Before-Tax Catch-up 5%—Roth Catch-up	Regular elections: 20%—Before-Tax 0%—Roth Catch-up elections: 6%—Before-Tax Catch-up 0%—Roth Catch-up	Regular elections: 20%—Before-Tax 3%—Roth Catch-up elections: 3%—Before-Tax Catch-up 3%—Roth Catch-up
2025 catch-up contributions	They contribute up to the IRS 402(g) limit (\$23,500) and the maximum in catch-up contributions (\$7,500).	They contribute up to the IRS 402(g) limit (\$23,500) and the maximum in catch-up contributions (\$7,500).	They contribute up to the IRS 402(g) limit (\$23,500) and the maximum in catch-up contributions (\$7,500).
2026 contribution election	Regular elections: 15%—Before-Tax 15%—Roth	Regular elections: 20%—Before-Tax 0%—Roth	Regular elections: 20%—Before-Tax 3%—Roth
2026 catch-up contributions	In 2026, if no election changes are made, their 15% Before-Tax and 15% Roth contributions will continue as catch-up contributions once the IRS 402(g) limit of \$24,500 is met.	If no election changes are made, the participant will be deemed to have elected 20% Roth catch-up contributions once the IRS 402(g) limit of \$24,500 is met. To avoid or stop catch-up contributions, the participant must set their contribution rate so that it does not exceed the IRS 402(g) limit during the year.	If no election changes are made, the participant will be deemed to have elected 23% Roth catch-up contributions in 2026 once the IRS 402(g) limit of \$24,500 is met (i.e., the 20% Before-tax contribution election is added to the 3% Roth contribution election).

Actions you can take

- 1. Review your contribution strategy:** Evaluate your current contribution strategy and consider how the new Roth catch-up requirement may impact contributions you make to your RSP.
- 2. Consult a financial planner or tax advisor:** If you deem it appropriate for your specific situation, seek advice from a financial planner or tax advisor to understand the tax implications of Roth contributions and how they fit into your overall retirement strategy.
- 3. Adjust your contributions:** If necessary, adjust your Before-Tax and Roth contribution rates to achieve your intended outcomes under the new requirements. Go to **Your Benefits Resources** and from *Quick Actions*, select “Change Contributions”. Allow 1 – 2 pay periods for rate changes to take effect.

What you need to do

Electing to make catch-up contributions or saving to the maximum limits in the RSP is voluntary: **therefore, no action is required.**

Here are important steps you may need to take to ensure you are informed and prepared for the changes.

- 1** Read the **Frequently Asked Questions.**
- 2** Consider consulting with a financial planner or tax advisor.
- 3** Adjust your contribution election as needed on the **Your Benefits Resources** website: Go to **Quick Actions** and select "Change Contributions" or "Start Saving Now". Generally, allow 1 – 2 pay periods for rate changes to take effect.



Questions?



Online: Visit the yourbenefitsresources.com/cummins website.



Cummins Retirement Benefits Service Center:

Contact **1-800-682-8788** Monday through Friday between 7 a.m. and 6 p.m. Central time.



Mobile: Scan this QR code to download the Alight Mobile app.



Talk to a Retirement Specialist:

Schedule an appointment online under "Quick Actions" to receive help with your RSP.



MyTotalRewards: As a Cummins employee, you receive competitive pay, robust benefits and essential resources to support your health, wealth, life and career as part of your Total Rewards at Cummins. You can learn more and explore all your Total Rewards at mytotalrewards.cummins.com.