

# **Riverdale Hourly Employee Supplemental Unemployment Benefit (SUB) Plan and Frequently Asked Questions (FAQ's) 2025**

Below is a description of the Supplemental Unemployment Benefit (SUB) Plan and answers to frequently asked questions. This document is provided as a guide to assist you with SUB, Unemployment Insurance (UI) and other questions you may have. Please contact the Union Hall at 219-937-7784 if you have any further questions.

**UNEMPLOYMENT INSURANCE** (The state of Illinois provides UI benefits, please contact them for additional or specific questions not covered in this informational guide)

## **How do I apply for unemployment insurance (UI)? When?**

Instructions on how to apply for State UI benefits can be found at [www.IDES.Illinois.gov](http://www.IDES.Illinois.gov).

## **If I take a part-time job while on layoff status, do I have to report my wages?**

Yes. The state requires that you report weekly, all wages, tips, commissions, payments in cash, rent credits, goods, services or work performed to repay a debt. Please refer to [www.IDES.Illinois.gov](http://www.IDES.Illinois.gov) for more information.

## **Is there a waiting week?**

There is a waiting week for UI benefits. However, the Company will pay the full amount of your applicable SUB percentage of base wages during the waiting week after electronically verifying you are eligible for UI benefits.

## **Are UI benefits taxable?**

State UI Benefits are considered taxable income for both Federal and State Income Tax purposes. You must elect a tax withholding in your UI account in order for taxes to be withheld from your weekly UI payments. A 1099-G will be mailed to you no later than January 31, 2026 showing total benefits paid and taxes withheld during the prior year.

## **How much can I get in UI benefits?**

Overtime and incentive pay will affect the amount of UI paid to each individual employee. Maximum weekly UI benefit is \$605. Please refer to [www.IDES.Illinois.gov](http://www.IDES.Illinois.gov) for more information on UI.

## **What if I pay child support?**

If you are required to pay child support by a court or other enforcement agency, child support payments will be deducted from your weekly UI benefit amount.

## **SUB PAY**

### **What is SUB pay?**

SUB pay is a Company-provided benefit designed to provide eligible, laid-off employees with weekly benefits equal to forty (40) multiplied by the Employee's base rate of pay at the applicable SUB percentage with an offset for weekly UI benefits. Please see Article 8, Section B of your 2022 BLA for specifics (attached below for your convenience).

**Hourly Employee SUB Calculation Example**

Base Wage Rate (LG4)	\$34.73
Hours per week	40
Total	\$1389.20
Weekly Income at 70% (10 but less than 20)	\$972.44
Weekly State Unemployment Insurance*	\$605.00
Weekly SUB from Company	\$58.44
SUB Weekly Minimum	\$250.00

\*Note: Your weekly SUB pay benefit will be offset by your weekly UI benefit that you receive.

NOTE: SUB Pay is based on your Base Rate of Pay. If your UI benefit exceeds or is less than \$250 when calculated at your applicable percentage of SUB for any week, then you will receive the SUB minimum payment of \$250 for that week.

**Article 8, Section B of the 2022 BLA****Section B. Supplemental Unemployment Benefits****1. Eligibility**

An Employee shall be eligible for a weekly supplemental unemployment benefit (Weekly Benefit) for any week beginning on or after the Effective Date, if s/he:

- has completed two (2) years of Continuous Service prior to his/her seeking weekly benefits;
- is and remains an Employee within the meaning of the Agreement;
- does not receive sickness and accident benefits under an agreement between the Company and the Union;
- is not in the military service, including training encampments;
- is eligible, applies for state unemployment benefits for the week and takes all reasonable steps to receive such benefits; provided, however, that this requirement will not apply if s/he has exhausted state unemployment benefits, receives other compensation in an amount that disqualifies him/her for state unemployment benefits, has insufficient employment to be covered by the state system, fails to qualify for state unemployment benefits because of a waiting week, is unable to work by reason of disability, or is participating in a federal training program; and
- either
  - (1) is on layoff for any week in which, because of lack of work, s/he does not work at all for the Company;
  - (2) is on layoff during a plant vacation shutdown and s/he is not entitled to vacation during the shutdown; or
  - (3) became disabled while on layoff and is not physically able to return to work.

**2. Amount and Duration of Benefits****a. Weekly Benefits are equal to:**

- (1) forty (40) multiplied by the Employee's Base Rate of Pay; and
- (2) the applicable percentage shown in the following table:

**Supplemental Unemployment Benefit Percentage**

Continuous Service	Duration of Benefits, in Weeks		
	1 to 26	27 to 52	53 to 104
2 but less than 10	60%	40%	0%
10 but less than 20	70%	50%	25%
20 and over	80%	60%	40%

**Do I need to present UI payment verification to receive a SUB payment?**

Generally, No. Verification will take place online. If we are unable to verify your UI payment online, you will be contacted to provide separate verification. **Make sure to keep HR apprised of any changes in contract information!**

#### **Are SUB pay benefits taxable?**

SUB pay is considered taxable income for both Federal and State Income Tax purposes, but not FICA.

#### **How do I sign up for SUB pay?**

There is no separate paperwork required to sign up for SUB pay.

#### **Will SUB payments be made by direct deposit?**

Yes. Payments will go to the same bank account(s) you have designated for your regular payroll checks.

### **BENEFITS**

#### **What will happen with my benefits and 401(k) while on layoff?**

Important information on benefit coverages and 401(k) are covered in detail at the end of this document. Please read it carefully and follow up on items needing action to ensure benefit continuance.

#### **Am I eligible for S&A?**

If you are on a leave of absence YES.

If you are layoff or suspension and become disabled, you are not eligible for S&A benefits.

### **SUB PAY DEDUCTIONS**

#### **What deductions will be taken from my SUB pay?**

Garnishments and levies will be taken out of SUB payments.

### **LAYOFF SELECTIONS**

#### **Who stays, who goes? Who is going to make those decisions?**

The Union is meeting with the company to determine the individuals that will work during the idle to meet the needs including preserving Riverdale's assets.

### **TRAINING**

#### **Can employees use the ICD Center during the production curtailment?**

Yes.

### **RETIREMENT**

#### **Can I retire during the layoff?**

Yes, providing you meet the retirement qualifications.

#### **Will there be any incentive for early retirement?**

Yet to be determined.

### **SERVICE**

#### **Will I lose my continuous service?**

As outlined in Article 5, Section E-3-d of the 2022 BLA, a break in service due to a layoff occurs in an Employee:

- (4) if on layoff, fails to report to the Employment Office within ten (10) days of registered mail notice;
- (5) is absent because of layoff (including a layoff due to a permanent closure) or non-occupational physical disability for a period longer than the lesser of his/her length of Continuous Service at the commencement of such absence or five (5) years; or

### **SPECIAL PAYMENTS**

#### **Am I eligible to receive payments from the Quarterly Profit Share Program?**

If a payment is made for the Quarterly Profit Share Program, it will be prorated based on hours worked prior to layoff and paid to employees on layoff status at the normally scheduled time of payment.

NOTE: Payments earned prior to layoff, but paid after the layoff begins should not be claimed as income for UI benefits.

# **Benefits Information While on Layoff**

The graph below details how all applicable benefits will be handled during this layoff, followed by additional detail on each benefit.

***Not all employees are participating in each benefit***

<b>Benefit</b>	<b>Hourly and Non-Exempt Employees</b>
Medical	Company Paid for Duration of SUB Pay
Dental	Company Paid for Duration of SUB Pay
Vision	Company Paid for Duration of SUB Pay
Basic Life	Company Paid for Duration of SUB Pay
Basic AD&D	Company Paid for Duration of SUB Pay
Health Care FSA	Contributions suspended until return to work; Recouped from employee upon return to work
Dependent Care FSA	Contributions suspended until employee returns to work; Upon return to work regular contributions resume
Dependent Term Life	Contributions suspended until return to work; Recouped from employee upon return to work
401(k) Loans	Fidelity Direct Bill
Prudential will accept a listing of participants on layoff from which they will initiate the direct bill process immediately through mailed notification to employee homes. Employees who have a 60-day lapse in bill remittance will have their Optional life or AD&D coverage terminated. Please note that employee who wish to re-enroll in Optional life or AD&D coverage after coverage termination will be required to provide Evidence of Insurability upon re-enrollment.	

## **Benefits Details While on Layoff**

### **401(k) Contributions**

401(k) contributions will be suspended while you are on layoff and will not be taken from SUB pay. Contributions will automatically resume if you are recalled to active employment.

### **401(k) Loans**

\*\*\*\***ACTION REQUIRED**\*\*\*\*

**If you have a 401(k) loan, you must contact Fidelity at [www.401k.com](http://www.401k.com) or (800) 835-5091 to set up direct bill monthly repayments, we do not have the ability to assist with 401k since they are considered personal plans. You will NOT be able to convert existing loans to hardship withdrawals. If you do not keep current with your loan repayments, your loan will default.**

### **Medical, Dental, and Vision Coverage**

<b><u>Less than 2 years service</u></b>	<b><u>Six (6) months</u></b>
<b><u>2 but less than 10 years service</u></b>	<b><u>18 months</u></b>
<b><u>10 or more years service</u></b>	<b><u>30 months</u></b>

**Basic Life and Basic AD&D Insurance**

The company will continue to provide company paid Basic Life and Basic AD&D coverage as long as you are receiving SUB pay. Should layoff continue beyond your eligibility for SUB pay, your coverage will be terminated and reinstated if recalled to active employment.

**Health Care FSA**

Contributions toward Health Care FSA accounts will be suspended while receiving SUB pay. Upon recall, missed contributions will be recouped from employee paychecks. Should layoff continue beyond your eligibility for SUB pay, employees will have the ability to enroll in and pay for Health Care FSA COBRA coverage.

**Dependent Care FSA**

Dependent Care FSA contributions will be suspended during layoff. Regularly scheduled contributions will resume upon recall to active employment. No missed contributions will be recouped.

**Dependent Term Life**

Contributions toward Dependent Term Life will be suspended while receiving SUB pay. Upon recall, missed contributions will be recouped from employee paychecks. Should lay-off continue beyond your eligibility for SUB pay, coverage will be terminated and reinstated if recalled to active employment.

**Prudential Life Insurance****DIRECT BILL TO EMPLOYEE**

Prudential will immediately send out direct bill notices upon layoff. Employees must make monthly payment through direct bill to Prudential, which will prevent coverage termination. Life Insurance coverage will terminate after premiums are delinquent for 60 days.