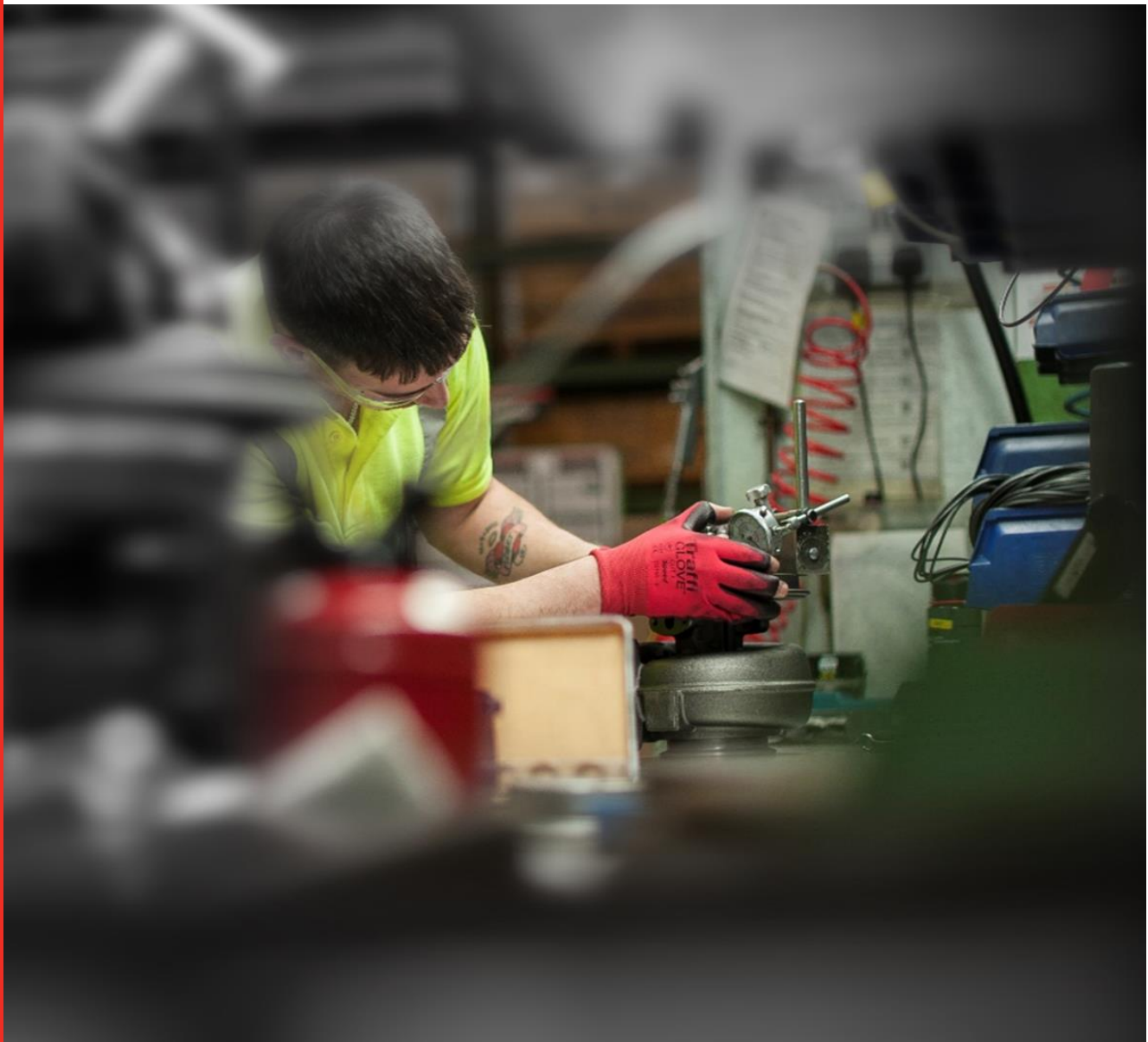




Indirect Goods And Services Invoicing And Payments UK

With Cummins



Indirect Goods And Services
Invoicing And Payments
With Cummins

For any queries, contact:

Indirect.purchasing.mailbox@cummins.com

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What is Ariba?

Ariba is the chosen web based procurement application for Cummins. The Ariba® Supplier Network™ (ASN) is used to accelerate the transmission of Indirect procurement activities on-line, which will allow purchase orders to be electronically transmitted to your organization.

Cummins Inc. will ask your company to establish an electronic trading relationship via the ASN. The ASN will allow your company to receive Cummins Inc. purchase orders electronically within hours of approval.

Ariba Subscription

Subscription Package Fees for ASN

You automatically receive the no-cost Standard subscription unless you:

- 1) transact five or more documents;

The following table lists the chargeable transaction volume threshold in localised currencies according to country or region:

Subscription Level	Annual Document Count Threshold	Currency	Annual Subscription Fee
Standard	Up to 4	N/A	0
Bronze	5 to 24	US Dollar	50 USD
		Euro	45 EUR
		British Pound	35 GBP
Silver	25 to 99 or EDI, cXML usage	US Dollar	750 USD
		Euro	670 EUR
		British Pound	500 GBP
Gold	100 to 499	US Dollar	2,250 USD
		Euro	2,000 EUR
		British Pound	1,500 GBP
Platinum	500 or more	US Dollar	5,500 USD
		Euro	4,900 EUR
		British Pound	3,770 GBP

Network Transaction Service Fees

Once you reach a paid subscription level, network transaction fees (NTS) also apply and are calculated as a small percentage (0.155%) of your total transaction volume across all your purchase orders.

To make sure that high volume relationships are not penalised, Ariba caps NTS fees for each buyer-seller relationship (whether global or regional) once they reach a specific annual transaction volume.

The following table lists the maximum chargeable transaction volumes and the annual charge caps that apply in localised currencies within this region:

Country or Region	Annual Cap: Maximum Annual Transaction Fees for High-Volume Customer Relationships ⁵
EMEA	
United Kingdom	13,200 GBP
Other EMEA (except Africa) ⁶	15,500 EUR

If you have any queries regarding Ariba subscription and Ariba fees, you can contact Ariba Customer Support on : 0800 358 3556.

Indirect Invoices

For Non-Direct Goods & Services Invoices

The following instructions apply to suppliers who supply goods or services which do not directly relate to goods produced on our product line. Examples include facilities maintenance, maintenance, repair and operating supplies, prototypes, tooling and furniture. Our Purchase Order number will begin with **IND** for indirect orders.

Invoicing Requirements

Your invoices must:

- Detail the Cummins business unit you are invoicing
- Contain a business delivery address
- Contain your VAT registration number

Please do not send an invoice unless a purchase order has been received. Any invoices submitted without a valid purchase order will not be processed for payment.

If you have a valid PO number starting with IND and it is included in the body of the invoice, you can choose to send the invoice by post or by email.

Paper Invoices By Post:

- Ensure invoices are sent with the correct business unit (BU) prefix:

Site Prefix	Site Location
Cummins Ltd (DAR)	Engine Plant, Darlington
Cummins Ltd (DCB)	Emissions Solutions, Darlington
Cummins Ltd (FGB)	Filtration, Rugby
Cummins Ltd (CTT)	Turbo Technologies, Huddersfield
Cummins Ltd (DAV)	Engine Plant, Daventry
Cummins Ltd (DRS)	Diesel Recon Services, Cumbernauld
Cummins Ltd (CGT)	Generator Technologies, Stamford
Cummins Ltd (ESB)	Power Generation, Kent
Cummins Ltd (CBS)	Cummins Business Services, Peterborough/Stockton
Cummins Ltd (CUK)	Distribution, Wellingborough

- All invoices, illustrating the correct BU site prefix as address line 1, should be addressed to:

PO Box 253
Mitcheldean
GL17 1AR

For example, for Cummins Turbo Technologies (Huddersfield) the correct postal address would be shown as:

To send your invoices by post, direct them to:

Cummins LTD (CTT)
c/o Cummins Business Services Europe
PO Box 253
Mitcheldean
GL17 1AR

- ***Cummins DO NOT accept any invoices which are submitted for multi BU's. One invoice must be submitted for each business unit.***
- ***Cummins only accept one purchase order per IND Purchase Order reference, even if such invoices are submitted for one BU.***

Invoices By Email:

To send an invoice via email, you must ensure the invoice is saved as a PDF file. Only one invoice can be contained in a single PDF file.

Your PDF file should be sent to cumminsuk@document.co.uk only.

Our processing department will pick up the invoice from your email and endeavour to process your invoice within three working days

Key points:

- Your PDF attachments must be directly attached to the email going to our processing department;
- You are allowed to include up to five PDF files per email;
- A maximum of eight megabytes can be attached per email;

- Only one invoice is permitted per PDF file ;
- PO Numbers will not be accepted if they are only included in the email subject, they must be on the actual invoice;
- Invoices should be in a printable A4 format.

An automated email receipt will be generated to confirm your invoice was successfully received.

EDI Invoices

We currently do not accept any form of EDI for indirect goods and services invoices

Invoice Requirements

ENSURE THAT THE PURCHASE ORDER (PO) & INVOICE MATCH EXACTLY:

Verify that all line items on the PO and invoice match exactly with regards to:

- Item description
- Unit of measure and quantity
- Unit price
- Currency
- Supplier part number (if applicable)

For all invoice types, your invoice should incorporate the following elements:

- State that the document is an invoice
- State the division of Cummins you are invoicing
- The date of the invoice
- The due date of the invoice per contracted payment terms
- Your VAT Number
- Cummins VAT identification number for UK invoices: **GB 299223818**
- A breakdown of each line containing our part number, quantity, purchase order number and agreed price with agreed currency
- Total invoice value breakdown including currency
- Include bill to address

Without the above information, your invoice will either be rejected from our processing team or the payment for your invoice is likely to be delayed.

For the benefit of ensuring your invoice is processed in time, the following elements should be included:

- Purchase order and line numbers
- Shipment reference
- Shipment date
- Deliver to location
- Delivery terms
- Our Buyer
- Your customer service contact

Although this is not a mandatory requirement, it will significantly benefit our matching process and help resolve any queries we may have.

Any questions on the Ariba invoicing process, please contact the Corporate Indirect Purchasing department:

Indirect.Purchasing.Mailbox@cummins.com

Payments And Remittances

Payments

Cummins Business Services (CBS) make payments on a weekly basis for all invoice types. Payments which are due within the six days after our payment date will be paid slightly earlier to ensure they are paid on time. This is provided the invoice is validated (with all parameters listed in the Invoice Requirements section fulfilled) and cleared for payment.

Rejected Invoices

Provided your invoice has been successfully received and follows the outlined standards, you will receive a rejection code that will represent the reason for your invoice not being scanned into our system.

Rejection Codes

RTSAP

Invoice scanned image does not match reconciliation data.

RTSCUR

Currency on the invoice does not match currency on PO.

RTSPV

Invoice price is greater than agreed upon.

RTSQTY

Supplier transmitted an invalid quantity for parts.

RTSREQ

There is another reason for rejection. Contact buyer.

RTSRET

Goods have been returned.

RTSRQV

Did not physically receive these goods.

RTSPO

Invalid or no Purchase Order.

RTSAMT

Sum of the lines do not balance to the invoice total.

RTSINN

Supplier left the invoice number blank.

RTSNOL

Supplier issued an invoice without line item details.

RTSDUP

Supplier issued a duplicate invoice number.

RTSDTE

Supplier issued a future dated invoice.

RTSSUP

Supplier name does not match invoice.

RTSHDM

Header Detail Missing – Invoice.

RTSNDT

Supplier left the invoice date blank.

Dealing With Rejection Codes

- Where information is missing or incorrect, you can re-submit your invoice through our standard process which is outlined on page 9/10.
- If you require further information on your rejection or are not sure how to resolve your invoice, please contact Cummins Business Services for the specific business unit:

Remittance Advice

A remittance advice is automatically sent via email.

If for any reason you do not obtain a remittance advice, you can obtain a payment breakdown from Cummins Business Service by emailing the accounts contacts shown on page 17.

Credit Notes

Pre-reconciliation/Prior to payment being made to the supplier:

- Cummins are unable to accept partial credits for ANY invoice for indirect goods and services which are pending supplier payment.
- The reason for this is that Credit notes are not reconciled within Ariba and therefore although a credit is being received, it cannot be matched with an Ariba order at line level detail.
- This can include; goods and services not received (which have been previously invoiced), reconciliation of charges originally invoiced or complimentary credits.
- All invoices which are pending payment, for which there is a Cummins dispute, must be credited in full and then re-invoiced.
- The interface between Ariba and Oracle is one-way meaning that Oracle changes do not reflect credits within Ariba. So, this means that a Credit Note processed and matched in Oracle will not release the quantity needed to authorise/process the payment of the existing Invoice within Ariba.
- The appropriate method to resolve an Invoice reconciliation issue that is incorrectly raised by the supplier would be to ask for a full credit (for reference only as we would not need to be process this) and Cummins reject the reconciling invoice. The original Ariba requisitioner should inform all suppliers if an invoice, which is unable to be reconciled, is rejected.
- Cummins will only process invoices for payments which have been fully received by the originating requisitioner.
- The supplier should then issue a revised invoice for the correction quantities and values to match the original IND reference.
- All invoices awaiting payment or exceed the agreed payment terms should be forwarded to the originating requisitioner for resolution.

Post-reconciliation/after supplier payment has been paid by Cummins:

- The only time a partial credit note should be received is when an Invoice is successfully paid to the supplier and we are credited for certain goods/services that were invoiced in error.

Updating bank details

Your new bank details should be sent on your company letter headed paper with the following information:

- Your company address
- The date when the changes should take effect
- An authorising signature

The bank details should include:

- Name and address of the bank
- Account details such as the account number and swift code
- Currency

Please send the letter via post or by email to:

Business Unit	Email Address
Darlington Engine Plant	darlington.queries@cummins.com
Darlington Emission Solutions	ces.queries@cummins.com
Kent, Power Generation	cpgk.queries@cummins.com
Stamford, Generator Technologies	cgt.queries@cummins.com
Daventry Engine Plant	dav.queries@cummins.com
Huddersfield Turbo Technologies	cttenquiries@cummins.com
Rugby, Filtration	fgb.queries@cummins.com
Cummins Business Services	cbse.queries@cummins.com
Cummins Diesel Recon Services	drs.queries@cummins.com

Supplier Statements

Statement Requests

Occasionally Cummins Business Services will request a statement from yourselves to reconcile all invoices to our system. This is to ensure we have received all invoices from yourselves and to flag up any problems we may encounter in paying your invoices.

Sending Statements

You can send your statements in an Excel file by email.

Your statement must include the following fields for us to review:

- Cummins Business Unit to which the invoice is issued against. If you supply to multiple business units this field is a mandatory requirement (as different Accounts Payable departments handle invoices at an individual Business Unit level). Consolidated supplier statements for multiple Business Units cannot be processed without this information.
- Purchase order number
- Invoice number
- Invoice date
- Value
- Currency

Accounts Department Contact Information

All Accounts Payable queries should be sent to:

Business Unit	Email Address
Darlington Engine Plant	darlington.queries@cummins.com
Darlington Emission Solutions	ces.queries@cummins.com
Kent, Power Generation	cpgk.queries@cummins.com
Stamford, Generator Technologies	cgt.queries@cummins.com
Daventry Engine Plant	dav.queries@cummins.com
Huddersfield Turbo Technologies	cttenquiries@cummins.com
Rugby, Filtration	fgb.queries@cummins.com
Cummins Business Services	cbse.queries@cummins.com
Cummins Diesel Recon Services	drs.queries@cummins.com

New queries should be sent in a new email.

Invoice Processing

Invoices should be sent to: cumminsuk@document.co.uk

You should receive an automated receipt notification to confirm the invoice has been received, however no replies will be given for any queries sent to this email address.

Any queries which require follow up will be forwarded to the plant from Cummins Business Services.



Corporate Diversity Procurement

at Cummins



UK Initiative

The Cummins Supplier Diversity Program is a sourcing initiative designed to increase opportunities for qualified suppliers that represent the following groups:

- Minority Owned Business (MBE)
- Women Owned Business (WBE)
- Veteran & Service Disabled Veteran Owned Business
- Lesbian, Gay, Bisexual, Transgender (LGBT) Owned Business
- Disabled (Non-Profit Organisations)
- Small Medium Enterprise (SME) Business

Minority Supplier Development UK (MSDUK)

Cummins is a chartered member of MSDUK, a not for profit organisation that has generated more than £25m worth of business for suppliers. The collaboration between Cummins and MSDUK helps promote and certify ethnic minority businesses in the UK.

WeConnect International

Cummins use WeConnect to certify women owned businesses across Europe and the UK. WeConnect has a global foundation and is recognised for connecting women owned organisations to global value chains.

For more information on our supplier diversity program, please visit supplierdiversity.cummins.com

Useful Contacts:

MSDUK: msduk.org.uk

diversity@msduk.org.uk

WeConnect: weconnectinternational.org

MBerry@WEConnectInternational.org



A Statement From Our CEO...

It is the policy of Cummins Inc. that opportunity shall be given to diverse businesses to participate as suppliers and contractors to Cummins in their area of expertise. We are committed to fostering business growth through outreach efforts and supplier development.

At Cummins, we have a long legacy of commitment to diversity and recognise diversity as one of our Company's six core values. Cummins understands that businesses owned by diverse suppliers help contribute to the overall economic growth and well-being of the communities in which we live and work. We also understand that establishing strategic partnerships with our suppliers helps create value for our customers and provides us with a competitive advantage. Collaborating with such businesses to provide goods and services to our company creates a cross-cultural competency that only comes from multiple perspectives.

Cummins is dedicated to working with diverse suppliers that best deliver excellent products and services to our customers. We also do more than just talk about working with diverse suppliers. Through our Cummins Diversity Procurement Initiative, our goal is to increase purchasing opportunities with U.S. diverse suppliers by developing and engaging new and existing diverse suppliers to achieve \$1 billion in diverse spend by 2014. Historically, this Initiative focused on the US, however Cummins' focus on a growth mindset allows the Diversity Procurement Initiative to expand globally. We believe diversity provides a key competitive advantage. Diversity Procurement helps Cummins:

- Attract and retain the best talent;
- Exceed customer requirements;
- Foster innovation; and
- Promote international growth and competitiveness.

I am proud to lead a company that embraces diversity as a core value. I am committed to supporting the work of our Cummins Diversity Procurement Initiative both to help foster diverse and small business growth and development and to ensure that Cummins provides excellent service and products to our customers every day.

Tom Linebarger
Chairman and Chief Executive Officer

Supplier Portal

At Cummins, our suppliers are an essential part of the value chain that allows us to deliver on our mission, every day.

The Cummins Supplier Portal is your destination for news, programs, applications and initiatives that will help you understand how to do business with us and drive success. You'll find everything you need to know about our guidelines for supplier ethics, sustainability, environmental stewardship and supplier diversity.

You can access our portal at www.cummins.com/suppliers

Supplier Portfolio

The supplier portfolio allows you to access our Accounts Payable system to view the status of invoices and payments, and change remittance details.

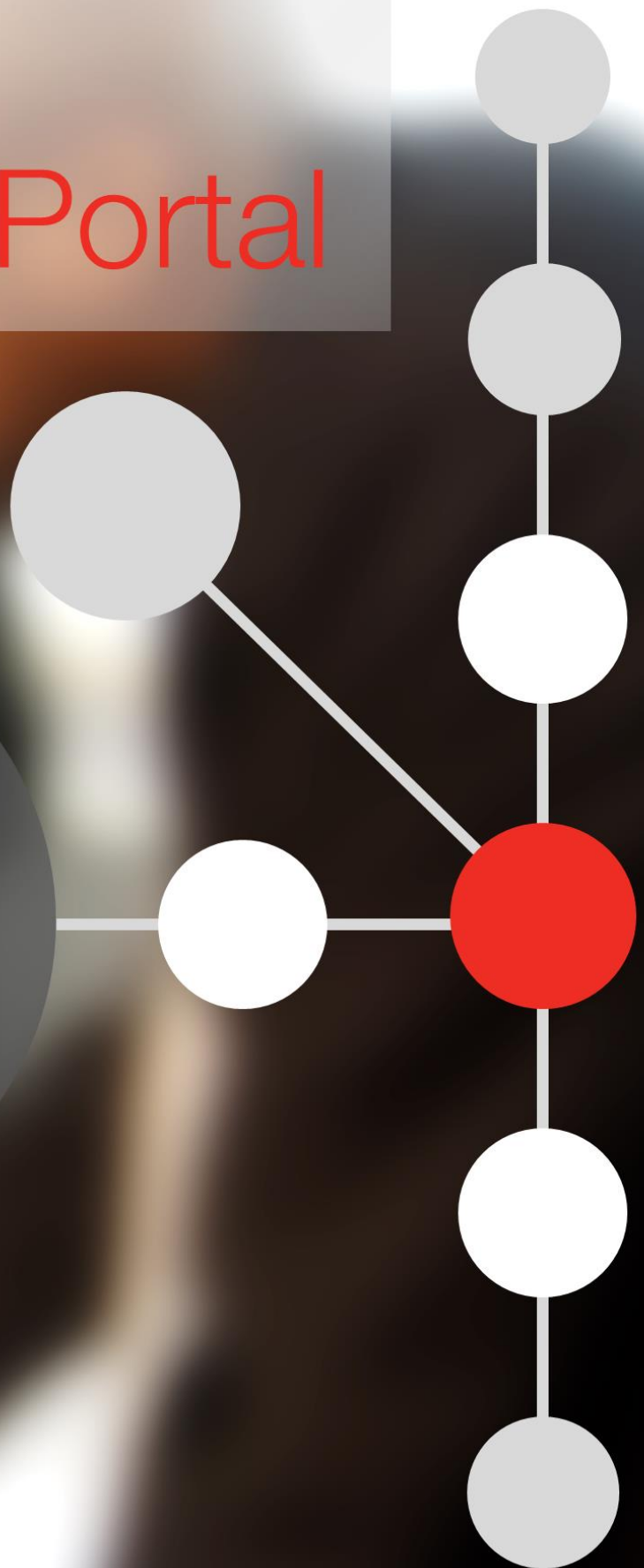
Your Accounts Receivable personnel can request access to our system by emailing supplier.portfolio@cummins.com.

Please include the following information:

- Company Name
- Your Full Name
- Your Email Address
- Your Phone Number
- Your Job Responsibility

Join our
Supplier Portal

A Resource for
Cummins' Current
and Potential
Suppliers





Cummins
Quayside, Dunedin House
Columbia Drive
Stockton - on - Tees
TS17 6BJ

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