

Diageo Benefits Handbook

Diageo North America offers you a generous benefits program to help meet the needs of you and your family throughout your career and in the future. These benefits are described in this ***2010 Employee Benefits Handbook***.



Benefits Program Overview

The program has been designed to:

- Help with health-related expenses through the Medical, Prescription Drug, Dental, and Vision Plans.
- Protect your income through the Life Insurance, Accidental Death and Dismemberment (AD&D), Business Travel Accident, Short and Long-term Disability Plans, and Long-term Care Insurance.
- Provide tax advantages through pretax payroll deductions, the Health Care and Dependent Care Flexible Spending Accounts, and the Commuter Expense Reimbursement Account (CERA).
- Provide future retirement security through the 401(k) and Cash Balance Plans.
- Balance your work and personal life through the Employee Assistance Program (EAP), College Coach, Bright Horizons, My Diageo Assistant, Quorum Credit Union, Vacation Buy Plan, the Legal Assistance Plan, Long-term Care Insurance, and offering group rates and policy discounts for auto, home, and pet insurance.



IN THIS SECTION

SEE PAGE

About this Summary Plan Description	1
Participating in the Benefit Plans.....	3
Eligibility	4
Dependent Eligibility	4
When Coverage Begins.....	5
Enrolling	6
Paying for Coverage.....	7
Domestic Partners/Civil Partners/Same-sex Married Couples	8
Life Events and Your Benefit Plans	9
If You Get Married, Attain Domestic Partnership Status, or Enter into a Civil Union	11
If You Move.....	14
If You Become a Parent	16
If You Become Legally Separated or Divorced, Your Marriage is Annulled, or You Dissolve a Domestic Partnership or a Civil Union	18
If You Take an Approved Leave of Absence (LOA)	21
If You Become Disabled	23
If You Become Terminally Ill.....	25
If You Die While Actively Employed	27
If a Dependent Dies.....	28
If You Leave the Company.....	30
If You Retire.....	32
If a Dependent Child Is No Longer Eligible for Coverage.....	35
If Your Spouse/Partner Has a Change in Employment.....	36
Medical Plans	39
Preferred Provider Organization (PPO) Plans.....	40
How the Preferred Provider Organization (PPO) Plans Work	40
In-Network Benefits	40
Out-of-Network Benefits	42
Annual Deductibles	43
Expenses Above Deductible (Coinsurance).....	43
Out-of-Pocket Maximum.....	43
ID Card	44
Medco Health Solutions Prescription Drug Coverage.....	44
Care Coordination—Medical Plan Management	45
Benefits Covered by the Preferred Provider Organizations (PPOs)	47
Other Covered Services	53
Medical Benefits Not Covered by Preferred Provider Organizations (PPOs)	55
Filing Out-of-Network Medical and Prescription Claims	56
Health Management Organizations (HMOs)	57
How a Typical HMO Works	57
Benefits Covered by HMOs.....	59
HMOs	61
Prescription Drug Program.....	63
Prescription Drug Program	64
Enrolling for Coverage.....	64
Filling a Prescription	64
How the Prescription Drug Program Works	66
Drugs and Treatments Not Covered by the Prescription Drug Program.....	67
Dental Plan	69



How the Delta Dental Plans Works	70
Dental Coverage At-A-Glance.....	72
Benefits Covered by the Delta Dental Plans	72
Benefits Not Covered by the Delta Dental Plans	74
Filing an Out-of-Network Dental Claim.....	75
Vision Service Plan.....	77
How the Vision Service Plan Works	79
Copays	79
Maximum Reimbursement Amount.....	79
Using an In-Network Provider	79
Using an Out-of-Network Provider	79
Benefits Covered by the Vision Service Plan.....	80
Benefits Not Covered by the Vision Service Plan	81
Health and Dependent Care Flexible Spending Accounts (FSAs).....	83
How Flexible Spending Accounts (FSAs) Work	84
The Health Care Account	84
Eligible Expenses	85
Ineligible Expenses	86
Accessing Health Care Account Funds.....	86
Discontinuing Your Health Care Account.....	87
The Dependent Care Account.....	88
Eligible Expenses	89
Ineligible Expenses	89
Filing a Claim for Reimbursement.....	89
Discontinuing Your Dependent Care Account	90
Other Important Information	90
Tax Matters.....	91
Commuter Expense Reimbursement Account (CERA)	93
How Commuter Expense Reimbursement Account (CERA) Works	94
Company Match for Commuting Expenses.....	94
Your Contributions.....	94
Eligible Expenses	95
Ineligible Expenses	96
Paying for Your Expenses	96
Paying the Vendor Directly.....	96
Pay Me Back	96
Work/Life Benefits	99
EAP Benefit Summary.....	101
Calculating the Cost for Vacation Days.....	102
Using Your Optional Vacation Days.....	103
Unused Optional Vacation Days	103
Legal Assistance Plan	104
The Signature LegalCare Network.....	104
Legal Assistance Benefits	104
Receiving Legal Services.....	106
Filing a Claim for Benefits	106
Extending Your Benefits.....	106
MetLife® Auto & Home Insurance.....	107
Veterinary Pet Insurance.....	108
Annual Deductible	108



4 | Diageo: Your 2010 Employee Benefits

Coinsurance	109
Covered Benefits	109
Benefits Not Covered	110
Filing a Claim for Benefits	110
Long-term Care Insurance.....	110
Eligibility.....	111
Changing Coverage	112
Cost of Coverage	112
Chrysler Affiliates Program.....	113
Tuition Reimbursement Program.....	114
Eligibility.....	114
Approved Programs	114
Eligible Expenses	114
Reimbursements	115
Taxation.....	115
Termination.....	115
Part I: Pre-Approval Process.....	116
Part II: Reimbursement Process	116
Helpful Tips.....	116
Fitness Center Reimbursement.....	117
Nissan Vehicle Purchase Program.....	118
Adoption Assistance	119
Eligibility.....	119
Covered Expenses	119
Process.....	119
Amendment/Termination	119
Bright Horizons	119
Eligibility.....	120
Registration	120
Programs Available	120
Program Details.....	120
College Coach	120
Eligibility.....	121
Personalized Counseling.....	121
Education Help Desk.....	121
Virtual Learning Center	121
My Diageo Assistant.....	121
Eligibility.....	121
Services Available	122
How to Access My Diageo Assistant.....	122
Quorum Credit Union.....	122
Convenience.....	122
Safety	122
Shared Success	122
A Sense of Community.....	123
Global Employee Referral Program.....	123
Reward	123
Matching Gifts Program.....	124
Program Purpose	124
Eligible Participants.....	124
Gift Limitations.....	124



Qualifying 501(c) (3) Institutions	125
Qualifying Gifts	125
Administration.....	125
Service Awards.....	126
Eligibility.....	126
The Process	126
Life Insurance and Accidental Death & Dismemberment (AD&D).....	127
How Life Insurance and AD&D Plans Work	128
Annual Base Salary	128
Choosing a Beneficiary	129
Proof of Insurability.....	129
Cost of Coverage	129
Benefits Covered by Life Insurance	130
Basic Core Life Insurance	130
Basic Life Insurance	131
Supplemental Life Insurance.....	131
Dependent Life Insurance	131
Benefits Covered by AD&D	132
Business Travel Accident Coverage	132
AD&D and Business Travel Accident Limitations	133
Filing a Claim for Benefits.....	134
Converting Your Coverage	135
Disability Plans	137
Disability Plans	138
How the Disability Plans Works.....	138
Additional LTD Information	140
Pre-existing Conditions	140
Return to Work Incentive.....	140
If You Become Disabled Again	141
Disability at Age 62 or Older	141
Rehabilitation.....	141
Mental, Nervous, and Substance Abuse Disabilities	142
If You Receive Benefits from Other Sources.....	142
Applying for Social Security Disability Benefits.....	142
Disabilities Not Covered by the Plans	142
How to File a Claim for Benefits	143
Short-term Disability	143
Long-term Disability.....	143
Converting Your Coverage to an Individual Policy.....	143
401(k) Plan.....	145
How the Plan Works	146
Eligibility.....	146
Enrolling in the Plan	147
Your Beneficiary	147
Your Contributions	148
Rollover Contributions	150
Investing Your Contributions	150
The Investment Funds.....	151
Investment Earnings, Losses and Gains.....	151
Investment Restrictions.....	151



6 | Diageo: Your 2010 Employee Benefits

Voting and Similar Rights	152
Compliance with 404(c) Regulations	152
Access to Your Account Balance While Employed	152
Loans for Active Employees	152
In-Service Withdrawals	153
Distributions When You Leave the Company	154
If You Retire from the Company	155
When You Die	155
When You Reach Age 70 ¹ / ₂	156
If Your Account Balance Is \$5,000 or Less	156
Applying for Benefits	156
Distributions from the Diageo Stock Fund	156
Taxes on Distributions When You Leave the Company	157
Beneficiaries and Alternate Payees	157
W-2 Reporting	158
Things That Can Affect Your Benefit	158
Other Plan Information	158
Plan History	158
Transferring to a Diageo NA Affiliate	159
If You Were a Participant in a Previous Plan	159
Additional ERISA Information	160
Certain Tax Effects	160
Available Documents	161
Cash Balance Pension Plan	163
How the Cash Balance Pension Plan Works	164
Your Cash Balance Account	165
Company Contribution Credits	165
Interest Credits	166
Vesting Service	166
Break in Service	167
If You Leave the Company and Are Rehired	168
Transferring to a Diageo NA Affiliate	168
Transferring from a Diageo NA Affiliate	168
When Your Cash Balance Benefit Is Payable	168
Deferred Vested Benefit	168
Normal Retirement Benefit	169
Working after Age 65	169
Working after Age 70 ¹ / ₂	169
Disability Retirement Benefit	169
Distribution of Your Account	169
Forms of Benefit	169
Suspension of Benefits	171
Delaying Your Cash Balance Benefit	172
If You Die Before Benefits Begin	172
Taxes on Distributions	172
Applying for Your Cash Balance Pension Benefit	174
Social Security Benefits	174
Plan History	174
If You Were a Participant in a Previous Plan	174
Guinness Bass Import Co.	175
Lifetime Compensation, Paddington, or Guinness Plans	175

Administration	177
General Plan Information.....	178
Your ERISA Rights	180
Receive Information about Your Plans and Benefits	180
Continue Group Health Plan Coverage.....	180
Prudent Actions by Plan Fiduciaries	181
Enforce Your Rights	181
Assistance with Your Questions.....	181
Legal Plan Documents	182
Benefit Plans are Not a Contract of Employment.....	182
Interpretation of Plan Provisions Are Not Binding	182
Assignment of Benefits.....	182
Assigning Pension or 401(k) Benefits to Another Party	182
Modification, Amendment, or Termination of the Plans	182
Request for Review	183
Health Care Plans	184
Appealing a Benefit Denial.....	187
No Vested Rights to Benefits	188
Family and Medical Leave Act (FMLA)	188
Health Insurance Portability and Accountability Act of 1996 (HIPAA)	189
HIPAA Privacy Rules.....	189
Qualified Medical Child Support Orders (QMCSO).....	189
Coordination of Benefits (COB).....	190
Primary and Secondary Plans.....	190
Subrogation	191
Coordination of Benefits with Medicare.....	191
Continuing Coverage through COBRA.....	192
Events Permitting Continued Coverage	192
Events that End COBRA Coverage	193
Notice Requirement.....	193
Election Requirement.....	194
Initial Premium.....	194
Military Leaves of Absence.....	194
Short-term Disability Plan	194
Long-term Disability Plan.....	196
Life Insurance/AD&D/Business Travel Accident Plans	196
401(k) Plan	197
Cash Balance Plan	198
Contact Information.....	201



