

CUMMINS INC  
Form 8-K  
February 18, 2005

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT**

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

**Date of Report: February 18, 2005**

**CUMMINS INC.**

(Exact name of registrant as specified in its charter)

**Indiana**  
(State or other Jurisdiction of  
Incorporation)

**1-4949**  
(Commission File Number)

**35-0257090**  
(I.R.S. Employer Identification  
No.)

**500 Jackson Street  
P. O. Box 3005  
Columbus, IN 47202-3005  
(Principal Executive Office) (Zip Code)**

Registrant's telephone number, including area code: **(812) 377-5000**

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**Section 1 - Registrant's Business and Operations**

**Item 1.01 Entry into a Material Definitive Agreement**

The Company maintains a Senior Executive Bonus Plan, a Senior Executive Medium Term Plan, and a 2003 Stock Incentive Plan (collectively, the "Plans") under which annual cash bonuses, and targeted cash and stock awards may be earned by executive officers of the Company based on Company performance against pre-determined financial performance measures ("Performance Measures"). Under each of the Plans, the Company's Compensation Committee of the Board of Directors may determine the Performance Measures to be return on equity, return on sales, net income, sales growth, return on assets, total shareholder return, free cash flow, or a combination thereof during a future period of time.

On February 14, 2005, the Compensation Committee (i) determined the Performance Measure with respect to payments to be made, if any, in 2006 under the Senior Executive Bonus Plan to be return on average net assets

(ROANA) during 2005, and (ii) made targeted cash awards under the Senior Executive Medium Term Plan and targeted restricted stock awards under the 2003 Stock Incentive Plan to be paid, if they are earned, in 2007 based on the Performance Measure of return on equity (ROE) during the 2-year period 2005-2006.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 18, 2005

Cummins Inc.

By: /s/ Marsha L. Hunt

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Marsha L. Hunt  
Vice President - Corporate Controller  
Principle Accounting Officer

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