Cummins Inc.

60% SHORT TERM DISABILITY

BENEFIT PLAN DOCUMENT & SUMMARY PLAN DESCRIPTION

Effective January 1, 2007

This SPD is a simplified description of the major features of the Plan and each of the benefit plans. Special situations which affect a limited number of employees may not be covered in this SPD. Each of the benefits described in this SPD is governed solely by the terms of a separate legal document or contract. If there is a conflict between this SPD and the Plan documents controlling the operation of the Plan, the Plan documents will govern.
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Introduction

This Benefit Plan Booklet describes your Cummins Inc. Short Term Disability Plan, also referred to as the "Cummins Standard Short Term Disability Plan", in effect as of January 1, 2007. This Booklet serves as both "Plan Document", and the "Summary Plan Description", for the Cummins Standard Short Term Disability Plan. Any prior Plan Booklet relating to Short Term Disability coverage for the Cummins Inc. employee groups cited herein is no longer in effect and is superseded by this plan. The Plan may be changed or canceled in the future.

Cummins Inc., as the Plan Administrator for this Short Term Disability Plan, has the authority to interpret the terms, conditions and provisions of this Plan. As of January 1, 2007, Cummins has retained Unum Group ("Unum") as its Claims Administrator for Short Term Disability. This Plan is not in lieu of, and does not affect any requirement for coverage by Workers' Compensation Insurance and, at this time, is not certified as being provided in lieu of any government mandated temporary disability income benefits law.

Whenever a reference to "you" or "your" is made in this Plan Booklet, it means the covered Employee. Reference to "we," "us," or "our" means Cummins Inc., CBS, or their authorized agent for Claims Administration. Reference to 'This Plan", means that part of the Cummins Inc. plan of employee benefits covering Short Term Disability.

Whenever a reference to a dollar figure is made in this Plan Booklet, it is a gross U.S. dollar figure, before any state, federal or local tax or other deduction or adjustment is made. For example, the Maximum Weekly Short Term Disability Benefit of $1,500.00 under this plan is a gross U.S. dollar figure before any required deductions.
Short Term Disability Plan

I. Employee Eligibility and Coverage
A. Eligible Employee
All Active, regular, U.S.-based Employees who are in a Non-Exempt eligible position working at least twenty (20) hours each week at Cummins or one of its divisions are eligible for coverage under this Short Term Disability Plan (See list at Appendix A). This program does not cover retirees, interns, temporary, seasonal, contract employees, dependents or other non-employees.

B. Eligibility Waiting Period
There is no eligibility waiting period for this program. This means that an Active Employee is covered by this plan on his or her first day of active work in an eligible position. However, please check your Long Term Disability Plan Booklet for information regarding any pre-existing condition limitations on Long Term Disability benefits.

C. Active Employee
You are an Active Employee if you:
1. are an Eligible Employee working for Cummins Inc. doing all the material duties of your occupation for at least twenty (20) hours per week on a regular basis at: (i) your usual place of business; or(ii) some other location that Cummins' business requires you to be;
2. are based in the U.S.:
3. are a citizen or legal resident of the United States; and
4. are not an intern, temporary, seasonal or contract employee, nor a retiree.

You will be deemed an Active Employee if:
1. you meet the above conditions; and
2. you are absent from work solely due to vacation days, holidays, scheduled days off or approved leaves of absence not related to your sickness or Disability.

D. Enrollment / Effective Date of Coverage
Enrollment in this plan is automatic for eligible, active employees. You will be covered on the later of the following dates:
1. The effective Date of this plan, January 1, 2007, or
2. The date your site adopts this plan if after January 1, 2007, or
3. The date you meet the Active Employee requirements.

Employees will not lose coverage solely due to a change in Claims Administrator.

E. Contributions
Your coverage under this short term disability plan is paid for by Cummins. The company pays the Claims Administrator for claims management. Benefit checks are issued through Cummins' own payroll systems. Any other coverage (such as medical, dental, life) that you have for yourself and your eligible dependents at the start of Short Term Disability will remain in effect during any approved claim period. If the coverage requires payroll contributions, those are deducted from your Short Term Disability check, just as they are from regular wage or salary checks.
II. Short Term Disability Benefits

A. Weekly Benefit
All employees covered under this plan (except for those identified in Appendix B) who are judged eligible and disabled under this plan will receive 60% of the first $2,500 of your Pre-Disability Earnings, reduced by “Other Income Benefits”, you receive from other sources. Other Income Benefits are described under Section VI. Reduction of Benefits, (page 13.) When you are found to be disabled under this plan, benefits begin to accrue on the date following the day you complete your Elimination Period. Payments will commence approximately one week later and are made regularly thereafter. Benefits are paid Weekly, Biweekly (every two (2) weeks), or Semi-Monthly (two (2) times per month), in conjunction with the regular pay cycle for your worksite. Payment is based on the number of days you are Disabled during each pay period.

B. Maximum Weekly Benefit
The Maximum Weekly benefit payable under this plan is $1,500 ($3,000 biweekly).

C. Minimum Weekly Benefit
The Minimum Weekly Benefit payable under this plan is $25 (or $50 biweekly). This means that if your Short Term Disability benefit would otherwise be less than $25 because you are receiving Other Income Benefits which offset your Short Term Disability to below $25 per week, this plan will still pay the minimum of $25 per week. However, the Minimum Benefit provision does not apply if you are in an Overpayment situation (see page 18) or are receiving salary or wages for hours worked at Cummins or elsewhere.

Once the Claims Administrator determines that you are Disabled, your Weekly or Biweekly Benefits will not be affected by:

1. termination of the Employer's Plan;
2. termination of your coverage; or
3. any plan change that is effective after the date you became Disabled.

D. Pre-disability Earnings
"Pre-disability Earnings" means the amount of your gross salary or wages from your Employer as of the day before your Disability began. This is calculated on a weekly basis. This may include contributions you make through a salary reduction agreement with your Employer to any of the following:

1. an Internal Revenue Code (IRC) Section 401(k), 403(b) or 457 deferred compensation arrangement;
2. an executive nonqualified deferred compensation arrangement; and
3. amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC Section 125 plan.
4. Shift pay; Shift differential

Pre-disability Earnings do not include:

1. commissions, awards and bonuses;
2. overtime pay;
3. your Employer's contributions on your behalf to any deferred compensation arrangement or pension plan; or
4. any other compensation.
E. Elimination Period
Your Elimination Period (sometimes called a "benefit waiting period") begins on the day you become Disabled. It is a period of time during which no benefits are payable. You must be under the continuous care of a Doctor during your Elimination Period. Here are the Elimination periods that apply to claims under this plan:
1. For Accidental Injury or Admission to a Hospital: 0 Calendar Days of continuous Disability
2. For other Sickness and Pregnancy (unless hospitalized): Check with your locations HR for number of elimination period days for sickness or pregnancy.

F. When Benefits End
Short Term Disability Benefits will end on the earliest of the following dates:
1. the end of the Maximum Benefit Duration (26 calendar weeks);
2. the date benefits begin for you under the Long Term Disability program;
3. the date you are no longer Disabled;
4. the date you fail to provide us with any of the information listed in Plan Highlights under Benefits Checklist;
5. the day you die;
6. the date you cease or refuse to participate in a Rehabilitation Program as described in Work Incentive (page 11);
7. the date you fail to attend a medical examination requested by us as described in Medical Examinations (page 19); or
8. the date you accept work with another employer or start self-employment for profit, unless that is part of either a rehabilitation program or a monitored return-to-work, approved in advance by the Claims Administrator.

Benefit payments will be extended to employees already disabled whose claims have been approved based on the terms of the plan and the date of disability, until they reach one of the ending events listed above, even if the plan is terminated or switched to another Claims Administrator (see Extension of Benefits, page 14).

III. Definition of Disability
"Disabled" or "Disability" means that, due to sickness, pregnancy or accidental injury, you:
1. are receiving Appropriate Care and Treatment from a Doctor on a continuing basis; and
2. are disabled and unable to work at your Own Occupation at Cummins or elsewhere in your Local Economy, such that you are unable to earn more than 80% of your Pre-disability Earnings.

Your loss of earnings must be a direct result of your sickness, pregnancy or injury. Economic factors such as, but not limited to, recession, job obsolescence, pay cuts and job-sharing will not be considered in determining whether you meet the loss of earnings test.

For an employee whose occupation requires a license, "loss of license" for any reason does not, by itself, constitute Disability. Instead, the definition of “disability”, focuses on the employee's ability to earn an income.
"Appropriate Care and Treatment" means medical care and treatment that meet all of the following criteria:

1. it is received from a Doctor whose medical training and clinical experience are suitable for treating your Disability;
2. it is necessary to meet your basic health needs and is of demonstrable medical value;
3. it is consistent in type, frequency and duration of treatment with relevant guidelines of national medical, research and health care coverage organizations and governmental agencies;
4. it is consistent with the diagnosis of your condition; and
5. its purpose is maximizing your medical improvement.

"Doctor" means a person who: (i) is legally licensed to practice medicine; and (ii) is not related to you. A licensed medical practitioner will be considered a Doctor:

1. if applicable state law requires that such practitioners be recognized for the purposes of certification of disability; and
2. the care and treatment provided by the practitioner is within the scope of his or her license.

"Own Occupation" means the activity that you regularly perform and that serves as your source of income. It is not limited to the specific position you hold with your Employer. It may be a similar activity that could be performed with your Employer or any other employer.

"Local Economy" means the geographic area surrounding your place of residence which offers reasonable employment opportunities. It is an area within which it is reasonable for you to travel to secure employment. If you move from the place you resided on the date you became Disabled, we may look at both that former place of residence and your current place of residence to determine local economy. We consider only the local economy, not the national economy, to determine whether an employee meets the definition of "Disability". Employees are not expected to move or travel an unreasonable distance in order to obtain employment.

IV. Limitations and Exclusions
A. Exclusions
This Plan does not cover any Disability which results from or is caused or contributed to by:

1. war, declared or undeclared, insurrection or rebellion;
2. active participation in a riot;
3. intentionally self-inflicted injuries or attempted suicide;
4. participation by the employee in committing a felony for which the employee is convicted under state or federal law.
5. Elective surgery; unless medically necessary

Please study this Plan Booklet carefully for how Short Term Disability benefits are reduced by the amount received from a related Workers’ Compensation or from certain kinds of other income claims. Also, if your group has Long Term Disability coverage, please carefully study your Long Term Disability Booklet because that program does have several other important limitations on when, how much, for how long and why you can receive benefits.
V. Work Incentive

A. Return To Work Incentive

This plan offers financial incentives to claimants to participate in rehabilitative employment without losing eligibility for a weekly benefit. Up to 100% earnings replacement can be allowed, when combining disability benefits, earnings, and Other Income Benefits. This plan provides increased benefits for Claimants who are participating in an approved Rehabilitation Program and extra benefits if the employee incurs care expenses for children and/or other family members because he or she is participating in an approved Rehabilitation Program.

Developing the Rehabilitation Program is a team effort and involves the employee, employer, physician(s) and Unum’s Rehabilitation professionals. The Rehabilitation Incentive equals a 10% increase in the Weekly Benefit if participating in an approved Rehabilitation Program. For example, an employee eligible for a Weekly Benefit of $350 would be eligible for an additional $35 for a total of $385.

(The Return to Work Incentive is not available in NY due to unique state laws. In NJ, Family Care Expense reimbursement is only available for child care, not for elder or spouse or partner care.) Section XI. Claims identifies, "action steps" employees must take when submitting an STD claim.

B. Work While Disabled

While you are Disabled, you are encouraged to work or participate in a rehabilitation program during your Elimination Period or while Weekly Benefits are being paid to you. Reimbursement for Eligible Family Care Expenses may also be available when you work or participate in an approved Rehabilitation Program while Disabled.

When you work while Disabled, you will receive the sum of the following amounts:

1. your Weekly Benefit (including your Rehabilitation Incentive when applicable);
2. the amount of your earnings for working at Cummins or another position approved by the Plan while Disabled; and
3. the amount of Family Care Expenses for which you are eligible.

Your Weekly Benefit will be reduced if the total amount you receive from the above sources and Other Income Benefits exceeds 100% of your Pre-disability Earnings. Your Weekly Benefit will be reduced by that portion of the total amount you receive which exceeds 100% of your Pre-disability Earnings.

If your Weekly Benefit is reduced as a result of your receiving earnings while Disabled, the Minimum Weekly Benefit will not apply. No offset will be taken for employment earnings unless the total income you are receiving (including Rehabilitation Incentive and Family Care Expenses) exceeds 100% of your Pre-disability Earnings.

Weekly Benefit payments will cease on the date you refuse to participate in a Rehabilitation Program in which we determine you are able to participate.

C. Rehabilitation Incentive

While participating in an approved Rehabilitation program, your Weekly Benefit before reduction for Other Income Benefits is increased by 10%.
D. "Rehabilitation Program" means
   1. a return to active employment by you on either a part-time or full-time basis in an attempt to enable you to resume gainful employment or service in an occupation for which you are reasonably qualified, taking into account your training, education, experience and past earnings; or
   2. participating in vocational training or physical therapy. This must be deemed by one of our rehabilitation consultants to be appropriate.

E. Mandatory Rehabilitation
If a claimant under this program is:
   1. Found to be an appropriate candidate for Rehabilitation, and
   2. An appropriate program is identified, and
   3. The claimant is referred to that program,
Then, the claimant must participate in that program in order to keep receiving benefits under this program. This is known as “Mandatory Rehabilitation”.

If a claimant is an appropriate candidate for Rehabilitation, and an appropriate program is identified and the program is offered to that claimant, and Cummins Inc. or another employer is willing to make the necessary accommodation for that claimant to work in the Rehabilitation program recommended by Unum, then failure of that claimant to cooperate with the Rehabilitation program will result in the end of benefit payments to that claimant. An attempt to participate in the approved Rehabilitation program that ends in the claimant being found medically unable to perform the program will not serve to end benefits.

The Rehabilitation Program approved by Unum for purposes of this mandatory rehabilitation provision is based on the employee's medical status as determined in consultation with his/her attending physician and is consistent with this Plan Booklet's Definition of Disability. (This provision is not applicable in NJ. In CT, this provision is only effective in contributory plans like Cummins' if the employee's doctor approves of the Rehabilitation program.)

F. Family Care Expenses
While participating in an approved Rehabilitation Program, after the 4th week of Disability, you may receive up to an additional $60 per week for incurred Eligible Family Care Expenses for each Eligible Family Member.

"Eligible Family Member" means a person who is:
   1. living with you as part of your household; and
   2. chiefly dependent on you for support.

"Eligible Family Care Expenses" means the weekly expenses incurred by you in order for you to participate in a Rehabilitation Program, up to $60 for each Eligible Family Member. These are expenses incurred:
   1. to provide child care with respect to an Eligible Family Member under age 13. Child care must be provided by a licensed child care facility or other qualified child care provider. The child care provider may not be a member of your immediate family or living in your residence.
   2. to provide care to an Eligible Family Member who, as a result of a mental or physical impairment, is incapable of caring for him or herself. Family Care Expenses for services provided by a member of your immediate family or anyone living in your residence will not be reimbursed.
Eligible Family Care Expenses do not include expenses for which you are eligible for reimbursement under any other group plan or from any other source. You must provide satisfactory proof to us that you incurred such charges. You must give us proof that the Eligible Family Member is incapable of caring for himself or herself and is chiefly dependent on you for support. The proof must be satisfactory to us.

VI. Reduction of Benefits - Other Income Benefits
A. Your Weekly Benefit is reduced by Other Income Benefits, as listed in this section. The Weekly Benefit payable to you:
   1. will not be less than the amount shown in Plan Highlights under Minimum Weekly Benefit (except in the case of an Overpayment or while receiving work earnings);
   2. will not be reduced by any reasonable attorney fees included in any award or settlement you receive; and
   3. will not be reduced by the amount of your or your dependents' income from any sources other than those shown below.

B. List of Sources of Other Income Benefits:
   1. Group Insurance Policies - At the time this program is being adopted, January 1, 2007, Cummins Inc. and its subsidiaries and affiliates do not maintain any group insurance policies that provide for income that would be considered "other income benefits" under this program.
   2. Work earnings, Rehabilitation Incentive, and Family Care Expenses - will not be used to reduce your Disability Benefit except as described in Work Incentive (page 11).
   3. Other Programs or Plans - including:
      a. a compulsory benefit program of any government which provides payment for loss of time from your job because of your disability;
      b. any other group disability income plan, fund or other arrangement, no matter what called, if the Employer contributes toward it or makes payroll deductions for it; and
      c. any sick pay or other salary continuation, other than vacation pay, paid to you by the Employer.
   4. Workers' Compensation or Occupational Disease Laws or a Similar Law.
   6. Unemployment Insurance Law or Program.

C. Exceptions to Other Income Benefits
Other Income Benefits under this Short Term Disability program will not include the following (see also the detailed discussion above for items excluded):
   1. group credit or mortgage disability insurance benefits;
   2. early retirement benefits not taken into constructive receipt;
   3. individual insurance policies; or
   4. third party recoveries such as from lawsuits. (Note that this IS an offset under Long Term Disability.)

VII. Temporary Recovery
Once benefits become payable under This Plan, you may Temporarily Recover from your Disability and return to work. If you have not exhausted your maximum Short Term Disability

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period twenty-six (26) weeks, and you become Disabled again due to the same or related condition less than ninety (90) calendar days after your return to work, you may go back on Short Term Disability on the same claim for up to the remainder of the twenty-six (26) week maximum period with no new Elimination Period.

Once you have satisfied your Elimination Period at the beginning of your STD claim, a period of Temporary Recovery is defined as your return to work for less than ninety (90) days for each period of Temporary Recovery.

During the Temporary Recovery you will not qualify for any change in coverage caused by a change in any of the following:
1. the rate of earnings used to determine your Pre-disability Earnings; or
2. the terms, provisions or conditions shown in your Plan Booklet of Insurance.

If your recovery lasts longer than the Temporary Recovery period of ninety (90) calendar days, and you become Disabled again due to the same or a related condition, you will have to begin a new Elimination Period, but you would also have a new potential maximum of twenty-six (26) weeks of STD.

If you return to work from Short Term Disability and become disabled again from a separate, distinct and unrelated condition, you would have a new Elimination Period and a new potential maximum of twenty-six (26) weeks of STD.

VIII. Concurrent Disability
If a new Disabling condition occurs while Weekly Benefits are payable for an existing Short Term Disability claim under this plan, it will be treated as part of the same period of Disability. Weekly Benefits will continue while you remain Disabled. They will be subject to both of the following:
1. the Maximum Benefit Duration; and
2. Limitations and Exclusions that apply to the new cause of Disability.

IX. Extension of Benefits
A. This provision applies if your coverage ceases while you are Disabled
During your Elimination Period your coverage will continue while you are continuously Disabled until the end of your Elimination Period. Benefits will begin after the end of your Elimination Period. Your coverage will continue in either of the following situations:
1. This Plan terminates; or
2. you cease to be an Eligible Employee but required payments are made to us.

Benefits are payable if your Disability began while coverage was in force and continues without interruption after termination.

Benefit payments will continue to employees based on the terms of the plan and the date of disability, even if the plan is terminated or switched to another carrier.

Extension of Benefits beyond the period coverage was in force is limited to the Maximum Benefit Duration. Extension of Benefits is subject to all of the following:
1. your Elimination Period;
2. all other applicable provisions of This Plan.
X. Termination of Coverage
A. This provision applies to you if you are not currently disabled and not receiving benefits payments under this plan.
You will cease to be covered under this Short Term Disability Plan on the earliest of the following dates:
1. The date This Plan terminates;
2. The date you cease to be an Eligible Employee;
3. The date you are laid off, unless you are already disabled and approved for benefits, in which case you will receive benefits as long as you otherwise qualify. Any layoff will take effect after you recover or exhaust benefits or otherwise cease to qualify.
4. The date you go on an unpaid approved leave of absence.

B. Approved Leave of Absence
Your employer may agree to continue your coverage for an approved leave of absence.
Coverage may continue until the earliest of:
1. the date your approved leave ends; or
2. the last day of the month following the date your leave of absence begins.

In the event your Leave of Absence qualifies under the Family and Medical Leave Act (FMLA) of 1993, your coverage under this plan will be effective while you are on FMLA Leave, up to twelve (12) calendar weeks from the last day worked.

C. Reinstatement of Coverage
If your coverage ends because you cease to be an Eligible Employee, and if you become an Eligible Employee again, your coverage will begin on your first day of active work.

XI. Claims
A. Notice of Disability
In order to receive benefits under this Short Term Disability Plan, you must first:

1. Register your Short Term Disability Claim with Unum by calling their toll-free intake telephone center at 1-866-229-4885. Unum’s intake counselor will collect your personal and claim information, including contact information for your treating physician. Cummins encourages you to call as soon as you and your doctor think you may need to miss work for seven (7) calendar days or more. If a covered employee is medically unable to make a timely claim report, a family member, a personal representative or the employee's HR may make the initial call to Unum.

Unum will set up your claim in their system and provide you with a claim number. Within the next two (2) days, a Unum claim manager will be assigned to your claim and will contact your physician to obtain medical proof of your disability. This is done as a courtesy to you. To expedite your claim, be sure that your physician has on file an Authorization to Release Medical Information, signed by you, to allow him or her to discuss your claim with Unum. Sample Authorization forms are available from the Cummins Business Services (CBS) Shared Services Center, or your Doctor may have his or her own preferred form.

2. You must also comply with the rules for reporting initial and continuing absence at your plant or other worksite. To verify those rules, check with your Supervisor, Manager or HR Leader. Notify us of your Disability as soon as you are able.
B. Proof of Disability
As discussed above, Unum will attempt to obtain the required medical proof of your disability directly from your physician, but ultimately, you are responsible to see that the medical information is provided to Unum so that they can consider your claim for Short Term Disability benefits. Payment of Short Term Disability Benefits cannot begin until your claim and supporting information is received and approved by the Claims Administrator, Unum.

Documented proof of your disability must be received by Unum within 45 days after the end of your Elimination Period or your claim will be closed. Proof of Disability includes, but is not limited to the following pieces of information as confirmed by a medical professional who has examined you:
1. the date your Disability started;
2. the cause of your Disability;
3. the prognosis of your Disability; and
4. proof that you are under the appropriate care and treatment of a doctor.

You will be required to provide a signed authorization for Unum to obtain and release medical and financial information, and any other items their case managers may reasonably require in support of your Disability, including but not limited to:
1. Proof of continuing Disability, as confirmed by a medical professional who has examined you;
2. Proof you have applied, or are not eligible for Other Income Benefits. If you do not provide proof you have applied for Other Income Benefits, Unum as Claims Administrator may reduce your Weekly Benefit. The reduction will be based on Unum’s educated estimate of what you would be eligible to receive through proper and timely pursuit.

If you have not provided sufficient authorization directly to your doctor to allow him or her to provide Unum with proof of your disability, Unum will contact you and provide you with an Authorization to Release Medical Information form to sign.

No benefits are payable for claims submitted more than three (3) months after the date of Disability. However, you can request that benefits be paid for late claims if you submit a written appeal and can show that:
1. It was not reasonably possible to give written proof of Disability during the three (3) month period; and
2. Proof of Disability satisfactory to us was given to Unum as soon as was reasonably possible. Insufficient information may result in a claim denial. If you do not provide satisfactory documentation within sixty (60) days after the date we ask for it, your claim may be closed or denied.
D. Method of Payment

When Unum determines you are Disabled

1. Benefits are paid through the Cummins Inc. payroll system.
2. Benefits will be paid to you. However, benefits unpaid at your death will be paid to:
   a. your spouse, if living, otherwise;
   b. your children, if living, divided equally;
   c. your estate. If benefits are payable to your estate, we may pay up to $1,500 to someone related to you by blood or by marriage whom we deem entitled to this amount. We will be discharged to the extent of any payment made in good faith; and
3. benefits due for a period of less than a week will be paid at a daily rate of 1/5th of the Weekly Benefit payable, for each day of work you are unable to perform. (Note that the calculation maybe pro-rata adjusted if you regularly work other than a traditional five (5) day, forty (40) hour workweek.)
4. Direct Deposit or Electronic funds transfer (EFT) of STD benefit payments is available. Contact CBS for any necessary forms to complete and take to your bank.

E. Approval and Denial Claims and Requests for Additional Approved Time

You will be notified as quickly as possible, but within a reasonable period, that your claim has been approved or denied. Unum will supply Cummins with a report each week of claims and their approval status, and will send each claimant a letter with the results of the approval process and, if approved, the dates of absence that will be covered by that approval. If you find you will need time off for your disability beyond the date you are approved, you must contact Unum (either your case manager per the letter you received, or the intake or customer service number), your manager and HR and tell them you need more time. And you must contact your physician to submit additional medical information to support your request for additional approved disability leave.

If your claim is denied or your request for additional approval time is denied, you have the right to file an appeal with Unum.

F. Right to Recover Overpayments

We have the right to recover from you any amount that we determine to be an Overpayment. You have the obligation to refund to us any such amount. An Overpayment occurs when we determine that the total amount paid by us on your claim is more than the total of the benefits due under This Plan. This includes any Overpayments resulting from

1. retroactive awards received from sources shown in the List of Other Income Benefits;
2. fraud; or
3. any error we make in processing your claim.

The Overpayment equals the amount we paid in excess of the amount we should have paid under This Plan. In the case of a recovery from a source other than This Plan, our Overpayment recovery will not be more than the amount of the recovery. You have the right to appeal any Overpayment recovery.

We may, at our option, recover the Overpayment by:

1. reducing or offsetting against any future benefits payable to you or your survivors;
2. stopping future benefit payments (including Minimum Benefits) which would otherwise be due under This Plan. Payments may continue when the Overpayment has been recovered; or
3. demanding an immediate refund of the Overpayment from you.

G. Legal Actions
No legal action of any kind may be filed against us:
1. within the sixty (60) days after proof of Disability has been given; or
2. more than three (3) years after proof of Disability must be filed. This will not apply if the law in the area where you live allows a longer period of time to file proof of Disability.

H. Medical Examinations
The Plan has the right to have you examined at reasonable intervals by medical specialists of our choice. The examination will be at our expense. Failure to attend a medical examination or cooperate with the medical examiner may be cause for denial or suspension of your benefits.

I. Assignment
You may not assign your benefits. This means that you may not give or transfer any benefit to which you may become entitled under this plan to anyone other person or organization.

Special Services

Return To Work Program

Goal of Rehabilitation
The goal of Cummins Inc. and Unum is to focus on employees' "abilities", instead of disabilities. This "abilities" philosophy is the foundation of our Return To Work Program. By focusing on what employees can do versus what they can't, we can assist you in returning to work sooner than expected.

Incentives For Returning To Work
Your Disability plan is designed to provide clear advantages and financial incentives for returning to work either full-time or part-time, while still receiving a Disability benefit. In addition to financial incentives, there may be personal benefits resulting from returning to work. Many employees experience higher self-esteem and the personal satisfaction of being self-sufficient and productive once again. If it is determined that you are capable, but you do not participate in the Return To Work Program, your Disability benefits may cease.

Vocational Rehabilitation Services
As a covered employee, you are automatically eligible to participate in our Return to Work Program. The Program focus is vocational rehabilitation, which means identifying the necessary training and therapy that can help you return to work. In many cases, this means helping you return to your former occupation, although rehabilitation can also lead to a new occupation which is better suited to your condition and makes the most of your abilities.

There is no additional cost to you for the services we provide, and they are tailored to meet your individual needs. These services include, but are not limited to, the following:

1. Vocational Analyses
Assessment and counseling to help determine how your skills and abilities can be applied to a new or a modified job with your employer.
2. Labor Market Surveys
Studies to find jobs available in your locale that would utilize your abilities and skills. Also identify one's earning potential for a specific occupation.

3. Retraining Programs
Programs to facilitate return to your previous job, or to train you for a new job.

4. On-Site Job Analyses
Analyses of job demands and functions to determine what modifications may be made to maximize your employment opportunities.

5. Job Modifications/Accommodations
Changes in your job or accommodations to help you perform the previous job or a similar vocation, as required of your employer under the Americans With Disabilities Act (ADA).

6. Training in Job Seeking Skills
Special training to identify abilities, set goals, develop resumes, polish interviewing techniques, and provide other career search assistance.

Special services available to all covered employees are described in detail. Including this information in the Plan Booklet helps employees understand what to expect throughout the duration of their disability. Unum rehabilitation and return to work services are described in the Plan Booklet in order to help employees understand how we assist them and to remind them of the financial incentives for returning to work. Rehabilitation services are customized to meet the needs of individual employees. The objective of "vocational rehabilitation" is to help employees become employable once again. Our approach helps ensure that cost effective, timely and appropriate rehabilitation services are used to facilitate optimal rehabilitation outcomes.

Rehabilitation Staff
The Case Management Specialist handling your claim will begin the rehabilitation process. You may be referred to our professional Rehabilitation staff that includes Registered Nurses and Vocational Rehabilitation Consultants. Registered Nurses might address how your medical condition impacts your ability to return to work. Vocational Rehabilitation Consultants will focus on identifying how your abilities can be best applied to either your previous job or a new job.

These rehabilitation specialists will contact you personally. They will coordinate their activities with your medical carrier and/or attending physician for a broad understanding of your diagnosis, prognosis and expected return to work date.

Rehabilitation Vendor Specialists
In many situations, the services of independent vocational rehabilitation specialists may be utilized. Services are obtained at no additional cost to you: Unum pays for all vendor services. Selecting a rehabilitation vendor is based on:
   1. attending physician's evaluation and recommendations;
   2. your individual vocational needs; and
   3. vendor's credentials, specialty, reputation and experience.

When working with vendors, you and your Doctor still maintain control and direction of the case.
Definitions

Disability
"Disabled" or "Disability" means that, due to sickness, pregnancy or accidental injury, you:
1. are receiving Appropriate Care and Treatment from a Doctor on a continuing basis; and
2. are disabled and unable to work at your Own Occupation at Cummins or elsewhere in
   your Local Economy, such that you are unable to earn more than 80% of your Pre-
   disability.

Your loss of earnings must be a direct result of your sickness, pregnancy or injury. Economic
factors such as, but not limited to, recession, job obsolescence, pay cuts and job-sharing will not
be considered in determining whether you meet the loss of earnings test.

For an employee whose occupation requires a license, "loss of license" for any reason does not,
in itself, constitute Disability. Instead, this standard definition of “disability”, focuses on the
employee's ability to earn an income. (See letter of agreement for Pilots in Appendix B.)

Appropriate Care and Treatment
"Appropriate Care and Treatment" means medical care and treatment that meet all of the
following:
1. it is received from a Doctor whose medical training and clinical experience are suitable
   for treating your Disability;
2. it is necessary to meet your basic health needs and is of demonstrable medical value;
3. it is consistent in type, frequency and duration of treatment with relevant guidelines of
   national medical, research and health care coverage organizations and governmental
   agencies;
4. it is consistent with the diagnosis of your condition; and
5. its purpose is maximizing your medical improvement;
6. The "appropriate care and treatment" provision supports our managed disability
   philosophy. In order to maximize medical improvement and facilitate early return to work,
   employees must be receiving appropriate medical care.

Own Occupation
"Own Occupation" means the activity that you regularly perform and that serves as your source
of income. It is not limited to the specific position you held with Cummins. It may be a similar
activity that could be performed with your Employer or any other employer. Our definition
illustrates the difference between an employee's occupation and specific jobs that might be
available within that occupation.

Doctor (Physician)
"Doctor" means a person who: (i) is legally licensed to practice medicine; and (ii) is not related
to you. A licensed medical practitioner will be considered a Doctor:
1. if applicable state law requires that such practitioners be recognized for the purposes of
   certification of disability; and
2. the care and treatment provided by the practitioner is within the scope of his or her
   license.
Claims Administrator
The Claims Administrator for Short Term Disability is Unum Group ("Unum"). The Claims Administrator is responsible to review claim applications, approve or deny claims, review and approve or deny appeals, manage claims and advise Cummins, among other duties.

Overpayment (Overpayment Situation)
An Overpayment occurs when we determine that the total amount paid by us on your claim is more than the total of the benefits due under This Plan. This includes any Overpayments resulting from:
1. retroactive awards received from sources shown in the List of Other Income Benefits;
2. fraud; or
3. any error we make in processing your claim.

The Overpayment equals the amount we paid in excess of the amount we should have paid under This Plan. In the case of a recovery from a source other than This Plan, our Overpayment recovery will not be more than the amount of the recovery. You have the right to appeal any Overpayment recovery.

An Overpayment also occurs when payment is made by us that should have been made under another group plan. In that case, we may recover the payment from one or more of the following:
1. any other insurance company;
2. any other organization; or
3. any person to or for whom payment was made.

Elimination Period (Benefits Waiting Period)
Your Elimination Period begins on the day you become Disabled. It is a period of time during which no benefits are payable. Your Elimination Period is shown in the Plan Highlights (page 8). You must be under the continuous care of a Doctor during your Elimination Period.

Claimant(s)
This term refers to employees covered by this plan who make a claim for Short Term Disability benefits.
Rehabilitation
A claimant may be a candidate for rehabilitation. Under this plan a "Rehabilitation Program" means a return to active employment by you on either a part-time or full-time basis in an attempt to enable you to resume gainful employment or service in an occupation for which you are reasonably qualified, taking into account your training, education, experience and past earnings; or participating in vocational training or physical therapy. This must be deemed by one of our rehabilitation consultants to be appropriate.

Offset for Other Income Benefits / Exceptions to Other Income Benefits
Under this plan, certain types of income you may receive from other sources will serve to reduce or "offset" your payments under this plan. Please see the section on reduction of benefits for other income.
Other Income Benefits will not include the following:
1. group credit or mortgage disability insurance benefits;
2. early retirement benefits not taken into constructive receipt; or
3. individual insurance policies.

Contributions
Contributions are the amounts that employees pay through payroll deduction as their share of the cost of coverage under one of Cummins benefits plans. This Short Term Disability plan does not require an employee contribution, as this plan is funded by Cummins Inc. There may be contributions required for other types of employee benefits for which an employee has elected coverage.

Long Term Disability
Cummins provides a Long Term Disability benefit plan for employees covered under this Short Term Disability plan. Long Term Disability benefits are for employees who continue to be unable to work past the twenty-six (26) weeks maximum duration of Short Term Disability. Long Term Disability is designed to replace part of an employee’s income and serve as a bridge to life-time benefits from Social Security or other sources. If you appear to be a candidate for Long Term Disability while you are receiving Short Term Disability benefits, Unum will contact you and help you through the application process. Please see your Long Term Disability Plan booklet for more information or Call CBS.

Plan Administration Information

NAME OF THE PLAN
Cummins Inc. Standard Non-Exempt Short Term Disability Plan

NAME AND ADDRESS OF PLAN SPONSOR AND PLAN ADMINISTRATOR
Cummins Inc.
Attn: Short Term Disability Plan
500 Jackson Street
Columbus, IN 47201
1-877-377-4357

NAME AND ADDRESS OF CLAIMS ADMINISTRATOR
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Unum Group ("Unum")

1-866-229-4885

**TYPE OF PLAN**
Short Term Disability – Salary Continuation

**TYPE OF ADMINISTRATION**
The above listed benefits are self-funded by the Employer/Plan Sponsor, Cummins Inc., who has hired a third-party administrator, Unum Group ("Unum"), to administer claims for these benefits. Payments are issued by Cummins Inc. through its payroll system, based on the Advice to Pay of the Administrator.

**ELIGIBILITY FOR BENEFITS**
This Short Term Disability Plan Booklet describes eligibility requirements for coverage under this Plan.

**PLAN TERMINATION OR CHANGES**
Cummins Inc. reserves the right to change or terminate the Plan at any time. Therefore, there is no guarantee that you will be eligible for the benefits described herein for the duration of your employment.

Employee consent is not required to terminate, modify, amend or change the Plan. In the event your coverage ends in accord with the "Termination of Coverage" provision of this Plan Booklet, you may still be eligible to receive benefits. The circumstances under which benefits are available are described in the Plan Booklet.

**CONTRIBUTIONS**
This is a self-funded Short Term Disability Plan where all administrative and benefits costs of the Plan are borne by the Employer/Plan Sponsor/Plan Administrator, Cummins Inc. There are no employee contributions for Short Term Disability coverage.

**PLAN YEAR**
The Plan's fiscal records are kept on a Plan year basis beginning each January 1 and ending on December 31.

**CLAIMS INFORMATION**

**Claim Submission**
For claims for Short Term Disability benefits, the claimant must call the Claims Administrator, Unum, and register his or her claim in a timely manner. If Unum needs additional information, the claimant must comply with their requests for completed claim forms, other information or appropriate proof as requested by Unum and as discussed in the "Claims" section of this Plan Booklet.

**Initial Determination**
After you submit a claim for disability benefits to Unum, Unum will review your claim and notify you of its decision to approve or deny your claim. Such notification will be provided to you within a reasonable period, not to exceed forty-five (45) days from the date you submitted your claim;
except for situations requiring an extension of time because of matters beyond the control of the
Plan, in which case Unum may have up to two (2) additional extensions of thirty (30) days each
to provide you such notification. If Unum needs an extension, it will notify you prior to the
expiration of the initial forty-five (45) day period (or prior to the expiration of the first thirty(30)-
day extension period if a second thirty (30)-day extension period is needed), state the reason
why the extension is needed, and state when it will make its determination. If an extension is
needed because you did not provide sufficient information or filed an incomplete claim, the time
from the date of Unum’s notice requesting further information and an extension until Unum
receives the requested information does not count toward the time period Unum is allowed to
notify you as to its claim decision. You will have forty-five (45) days from the date you receive
the extension notice from Unum requesting further information to provide the requested
information.

If Unum denies your claim in whole or in part, the notification of the claims decision will state the
reason why your claim was denied and reference the specific Plan provision(s) on which the
denial is based. If the claim is denied because Unum did not receive sufficient information, the
claims decision will describe the additional information needed and explain why such
information is needed. Further, if an internal rule, protocol, guideline or other criteria was relied
upon in making the denial, the claims decision will state the rule, protocol, guideline or other
criteria or indicate that such rule, protocol, guideline or other criteria was relied upon and that
you may request a copy free of charge.

**Appealing the Initial Determination**

If Unum denies your claim, you may appeal the decision. Upon your written request, Unum will
provide you free of charge with copies of documents, records and other information relevant to
your claim. You must submit your appeal to Unum at the address indicated on the claim form
within one hundred and eighty (180) days of receiving Unum’s decision. Appeals must be in
writing and must include at least the following information:

- Name of Employee.
- Name of the Plan.
- Reference to the initial decision.
- An explanation of why you are appealing the initial determination.

As part of your appeal, you may submit any written comments, documents, records or other
information relating to your claim.

After Unum receives your written request appealing the initial determination, Unum will conduct
a full and fair review of your claim. Deference will not be given to the initial denial, and Unum’s
review will look at the claim anew. The review on appeal will take into account all comments,
documents, records, and other information that you submit relating to your claim without regard
to whether such information was submitted or considered in the initial determination. The person
who will review your appeal will not be the same person as the person who made the initial
decision to deny your claim. In addition, the person who is reviewing the appeal will not be a
subordinate of the person who made the initial decision to deny your claim. If the initial denial is
based in whole or in part on a medical judgment, Unum will consult with a health care
professional with appropriate training and experience in the field of medicine involved in the
medical judgment. This health care professional will not have consulted on the initial
determination, and will not be a subordinate of any person who was consulted on the initial
determination.
Unum will notify you in writing of its final decision within a reasonable period of time, but no later than forty-five (45) days after Unum’s receipt of your written request for review, except that, under special circumstances may have up to an additional forty-five (45) days to provide written notification of the final decision. If such an extension is required, Unum will notify you prior to the expiration of the initial forty-five (45) day period, state the reason(s) why such an extension is needed, and state when it will make its determination. If an extension is needed because you did not provide sufficient information, the time period from Unum’s notice to you of the need for an extension to when Unum receives the requested information do not count toward the time Unum is allowed to notify you of its final decision. You will have forty-five (45) days from the date you receive the notice from Unum to provide the requested information.

If Unum denies the claim on appeal, Unum will send you a final written decision that states the reason(s) why the claim you appealed is being denied and references any specific Plan provision(s) on which the denial is based. If an internal rule, protocol, guideline or other criterion was relied upon in denying the claim on appeal, the final written decision will state the rule, protocol, guideline or other criteria or indicate that such rule, protocol, guideline or other criteria was relied upon and that you may request a copy free of charge. Upon written request, Unum will provide you free of charge with copies of documents, records and other information relevant to your claim.

Routine Questions
If there is any question about a claim payment, an explanation may be requested from Cummins Business Services Center in Nashville, Tennessee, who is usually able to provide all necessary information.

Assistance with Your Questions
If you have any questions about your Short Term Disability Plan, you should contact the Claim Administrator, Unum Group (“Unum”), or the Cummins Business Services Center.

FUTURE OF THE PLAN

It is the current intention of Cummins Inc. to continue to provide this Short Term Disability Plan to eligible employees indefinitely, but Cummins Inc. reserves the right to change or terminate the Plan in the future. The Cummins Board of Directors, the Cummins Policy Committee and/or the Executive Director of Compensation and Benefits are empowered to amend or terminate this Plan or any benefit under this Plan at any time. If such action is taken, reasonable efforts will be made to notify affected employees.

Foreign Language Assistance
(Spanish)
Este folleto contiene un resumen en inglés de los derechos y beneficios de su Plan. En caso de tener alguna dificultad en entender cualquier parte de este folleto, comuníquese con, "Cummins Business Services" (CBS).

(English)
This booklet contains a summary in English of your rights and benefits under this Plan. If you have difficulty understanding any part of this booklet, contact the "Cummins Business Services" (CBS) Service Center.

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Appendix A

DESCRIPTION AND LISTING OF CUMMINS INC. EMPLOYEE

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GROUPS COVERED BY THIS PLAN

The following Cummins Inc. employee groups are covered by this Standard Short Term Disability Plan, effective March 1, 2003 except where otherwise noted:

- Fleetguard Lake Mills, Iowa Hourly Employees, Branch 0038.
- Cummins America (CAI), Miami, Florida Hourly Employees, Branch 0012.
- Cummins Fleetguard Nelson, Wisconsin Hourly Employees, Branch 1311.
- Cummins Power Generation Salaried Non-Exempt (Office) Employees, in Branch 7304.
- Cummins Power Generation Hourly Non-Exempt (Shop) Employees, in Branch 7305.
- Cummins Power Generation Non-Exempt Employees, in Branch 7306 and 7301.
- Cummins Fleetguard Western Distribution Center Hourly Employees, Utah, in Branch 0008 (upon opening in 2004.)
- Cummins Fleetguard Eastern Distribution Center Hourly Employees, Kentucky, in Branch 0008 (as of 7/1/2004.)
- Cummins Natural Gas Engines Hourly Non-Exempt Employees, Texas and New Mexico, in Branch 0133.
APPENDIX B: Cummins Pilots Salary Continuation

This Salary Continuation Plan applies in all respects to those members of Cummins Inc. Aviation Department, including benefit levels, waiting period, exclusions, limitations and other terms and conditions except - the definition of Disability for a person specifically employed as an Airplane Pilot for Cummins Inc. is as follows:

**Cummins Pilots Definition of Disability**

"Disabled" or "Disability" for a Cummins Inc. Pilot means that, due to sickness, pregnancy or accidental injury, you satisfy the Plan Administrator you are:

1. Receiving Appropriate Care and Treatment from a Doctor on a continuing basis; and
2. Unable to pass FAA Class I physical, or Unable to pass any additional physical test required by Cummins to fly Cummins corporate aircraft, and
3. Cannot be offered suitable employment elsewhere within Cummins.

Cummins Inc. reserves the right to offer a Disabled Pilot employee medically appropriate alternative work at Cummins either in the context of an approved rehabilitation or transitional work program, or as an alternative to disability benefits.

"Appropriate Care and Treatment" means medical care and treatment that meet all of these criteria:

1. It is received from a Doctor whose medical training and clinical experience are suitable for treating your disabling condition(s);
2. It is necessary to meet your basic health needs and is of demonstrable medical value;
3. It is consistent in type, frequency and duration of treatment with relevant guidelines of national medical, research and health care coverage organizations and governmental agencies;
4. It is consistent with the diagnosis of your condition(s); and
5. Its purpose is maximizing your medical improvement.

"Doctor" means a person who is legally licensed to practice medicine and is not related to you. A licensed medical practitioner will be considered a Doctor:

1. If applicable state law requires that such practitioners be recognized for the purposes of certification of disability; and
2. The care and treatment provided by the practitioner is within the scope of his or her license.

"Own Occupation" means the activity that you regularly perform and that serves as your source of income. For Cummins Pilots, this means the ability to perform as a Cummins Inc. licensed Pilot, meeting Cummins performance and physical requirements for that position. Employees are not expected to move or travel an unreasonable distance in order to obtain employment.