



**Cummins Pension Plan**

**Summary Plan Description**

**July 2014**

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## INTRODUCTION

Cummins Inc. maintains the Cummins Pension Plan (“Plan”) for the benefit of its eligible employees and those of its affiliates who adopt the Plan (collectively, with Cummins Inc., the “**Participating Employers**”). References to **Cummins** in this Summary Plan Description (“Summary”) generally include Cummins Inc. and all of its affiliates that, together with Cummins Inc., are treated as a single employer for purposes of the Federal tax laws applicable to retirement plans. This Summary describes the principal provisions of the benefit structure commonly known as Cash Balance Plan A as in effect on July 1, 2014 and applies to certain salaried employees and hourly non-bargaining unit employees of the **Participating Employers**. Certain provisions of the Plan as summarized in this Summary may apply only to active participants. If you terminated employment before July 1, 2014, you should also consult the terms of the Summary in effect at the time of your termination from employment.

### A Quick Glance

- The Plan is designed to pay a benefit after you retire.
- Each month, your account will be credited with **pay credits** and/or **interest credits**.
- The amount of your benefit is mainly based on your account balance, although your age at retirement, interest rates and your elected form of payment are additional factors.
- You become fully **vested** in (*i.e.*, you earn full “ownership” of) your account balance after three years of **service**.
- When you retire or terminate, you choose how to receive your benefits – as a lump sum or as one of a variety of lifetime annuity options.

Although we have tried to keep this Summary simple, the rules that apply to the Plan are complicated. If you have a question that is not answered by this Summary, you can obtain more information at [www.yourbenefitsresources.com/cummins](http://www.yourbenefitsresources.com/cummins) or calling toll-free 1-800-682-8788 (outside of the United States, Puerto Rico, and Canada, please, call 1-847-833-2076 (not a toll-free number)).

### LIMITATIONS OF SUMMARY

This Summary describes the way in which the Plan usually operates, but it does not describe every circumstance that might occur under the Plan. Additionally, different terms and benefits may apply to different employee groups as reflected in other summary plan descriptions. The official Plan document, not this Summary, governs your rights under the Plan. If there is any conflict between this Summary and the Plan document, the Plan document will control. Copies of the official Plan document are available upon request to the Administrator.

## DEFINED TERMS

Certain terms used in this Summary are shown in bold and italicized type to indicate that those terms have special definitions. An index of terms and where the meanings of such terms can be found is included on page 19.

## PLAN HIGHLIGHTS

<b>Cost</b>	<i>Cummins</i> provides this valuable benefit at no cost to you by making contributions to the Plan's trust sufficient to fund the benefits provided under the Plan.
<b>Eligibility</b>	You are eligible to participate in the Plan if you are a U.S. citizen or legal resident who is employed by <i>Cummins</i> or a <b><i>Participating Employer</i></b> and are not a member of an excluded group of employees.
<b>Participation</b>	You become a participant as soon as you are eligible.
<b>Vesting</b>	You become fully <b><i>vested</i></b> upon completing three years of <b><i>service</i></b> . In addition, you will become fully <b><i>vested</i></b> if you die or become <b><i>disabled</i></b> while an employee.
<b>Plan formula</b>	Your benefit is based on your <b><i>service</i></b> and <b><i>compensation</i></b> , plus credited earnings.
<b>Payment Dates</b>	You may begin receiving payment of your <b><i>vested</i></b> benefit as of the first day of the month following your retirement or termination of employment. If you retire or terminate employment before age 65, your pension will begin at age 65 unless you elect an earlier distribution date.
<b>Forms of Benefit Payments</b>	You may elect to receive your benefit as a lump sum or in one of the available monthly payment options. The monthly payment options include some that provide payments only to you for your lifetime and others that provide you with reduced payments for your lifetime but continued payments to your surviving spouse or <b><i>domestic partner</i></b> after your death.
<b>Special disability benefit</b>	If you have completed at least 10 years of <b><i>service</i></b> and become <b><i>disabled</i></b> before termination of employment, you are entitled to a special disability benefit.
<b>Death benefits</b>	If you die with a <b><i>vested</i></b> benefit but before you have started receiving benefits, a survivor benefit will be paid to your surviving spouse, <b><i>domestic partner</i></b> , or other beneficiary.

## ELIGIBILITY AND PARTICIPATION

### Who Is Eligible

You are eligible to participate in the Plan if (1) you are employed by a ***Participating Employer***; (2) you are a citizen or legal permanent resident of the U.S. or you hold a F-1; F-2; H-1B; H-2B; H-3; H-4; L-1; L-2; O-1; O-3 or TN visa and (3) you are not:

- a nonresident alien who receives no United States income;
- eligible to participate in a ***Cummins*** home country retirement plan;
- on an expat assignment in the U.S. that began after December 31, 2011 (unless you participated in a ***Cummins*** home country retirement plan immediately before your transfer to the U.S. and you are legally barred from continued participation in such plan);
- accruing benefits under another ***Cummins*** defined benefit pension plan;
- receiving benefits under a ***Cummins*** long-term disability program;
- classified as an independent contractor (regardless of how you would be classified by the Internal Revenue Service, the Department of Labor or any other court of governmental agency);
- employed as a student intern, co-op employee, an acquired distributorship business employee or other group of employees designated as being ineligible to participate in the Plan.

### When Participation Begins

You will automatically become a participant in the Plan as soon as you become an eligible employee. Once you become a participant, you will remain a participant until your right to any future distributions from the Plan ends.

## CREDITING OF SERVICE

### Purposes of Service

Your ***service*** is used to determine whether your interest in your Plan benefit is ***vested*** and the amount of your benefit.

### Determination of Service

As a general rule, your ***service*** is the sum of all of your periods of employment with ***Cummins***. Your ***service*** includes any period of up to 12 consecutive months during which you are on an approved leave of absence (e.g., due to pregnancy, childbirth, adoption, newborn child care, or care for a newly adopted child, qualified military leave, etc.).

### Reemployment and Effect of Breaks in Service

***Service*** generally does not include any period during which you are not employed by ***Cummins***. However, if you terminate employment and return to work for ***Cummins*** within 12 months, the period of your absence will be treated as a period of ***service*** for purposes of determining your eligibility and ***vested*** benefit, but not the amount of your benefit.

If you terminate employment (and do not return to work for **Cummins** within 12 months) or you are on an approved leave of absence for more than 12 consecutive months, you will incur a **break in service** beginning on the earlier of your termination date or the anniversary of the date on which your leave began. If you incur a **break in service**, your pre-break **service** is disregarded, but generally will be restored when you return to work unless:

- your **break in service** was more than 60 consecutive months;
- you were not **vested** at the beginning of your **break in service**;
- the length of your **break in service** was longer than your pre-break **service**.

Special **service** rules apply to you if you have a qualifying military leave of absence protected by Uniformed Services Employment and Reemployment Rights Act, as amended (“USERRA”) or a leave under the Family and Medical Leave Act of 1993, as amended (“FMLA”). Please contact the Cummins Retirement Benefits Service Center at 1-800-682-8788 or online at [www.yourbenefitsresources.com/cummins](http://www.yourbenefitsresources.com/cummins) for more information.

## PLAN FORMULA

### Overview

Your benefit under the Plan is based on a hypothetical account established in your name and made up of **pay credits** and **interest credits**.

### Your Pay Credits

At the end of each month in which you are eligible to participate in the Plan, **pay credits** based on your age, **service** and **compensation** are added to your account as follows:

Your age and <b>service</b>	<b>Pay credit</b> percentage
Fewer than 60 months of <b>service</b>	4% of <b>compensation</b>
Fewer than 60 months of <b>service</b> but hired after December 31, 1996, at age 50 or older	5% of <b>compensation</b>
60 months or more of <b>service</b>	6% of <b>compensation</b>

**Compensation** generally includes base pay, commissions, incentive bonus payments, elective deferrals made under a 401(k) plan and cafeteria plan, overtime pay, shift differential, sick pay or payments under a short term disability plan, vacation or holiday pay, and variable pay, but excludes nonqualified deferred compensation, special bonuses such as sign-on bonuses or invention awards, payments for leaves of absence, short-term disability payments, relocation expenses, allowances and reimbursements for car, tuition and meals, severance pay and similar items.

The amount of your **compensation** on which benefits can be calculated each year is limited by Federal law. For 2014, the limit is \$260,000 (adjusted for inflation periodically by the IRS).

## Your Interest Credits

Your account will also be credited with monthly *interest credits* which will continue to be made to your account until you begin receiving benefits.

For months in which you receive *pay credits*, the interest crediting rate (“active rate”) is based on an annual rate equal to the 30-year United States Treasury bond rate as of the preceding September 30, plus 1%, assuming monthly compounding.

For months in which you do not receive *pay credits*, the interest crediting rate (“inactive rate”) is based on an annual rate equal to the 30-year United States Treasury bond rate as of the preceding September 30, minus 0.5%, assuming monthly compounding.

### Example:

Your *compensation* for a month is \$2,500, and you have five years of *service*. The 30-year U. S. Treasury bond rate as of September 30 of the preceding year is 4.85%, resulting in an annual active interest crediting rate of 5.85%, and an equivalent monthly rate of .4789%. If your account balance at the beginning of the month is \$10,000, the amount credited to your account as of the end of the month is determined as follows:

Your beginning balance	\$10,000
	<b>plus</b>
Your pay credits	\$150 (\$2,500 times 6%)
	<b>then add</b>
Your interest credits	\$47.89 (beginning balance times 0.4789%)
<b>Your new balance</b>	<b>\$10,197.89</b>

## SPECIAL PROVISIONS APPLICABLE TO PRIOR PLAN PARTICIPANTS

If you participated in the Cummins Engine Company, Inc. and Affiliates Retirement Plan “A” (“*Prior Plan*”), your account was established with an opening account balance which represents the present value of the pension benefit you earned under the *Prior Plan* through December 31, 1996, expressed as a lump sum and all *service* under such plan, determined as of December 31, 1996, is included as *service* under this Plan.

Additionally, if you participated in the *Prior Plan* before 1997, we will compare your benefit under the formula described above to a benefit based on the *Prior Plan* formula as of December 31, 2001 (referred to as the *five-year guaranteed benefit*), increased by the actuarial equivalent of *pay credits* and *interest credits* to your account after 2001 (referred to as the *post-2001 benefit*). If the sum of your *five-year guaranteed benefit* and your *post-2001 benefit* is greater than the benefit based on your opening account balance and all credits to your account since January 1, 1997, you will be paid the larger benefit.



Finally, if you were entitled to a benefit based on employee contributions you made to the **Prior Plan** before 1989, that benefit will be added to your benefit under the Plan, regardless of whether your benefit is based on the **Prior Plan** formula or based entirely on your account balance.

## RECEIVING YOUR BENEFIT

The Plan pays you benefits after you terminate employment if you become **vested** in your benefit. To be **vested** means that your benefits are no longer forfeitable upon your termination of employment. Your interest in your Plan benefit becomes **vested** upon the earliest of the date you:

- complete three full years of **service**;
- reach your **normal retirement date** while employed by **Cummins**;
- die or become **disabled** while employed by **Cummins**.

If you are not **vested** when you terminate employment, you will not be entitled to any benefit from the Plan.

After you terminate employment, no further **pay credits** will be added to your account, although **interest credits** will continue until you begin receiving your benefits. You may elect to begin benefit payments as of the first day of any month after you terminate. Unless you elect to begin your benefits earlier, your benefits will begin on the first of the month following your 65<sup>th</sup> birthday (referred to in this Summary as your **normal retirement date**). If you elect to begin receiving your benefits before your 65<sup>th</sup> birthday, your benefit may be smaller than if you had waited until your **normal retirement date**.

## Disability Retirement Benefit

If you become **disabled** while you are employed after having completed 10 years of **service**, your account will continue to be credited with **pay credits** and **interest credits** for each month you remain **disabled** until you start receiving benefits under the Plan. You are **disabled** if you are eligible to receive long-term disability plan benefits under a **Cummins** plan. **Pay credits** during this period are based on your **compensation** immediately before you became **disabled**. You may wait until your **normal retirement date** to begin receiving this benefit, or you may elect to start receiving your benefits earlier. If you die before you start receiving benefits, your surviving spouse or **domestic partner** (if any) will be entitled to modified survivor benefits.

## Late Retirement Benefit

If you remained employed beyond your **normal retirement date**, you will continue to earn **pay credits** until your retirement. Upon your retirement, your benefit will be calculated in the same manner as a normal retirement benefit and paid to you in the form you select. However, if you remain employed at age 70½, you may elect to begin distribution of your Plan benefit earlier as of April 1 of the calendar year following the calendar year in which you reach age 70½.

## Reemployment

If you incur a **break in service** and are later re-employed before receiving your **vested** benefits under the Plan, your account balance is maintained. If you are not **vested** at the time you incur a

***break in service***, your pre-break account balance will be restored and inactive ***interest credits*** will be applied to your account until the date of your reemployment. However, if you are not ***vested*** at the time you incur a ***break in service***, and your pre-break ***service*** is disregarded under the ***service*** crediting rules described above, your pre-break account balance will not be restored. Instead, a new account with a zero balance will be opened for you and you will only receive ***pay credits*** and ***interest credits*** after your date of reemployment.

If you elect a lump sum distribution after you terminate employment, a new account with an opening balance of zero will be established for you upon your reemployment unless you timely elect to repay the entire amount of your distribution plus interest. Please contact the Cummins Retirement Benefits Service Center at 1-800-682-8788 or online at [www.yourbenefitsresources.com/cummins](http://www.yourbenefitsresources.com/cummins) for information about repaying your benefit.

If you are re-employed after you begin receiving annuity payments, your pre-break account balance will be restored, less the value of any payments made to you. If you started receiving benefits at or after your ***normal retirement date*** and are later re-employed, the payments will continue and a new account with an opening balance of zero will be opened for you.

## FORMS OF DISTRIBUTION

### Normal Forms of Payment

If you are not married when you start your benefits, your benefits will be paid to you as a single life annuity, unless you elect to receive your benefits instead as a single life annuity with 10 year certain, level income option, or lump sum payment. No joint and survivor annuity forms of benefits are available to participants without a spouse or ***domestic partner***.

If you are married or have a ***domestic partner*** when you start your benefits, your benefits will be paid to you as a 50% joint and survivor annuity unless you elect one of the other forms of benefit described below. If you do not choose the 100%, 75%, or 50% joint and survivor annuity payment option, your spouse must consent in writing to your elected form of distribution, and your spouse's signature must be witnessed by a notary public. If your benefit is paid in a 25%, 50%, 75% or 100% joint and survivor annuity and your spouse or ***domestic partner*** predeceases you, your monthly payments will be increased for the remainder of your life to the amount that would have been payable to you under a single life annuity.

### Optional Forms of Payment

The Plan offers the following optional forms of payment. Once your benefits have commenced, you may not change your form of payment. All forms of benefit under the Plan are ***actuarially equivalent*** (that is, they have the same value, based on the assumed life expectancies and other assumed factors). Therefore, if you elect a larger survivor annuity, the monthly payment payable to you during your life will be smaller.

Forms of payment	Form of payment details
Lump sum	A one-time payment to you equal to the present value of your <b><i>vested</i></b> retirement benefit.

Single life annuity	A level monthly benefit to you for your life, with no survivor benefit after your death.
100% joint and survivor annuity	A reduced level monthly benefit to you for your life and, after your death, a monthly benefit to your surviving spouse or <b><i>domestic partner</i></b> for his or her life equal to 100% of the monthly benefit payable during your life.
75% joint and survivor annuity	A reduced level monthly benefit to you for your life and, after your death, a monthly benefit to your surviving spouse or <b><i>domestic partner</i></b> for his or her life equal to 75% of the monthly benefit payable during your life.
50% joint and survivor annuity	A reduced level monthly benefit to you for your life and, after your death, a monthly benefit to your surviving spouse or <b><i>domestic partner</i></b> for his or her life equal to 50% of the monthly benefit payable during your life.
25% joint and survivor annuity	A reduced level monthly benefit to you for your life and, after your death, a monthly benefit to your surviving spouse or <b><i>domestic partner</i></b> for his or her life equal to 25% of the monthly benefit payable during your life.
50% joint and survivor annuity with 10 year certain	A reduced level monthly benefit to you for your life and, after your death, a monthly benefit for your surviving spouse or <b><i>domestic partner</i></b> for his or her life equal to 50% of the monthly benefit payable during your life. If you die before receiving 120 monthly payments, your surviving spouse or <b><i>domestic partner</i></b> (or if your spouse or <b><i>domestic partner</i></b> is deceased, your beneficiary) will receive the monthly amounts payable to you during your life until a total of 120 monthly payments have been made.
Single life annuity with 10 year certain	A reduced level monthly benefit to you for your life. If you die before 120 monthly payments have been made, your beneficiary will continue to receive the same monthly benefit until a total of 120 monthly payments have been made.
Level income option	An increased monthly benefit to you before age 62 and significantly lower monthly benefits, possibly no benefit, after age 62 when anticipated Social Security benefits begin to provide a level total benefit taking into account both Plan benefits and Social Security benefits. Available only to terminated participants that commence benefits before age 62.

### Automatic Cash-Out of Small Benefits

If the present value of your ***vested*** benefit does not exceed \$1,000 at the time of your termination, it will automatically be paid to you as a lump sum payment as soon as administratively feasible following your termination date.

## Rollovers

Generally, you may elect to have any portion of a lump sum distribution (other than the portion required to be paid because you have reached age 70½) paid to you or paid in the form of a “direct rollover” to an individual retirement account or annuity or to another employer’s qualified retirement plan that accepts rollover contributions. If the lump sum payment is paid directly to you, the distribution will be subject to mandatory 20% Federal income tax withholding and may be subject to an additional 10% tax if the payment is paid before you reach age 59½.

The rules governing the taxation of distributions from the Plan and direct rollovers can be complicated. Therefore, we suggest that you consult with a financial or tax advisor before requesting a distribution from the Plan. You can find more information about the tax treatment of Plan distributions in IRS Publication 575, *Pension and Annuity Income*, and IRS Publication 590, *Individual Retirement Arrangements*. These publications are available from your local IRS office, on the IRS website at [www.irs.gov](http://www.irs.gov), or by calling 1-800-TAX-FORMS.

## How to Elect a Distribution

To commence distribution of your Plan benefit, you must contact the Cummins Retirement Benefits Service Center at 1-800-682-8788 or online at [www.yourbenefitsresources.com/cummins](http://www.yourbenefitsresources.com/cummins).

To ensure that your benefits begin on the date you would like them to begin, you need to obtain a pension commencement packet from the Cummins Retirement Benefits Service Center at 1-800-682-8788 or online at [www.yourbenefitsresources.com/cummins](http://www.yourbenefitsresources.com/cummins) and complete and return all forms (including any required spousal consents if you are married and do not choose the 100%, 75%, 50%, or 25% joint and survivor annuity payment options) at least 30 days before your elected benefits commencement date.

## SURVIVOR BENEFITS

### Death After Commencement of Benefits

If you die on or after you have started receiving benefits under the Plan, the only survivor benefits, if any, will be those paid under the form of benefit that you have selected.

### Death Before Commencement of Benefits

If you die while you are employed or after becoming vested in your Plan benefit but before you have starting receiving benefits under the Plan, your surviving spouse or ***domestic partner*** (if any) will be paid a level monthly benefit for his or her life equal to the largest of the following (unless you elected another form of payment):

- the 50% survivor annuity payable to your surviving spouse or ***domestic partner*** assuming you had commenced payment of your ***five-year guaranteed benefit*** on your normal retirement date (or date of your death, if later) and died immediately after doing so;

- a single life annuity for the life of your surviving spouse or ***domestic partner*** that is the ***actuarial equivalent*** of your account balance on the date of your death;
- a single life annuity for the life of your surviving spouse or ***domestic partner*** that equals the sum of (i) the monthly amount described in the first bullet and (ii) the ***actuarial equivalent*** of your ***post-2001 benefit*** on the date of your death.

Your surviving spouse or ***domestic partner*** may elect to receive a survivor benefit in the form of a lump sum payment as soon as administratively feasible after your death rather than as an annuity. The amount of such lump sum payment will be equal to the greater of (i) the present value of your account balance as of the date of your death, or (ii) the ***actuarial equivalent*** of the amount that would otherwise be payable to your surviving spouse or ***domestic partner*** as an annuity as described above.

If you do not have a surviving spouse or ***domestic partner*** at the time of your death, the present value of your account balance will be paid as a lump sum payment to your beneficiary as soon as practicable after your death.

### **Automatic Cash Out of Small Survivor Benefits**

If the present value of the survivor benefit payable to your surviving spouse, ***domestic partner*** or beneficiary on account of your death does not exceed \$1,000, it will automatically be paid to your surviving spouse, ***domestic partner*** or beneficiary, as applicable, in a lump sum payment as soon as administratively feasible after your death and no other survivor benefit will be paid under the Plan.

### **Military Service**

If you die while performing qualified military service within the meaning of USERRA, your surviving spouse or ***domestic partner*** may be eligible for survivor benefits. Please contact the Cummins Retirement Benefits Service Center at 1-800-682-8788 or online at [www.yourbenefitsresources.com/cummins](http://www.yourbenefitsresources.com/cummins) for more information.

### **DESIGNATION OF BENEFICIARY**

You have the right to designate another individual or trust as your beneficiary to receive benefits that may become payable after your death. If you are married, you may not elect any beneficiary other than your spouse unless your spouse consents to the naming of such other beneficiary. If you are not married, you may designate any individual or trust as your beneficiary. You may also designate any individual or trust as your contingent beneficiary, if you are not survived by a spouse or other named beneficiaries.

If you do not designate a beneficiary, or no designated beneficiary survives you, your beneficiary will be:

- your spouse or ***domestic partner***, if living at the time of your death;
- if your spouse or ***domestic partner*** is not living at the time of your death, your estate.

For beneficiary designation information, you should call the Cummins Retirement Benefits Service Center at 1-800-682-8788 or online at [www.yourbenefitsresources.com/cummins](http://www.yourbenefitsresources.com/cummins). You

may revoke or change your designation by filing a new beneficiary designation. If you get married after making a beneficiary designation, your spouse will automatically become your beneficiary and your prior beneficiary designation will no longer be effective.

To make sure that your death benefits under the Plan are paid according to your wishes, you should make sure that you have an effective and current beneficiary designation form on file.

## PROVISIONS RELATED TO DOMESTIC PARTNERS

In many cases, the Plan tries to treat participants with a *domestic partner* in the same way as married participants. However, in certain situations, Federal law requires the Plan to apply a different set of rules for *domestic partners*. For example, Federal law requires that the normal form of benefit for a participant with a *domestic partner* be a single life annuity rather than a joint and survivor annuity with the spouse as the joint annuitant. Therefore, the Plan allows you to choose a joint and survivor annuity form of benefit with your *domestic partner* as the joint annuitant.

A “*domestic partner*” means a person of the same or opposite sex:

- with whom you have a single, dedicated relationship and have shared the same permanent residence for at least 6 months,
- who is not married to you, another person or part of another domestic partner relationship and is at least age 18,
- who, with you, is mutually responsible for the other’s welfare,
- who, with you, intends for your relationship to be permanent,
- who is not so closely related to you as to preclude marriage under state law, and
- for whom you have submitted (and not revoked) an Affirmation of Domestic Partnership.

## PLAN ADMINISTRATION

The Cummins Inc. Benefits Policy Committee is the “Administrator” of the Plan and is responsible for overall administration of the Plan. The Administrator is responsible for formulating and carrying out all rules and regulations necessary to administer the Plan. The Administrator may designate *Cummins* employees third-party administrators or any other person to carry out certain Plan duties and responsibilities, and references to the Administrator in this Summary includes any such delegates. The Administrator has the discretionary authority to make decisions regarding the interpretation or application of Plan provisions and the discretionary authority to determine the rights, eligibility, benefits and claims of participants and beneficiaries under the Plan. Benefits will be paid under the Plan only if the Administrator (or its delegate) determines in its discretion that the applicant is entitled to such benefits. The Administrator may take such actions as it deems appropriate to correct any error in administering the Plan, including reducing future payments to any person who received a payment that should not have been made.

## **CLAIMS PROCEDURES**

### **Filing a Claim**

If you or your beneficiary believes that the Plan has not provided a benefit to which you are entitled, you or your beneficiary may file a written claim with the Administrator. Your written claim should include the following:

- an explanation of the nature of the claim,
- the facts supporting the claim,
- the amount being claimed, and
- the name and mailing address of the person making the claim.

The Administrator will review the claim and typically inform you of its decision within 90 days. If the Administrator needs more time to consider your claim, the Administrator may extend the review period by up to 90 additional days. The Administrator will notify you within the original 90-day period of why an extension is needed and when it expects to reach a decision.

However, if your claim relates to disability benefits, then the initial review period described above will be 45 days and the extension period will be 30 days, but can be used twice. If additional information is needed from you, you will have 45 days to respond.

### **Denial of Claim**

If your claim is denied, in whole or in part, the Administrator will provide you with written notice of the denial, which:

- explains the reasons for the denial,
- refers to any Plan provisions on which the denial is based,
- describes additional material or information needed to perfect your claim, together with an explanation of why the material or information is necessary, and
- explains the Plan's procedures for reviewing claims, including any time limits applicable to such procedures, along with a statement of your right to bring civil action under section 502 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") following an adverse benefit determination on appeal.

### **Review of Denied Claims**

You may appeal a denied claim within 60 days (180 days for a disability claim) after receiving written notice of the denial by filing a written request to the Administrator to have your claim reconsidered. If you do not file an appeal within this period, the Administrator's original denial will be final.

As part of your appeal, you or your authorized representative may review any Plan documents relevant to your claim and may submit written issues and comments in support of your appeal. The Administrator will provide you or your authorized representative, upon request and free of charge, reasonable access to and copies of documents relevant to your claim.

## **Notice of Decision on Appeal**

If you file a timely appeal, the Administrator typically informs you of its decision on your appeal within 60 days (45 days for a disability claim). If the Administrator needs more time to consider your appeal, the Administrator may extend the decision period by up to 60 additional days (45 days for a disability claim). The Administrator will notify you within the original review period of why an extension is needed and when it expects to reach a final decision.

The Administrator's review will take into account all comments, documents, records and other information submitted by you or your representative, without regard to whether such information was submitted or considered in the initial benefit decision. The written notice of the final decision will include specific reasons for the decision and any relevant Plan provisions on which the decision is based. Finally, the Administrator's notice will inform you of your rights to bring an action under Section 502(a) of ERISA. Subject to your right to bring an action under ERISA, the Administrator's decision on your appeal will be final.

## **Right to Sue under ERISA**

If you disagree with the Administrator's decision on your appeal, and you have followed all of these claims procedures, you have the right to bring a civil action in a court of law under Section 502(a) of ERISA. However, no legal or equitable action under ERISA may start prior to exhaustion of the process described above.

## **AMENDMENT AND/OR TERMINATION OF THE PLAN**

*Cummins* has the right, in its discretion, to amend or terminate the Plan at any time. You will be notified if the Plan is materially amended or terminated. Upon a termination of the Plan, you would become 100% *vested* in your accrued benefit under the Plan, to the extent funded. The allocation and distribution of the Plan's assets upon termination would be made in accordance with the provisions of the Internal Revenue Code and ERISA and with the approval of the Pension Benefit Guaranty Corporation.

## **IMPLIED PROMISES**

Nothing in this Summary says or implies that participation in this Plan is a guarantee of continued employment with *Cummins*, nor is it a guarantee that the Plan will continue, or that Plan benefits levels will remain unchanged in future years.

## **NON-ASSIGNABILITY**

### **Non-Assignment of Benefits**

Your Plan benefits generally cannot be awarded or assigned to anyone else. However, your benefit may be transferred to another person in the event of your death or mental incompetency, and a portion or all of your accrued benefit may be assigned pursuant to a *qualified domestic relations order*, as described below.



## Domestic Relations Orders

A court may issue a ***qualified domestic relations order*** requiring that part or all of your accrued benefit be paid to others, such as your spouse, former spouse (as part of the division of marital property) or your children (as child support payments). The Plan is required to comply with any such order that meets the applicable legal requirements. You may obtain a copy of the Plan's procedures governing domestic relations procedures by calling the QDRO administrator at (888) 858-5500 or by logging onto [www.qocenter.com](http://www.qocenter.com) via the internet. If the Plan receives such a domestic relations order relating to your benefit, you will be notified.

## TOP-HEAVY AND OTHER BENEFIT RESTRICTIONS

The Plan is subject to "top-heavy" limits that go into effect if 60% or more of the value of all the benefits in the Plan and certain other retirement plans maintained by **Cummins** are allocated to a small group of "key employees" as defined by Federal tax law. The Plan is not expected to become top-heavy at any time.

Federal tax law limits the maximum benefits payable and the amount of compensation that can be considered for highly compensated employees for benefits. You will be notified if these maximums apply to you.

Finally, Federal tax law also requires that certain benefits restrictions apply if, for any reason, certain Plan funding levels are not achieved. This may include limitations on the availability of certain forms of benefits such as lump sum distributions. You will be notified, as required by law, if any such limitations are applicable.

## PENSION BENEFIT GUARANTY CORPORATION INSURANCE

Your pension benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. If the Plan terminates without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under the Plan, but some may lose certain benefits.

The PBGC guarantee generally covers (i) normal and early retirement benefits; (ii) disability benefits if you become ***disabled*** before the Plan terminates; and (iii) certain benefits for your survivors.

The PBGC guarantee generally does not cover (i) benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates; (ii) some or all of benefit increases and new benefits based on Plan provisions that have been in place for fewer than 5 years at the time the Plan terminates; (iii) benefits that are not ***vested***; (iv) benefits for which you have not met all of the requirements at the time the Plan terminates; (v) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age; and (vi) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if your entire benefit is not guaranteed by the PBGC, you may receive amounts in excess of the guaranteed amounts, depending on the Plan's funded status and the amount that the PBGC is able to collect from employers.

For more information about the PBGC and the benefits it guarantees, contact the Administrator or the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington D.C., 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

## **PARTICIPANT RIGHTS AND PROTECTIONS UNDER ERISA**

### **Receive Information about the Plan and Benefits**

As a participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all plan participants will be entitled to:

- Examine, without charge, at the Administrator's office and at other specified locations, such as work sites and union halls, all Plan documents, including collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Administrator, copies of all Plan documents, including collective bargaining agreements, copies of the latest annual report (Form 5500 Series), and the updated summary plan description. The Administrator may make a reasonable charge for copies.
- Receive an annual plan funding notice that provides information about the Plan's funding status and asset allocation, ERISA rules regarding plan termination and certain other plan information. The Administrator is required by law to furnish each participant with a copy of this notice.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age and if so, what your benefits would be at normal retirement age if you stop working now. This statement must be requested in writing and is not required to be given more than once a year. The Plan must provide this statement free of charge.

### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for participants, ERISA imposes duties upon the people who are responsible for the Plan's operation. These people, called fiduciaries of the Plan, have a duty to act prudently and in the interest of you and other participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

## **Enforce Your Rights**

If your claim for a pension benefit is denied or ignored, in whole or in part, you have the right to know why this was done, to obtain copies of documents relating to that decision without charge and to appeal any denial, all within certain time limits.

Under ERISA, there are steps that you can take to enforce the above rights. For example, if you request materials from the Plan that the Plan is required by law to provide, and you do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Administrator to provide the materials and pay you up to \$110 a day (or such other amount in effect from time to time) until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If your claim for benefits is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file a suit in federal court, provided that you have first satisfied the Plan's claims procedures.

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about your Plan, you should contact the Cummins Retirement Benefits Service Center at 1-800-682-8788 or online at [www.yourbenefitsresources.com/cummins](http://www.yourbenefitsresources.com/cummins). If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## **GENERAL INFORMATION**

### **Plan Name**

Cummins Pension Plan

### **Sponsor/Employer**

Cummins Inc.  
Post Office Box 3005  
Columbus, IN 47202-3005  
Attention: Benefits Policy Committee  
Mail Code: 60803  
(800) 682-8788

### **Sponsor's Employer Identification Number**

35-0257090

### **Plan Number Assigned by the Plan Sponsor**

001

### **Type of Plan**

Tax-qualified defined benefit plan.

### **Plan Administrator**

Cummins Inc. Benefits Policy Committee  
Post Office Box 3005  
Columbus, IN 47202-3005  
Mail Code: 60803  
(800) 682-8788

### **Plan Recordkeeper**

Cummins Retirement Benefits Service Center  
P.O. Box 78508  
Orlando, FL 32878  
(800) 682-8788

### **Trustee**

The Northern Trust Company  
50 South LaSalle Street  
Chicago, IL 60675

**Plan Year**

The Plan year is the 12-consecutive month period beginning on January 1 and ending on December 31.

**Agent for Service of Legal Process**

Office of General Counsel  
Cummins Inc.  
Box 3005  
Columbus, IN 47202-3005

Service of legal process may be made upon the Administrator or the trustee.

**Source of Financing for the Plan**

Cummins pays the full cost of the Plan by making contributions. The contributions are held in trust with the Trustee. The contributions required to fund the Plan are determined by an actuary in accordance with the requirements of the Code and ERISA. Certain administrative expenses relating to the Plan are paid from the trust fund.

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