

NORTH AMERICA DEALER POLICIES



Updated: 7/1/2024



Contents

Order Types	1
Shipping & Handling	1
Order Discounts	2
Parts Return Policy	3
Unacceptable Parts Returns	3
ReCon Engine Policies	4
Core Return Policy	5
Liability expiration	5
Returns	5
Full Core Acceptance Program	5
Dealer Certification & Parts Pricing	6



Order Types

- **Stock Orders:** Designed to be the largest orders placed for stock replenishment
- **Daily Orders:** Intended for stock-out situations and replenishment of fast-moving items
- **Emergency:** Limited to parts needed for repair when current availability cannot meet the customer's need
- **Warranty Order:** Meant for repair, replacement, or compensation for non-performing or under-performing parts as approved for Cummins warranty

Shipping & Handling

	Emergency	Daily Order	Stock Order	Warranty Order
Order Cutoff	Consult your Primary Distribution Center for order cut-off times, orders placed after cutoff will not be fulfilled until the next allocation window			
Priority Management & Fulfillment	LTL/Ground/Air - Orders received by order cut off will be shipped that day	LTL/Ground - Orders received by order cut off will be shipped that day; all others will ship within one to three days of order placement	Orders will be shipped within two to seven days of order placement	Orders will be pulled, packed and shipped within 24 hours of receipt
Shipping & Handling	6% of extended sell amount	2% of extended sell amount S&H waived on orders >\$1,000 (\$1,500 CAN)	1% of extended sell amount S&H waived on orders >\$1,000 (\$1,500 CAN)	No S&H charge
Minimum	\$30 (\$40 CAN) Min per order	\$10 (\$15 CAN) Min per order	\$10 (\$15 CAN) Min per order	N/A
Maximum	\$600 (\$800 CAN) Max per line item	\$300 (\$400 CAN) Max per line item	\$200 (\$300 CAN) Max per line item	N/A
Order Weight < 60 lbs.	\$30 min (\$40 CAN), \$75 max (\$100 CAN) per order	\$10 min (\$15 CAN), \$75 max (\$100 CAN) per order	\$0 min, \$75 max (\$100 CAN) per order	No S&H charge
Totes and Will Call	If order in stock at primary DC: S&H waived on totes and will call orders	S&H waived on totes and will call orders		No S&H charge
Back Order	S&H terms above apply	Shipped upon receipt via best option at the time	Shipped upon receipt at no freight charge to dealers, if the original order is >\$1,000 (\$1,500 CAN)	No S&H charge

Note: Shipping & handling rates above do not include serialized product or product core. Orders submitted to non-primary DC fulfilled as emergency priority.

- Shipping & handling charges above applicable on orders submitted to primary DC
- **Primary DC:** Assigned primary distribution center is based on proximity and prioritized as follows: Regional Distribution Center (RDC), Parts Distribution Center (PDC), or Cummins branch if your location is not serviced by either an RDC or PDC.
- **Branch Totes:** This is a feature of Regional Distribution Center (RDC) operations only. The order can/will be delivered to the assigned branch/drop point.
- Order amount does not include core, engines or blocks
- For prepaid freight on stock orders, CSSNA reserves the right to select carrier
- Daily/Stock orders submitted on CUMPAS as "ship" will be shipped to the dealer's default location only.
- Select items, including some hazardous materials, are sold and shipped in quantity packs.

Order Discounts

Order Type	Fullfillment Time	Discount
Emergency	Ships within 1 day of order placement	0%
Daily	Ships within 1-3 business days of order placement	0%
Stock	Ships within 2-7 days of order placement	5%
Warranty	Next business day	0%



- 5% discounts will be applied to select New and ReCon parts orders that satisfy the following conditions:
 - Order must be placed on integrated ordering system (Cumpas 2.0)
 - Order must be placed through the assigned Primary Distribution Center (Primary DC)
 - Order must be on diesel parts applied to on-highway 2007 and newer 6.7L to 9L engines, ISX15, and X15 engines parts (typically Tier 3 or newer – industrial engines).
 - Must be a stock order
 - [Click here](#) to review the list of discount eligible parts
- Discount issued on invoice
- No minimum order requirement for discount
- The following products are not eligible for the discount:
 - ReCon engines, short blocks, long blocks
 - New Cummins engines
 - Manuals and literature
 - All other allied products
 - Warranty parts
 - Natural gas parts
 - Core
- All Marine dealer orders for New and ReCon parts qualify for published discounts above.



Parts Return Policy



PROCESS FOR MONTHLY PARTS RETURNS



- Return Allowance Amount: Dollar amount equal to total dealer location purchase from previous year January through December, no offsetting order is required
- All monthly excess parts returns subject to a 10% restocking fee
- Return Frequency: Excess Inventory returns accepted monthly January through December
- Due to high processing volume, large returns submitted after December 1 are not guaranteed to process and issue credit by year end
- Parts must be in saleable condition
- Parts shipped but not approved for return may be returned to the dealer at their expense
- Final credit determination will be given upon items passing physical inspection
- Product must meet Cummins published return guidelines
- Freight on parts return is responsibility of dealer
- Any returns submitted to a non-Primary DC will be subject to a 15% charge.
- Parts Return credits are issued on the weighted average of the last 24-month Dealer purchase prices. Weighted average will be applied by dealer location's last 24-month purchase history. If that location has no 24-month purchase history, the weighted average will be applied at the dealer group level. If no purchase history is found in the last 24 months, credit will default to the price in effect 24 months ago.
- Excess inventory parts returns must be returned to the location listed on the provided RGA
- Any ad-hoc/single order or one-time returns within 30 days of original purchase can be submitted separately from the monthly return to the local Cummins branch, subject to a 15% restocking and handling fee. Invoice must be presented at time of return.
- **IMPORTANT:** Part may be ineligible for return if global on hand inventory exceeds four years of demand

Unacceptable Parts Returns

This section outlines examples of unacceptable return items for which no credit will be issued:

- Used parts
- Literature / catalogs
- Damage that affects salability or function. These conditions include but are not limited to:
 - Any deformation on machined surfaces such as nicks, scratches, or dents.
 - Any deformation of gasket surfaces such as nicks, folds, cracks, tears, etc.
 - Rust impacting salability of part.
 - Cracks or dents on surfaces.
 - Rubber or plastic items that are cracked, rotted, deteriorated, etc.
- Parts where the factory packaging has been removed or opened (including gasket sets, kits, quantity packs, etc.)
- Extra parts on assemblies such as plugs or fittings which are not part of the original assembly, or extra hardware (bolts, screws, etc.) unless part of original factory package
- Incomplete assemblies (such as alternators without fan or nut, barrels, plungers; injectors without the ball or link; and tubes without grommets)
- Parts not eligible for return:
 - Superseded and obsolete parts
 - Parts not purchased through the Cummins Global Logistics (CGL) vendor base (such as special-order parts sourced directly from Power Gen suppliers, parts with unique customer specifications, etc.)
 - Parts not purchased from Cummins
 - Piston pins except as part of piston or cylinder kits
 - Hazardous materials such as paints, sealants, flush kits, lubricants, spray cleaners and other materials
 - Consumable products, batteries, filters, fuel treatment, or cab/engine heaters
 - Software
 - Printed circuit boards and other electronic components that were shipped in ESI packaging which have been opened
 - Make-to-Order, Source-to-Order and Customized items (calibrated fuel pumps, custom specified radiators / alternators / mufflers / adapters / etc.)
 - Belts, service tools, and rebuilt or non-genuine parts.
- Parts with unit cost of less than \$5 (\$10 CAD)

ReCon Engine/Block Cancellation Policy

- All Sales are Final on Made to Order Engines- Any engine noted as Made-to-Order (“MTO”) on a Cummins quotation is not cancelable once the order is placed.
- Dealers may request to cancel an off-the shelf engine/block order upon confirmation from Cummins if it is not already allocated. The cancellation request must be made by Customer in writing to Cummins’ U.S. ReCon Sales Team at CumminsReConEnginesNA@cummins.com. Allocated engine/blocks are subject to the Return Policy listed below.

ReCon Engine/Block Return Policy

- All Sales are Final on Made to Order Engines - Any engine noted as Made-to-Order (“MTO”) on a Cummins quotation is not eligible for return once the order is placed.
- Off-the-shelf engines/blocks returned within 90 days of receipt, are subject to a restocking fee of 10% plus the cost of freight to the designated Cummins location. The return request must be made in writing to Cummins’ U.S. ReCon Sales Team at CumminsReConEnginesNA@cummins.com.
- All engines/blocks may only be Returned with an approved Return Request to a Cummins’ branch. Without a pre-approval it may significantly delay crediting less restocking fees for eligible units. Please contact CumminsReConEnginesNA@cummins.com for consideration.
- Refusing an engine/block from the shipper may significantly delay crediting, if applicable. Since it will not waive your restocking fee or may be contrary to the terms noted above, Dealers must follow the above Return guidance.

ReCon Engine/Block Shipping & Handling

ReCon Product	Immediate Direct Ship	Local Branch Pickup
Engine >15L	Ship within 24 hours based on availability \$950	Ship 1-3 business days based on availability Shipping & Handling waived
12L - 15L	Ship within 24 hours based on availability \$750	Ship 1-3 business days based on availability Shipping & Handling waived
<9L, Long & Short Blocks	Ship within 24 hours based on availability \$550	Ship 1-3 business days based on availability Shipping & Handling waived

- U.S. dollar will be converted to Canadian dollar based on current exchange rate
 - Do not refuse shipment from Cummins for any reason – may result in denial of claim or delayed process resolution. For LTL shipments, notate the condition or damage of the product when signing BOL/manifest and immediately report to CumminsReConEnginesNA@cummins.com
 - All Engine or Block mis-shipments or damages must be report to the ReCon Engine team within 14 days of arrival.
 - MDC facing locations may experience longer delivery times due to transit distance



5

Cummins Core Policy

Core Liability Expiration

- All dealers will be on 365-day core return program
 - Full core credit on like-for-like application
 - Core liability will expire 365 days from date of purchase



Core Returns

- Core returns must originate within CUMPAS
 - Core Return Identification (RID) will be created from CUMPAS
 - RID must be affixed to the package or crate with included parts inside
 - Core must be packaged in accordance to [ReCon Engine Core Acceptance Handbook](#)
 - Returned core will be added to dealer's core bank based on receipt and acceptance of product at the MDC
 - Any core with no liability (excess core) will remain in the dealer's core bank and can be used for core swapping
 - Credits issued on a like for like basis
- Freight cost on core return to a Cummins facility is the responsibility of the dealer
- ReCon Engine stands not returned to a Cummins location may be subject to charge

Full Core Acceptance Program

Core will be accepted if visual inspection* indicates the following:

- The core component must be a current part offered for exchange by ReCon
- Core must be in "off-engine" condition. This means:
 - There has been no prior attempt at rebuilding the component
 - The core component is a complete unit and not disassembled in any manner
 - Core that is damaged by non-operational causes such as rough handling, fire, improper protection during storage is not acceptable*
 - Rust that occurs on exterior surfaces of components exposed to weather conditions from normal operating conditions is acceptable. Interior surfaces and components, such as rods, or any machined surface can only have light flash rust. Heavy rust due to improper storage is not acceptable

** Improper removal, storage or packaging of core could result in the rejection of the component*





Dealer Certification and Parts Pricing

Dealer Pricing on full service or repair level certification by engine platform and EPA model year:

- Dealer pricing on Full Service or Repair Level Certification by engine platform
- Fleet pricing on non-certified engine platforms less than 19L Cummins/ReCon parts
- Dealer pricing for legacy MR and HD (pre- ISX and Mid-Range 07) parts
- Dealer location will not receive dealer or promotional price on parts for engine families for which they are not certified

General Information

- There is no limit to the number of orders that may be placed per day.
- Dealer must subscribe to Cummins Guidanz Service Package.
- Shortages, damages, and/or missing components must be claimed within 14 days of receipt. Refusing a shipment from Cummins for any reason may result in denial of claim and may result in delayed process resolution. For LTL shipments you must notate condition and or damaged when signing BOL / manifest and immediately report with photographs to ShipQuality@cummins.com.
- All shipments are FOB Origin





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