

**CUMMINS INC.**  
**GOVERNANCE AND NOMINATING COMMITTEE CHARTER**

**I. Organization**

The Committee shall consist of all non-employee members of the Board of Directors, including a Chairperson who shall be the Lead Director.

**II. Purpose**

The purpose of the Committee shall be to assist the Board in identifying qualified individuals to become Board members, in determining the composition of the Board of Directors and its committees, in monitoring a process to assess Board effectiveness and in developing and implementing the Company's corporate governance guidelines.

**III. Responsibilities**

The Committee shall:

- (1) Consider and recommend to the Board of Directors candidates to the Board in accordance with the Bylaws of the Company and nominees to fill vacancies as they occur among the Directors caused by retirement, death, inability to serve, resignation, an increase in the number of the members of the Board of Directors, or other reason.
- (2) Consider and recommend to the Board of Directors a slate of nominees for election or reelection as the Directors by the shareholders of the Corporation at the annual meeting.
- (3) Review and approve the list of proposed Directors for inclusion in the Company's proxy statement in connection with the annual meeting of shareholders.
- (4) Consider and recommend to the Board of Directors a list of Director selection criteria to be used by the Committee in making recommendations regarding candidates for the Board.
- (5) Review the size and composition of the Board, the ratio of non-employee to employee Directors, frequency and format of Board meetings, Committee structure, and service on committees of the Board.
- (6) Annually, review the performance of the Board of Directors.
- (7) Annually, review the performance of the Committee.

- (8) Annually, review the Board's Corporate Governance Principles and make recommendations to the Board for any changes, amendments, and modifications to the Principles that the Committee shall deem desirable.
- (9) Exercise sole authority to retain and terminate any search firm to be used to identify Director candidates, including sole authority to approve the search firm's fees and other retention terms.
- (10) Annually, in conjunction with the Chief Executive Officer, review the performance of senior management of the Company.
- (11) Annually review the performance of the Chief Executive Officer, based upon performance against a work plan and including both quantitative and qualitative matters, and report the results of such review to the Compensation Committee.
- (12) **Annually, following review of the Chief Executive Officer's performance and report thereon to the Compensation Committee, cause the Chairperson of the Committee to discuss with and communicate the results of the review to the Chief Executive Officer jointly with the Chairperson of the Compensation Committee.**