<u>**UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA**</u>

You are receiving this notice because a child on whose behalf you serve as a representative payee has received child's insurance benefit payments that may be impacted by a class action lawsuit pending against the Social Security Administration.

WHY ARE YOU RECEIVING THIS NOTICE?

You are receiving this notice because you are the representative payee of a child who may be part of a certified class action lawsuit pending against the Social Security Administration which alleges that the agency has been miscalculating benefits paid to the children of early retirees and may owe such children past-due money benefits. The lawsuit is called *L.N.P. v. Bisignano*, Case No. 1:24-cv-01196-MSN-IDD (the "Lawsuit"), and is pending in the United States District Court for the Eastern District of Virginia. More information about the Lawsuit, including copies of all relevant Court orders and important court deadlines will be available at **www.kelleydrye.com/LNPclassaction**.

This notice is being sent to advise you of your child's options regarding this Lawsuit. As explained below, if you do nothing, your child will remain part of the class and be bound by the results of the Lawsuit. Alternatively, you may decide to opt out of the class on behalf of your child in which case they will not receive any potential benefits from the resolution of the pending Lawsuit but will retain any rights they may have to pursue their own claims against SSA.

WHAT IS THIS CASE ABOUT?

The Lawsuit alleges that SSA improperly reduced child insurance benefit payments to the "Eligible Children" of "Early Retirees" by miscalculating whether the "Family Maximum" had been reached under 42 U.S.C. § 403(a). In particular, the Lawsuit alleges that the agency should have used the actual benefit payable to the early retiree (i.e., the "RIB") when determining whether the family maximum was reached, but instead used the benefit amount (i.e., the "PIA") that the early retiree would have received had they chosen to wait to receive benefits at full retirement age. By using the higher, unpaid amount, the Lawsuit alleges that the agency improperly reduced the benefits payable to the children on the Early Retiree's account. [Capitalized terms in quotations are defined on the back of this sheet.]

In denying the agency's motion to dismiss, the District Court has ruled that "the SSA has been interpreting Section 403 incorrectly" and "the Social Security Act provides that the SSA use only 'actually payable benefits'—not those theoretically available—when determining if the family maximum has been reached." February 14, 2025 Memorandum Opinion and Order. SSA denies that it miscalculated benefits or that it owes any money to the class. Final judgment has not yet been entered and SSA has indicated that it intends to seek authority to appeal the District Court's ruling. **There is no guarantee that your child will be entitled to receive any money from this Lawsuit**.

IS YOUR CHILD PART OF THE CLASS?

You are receiving this notice because SSA identified your child as potentially falling within the class defined by the Court as: "All Eligible Children of Early Retirees, where such children, between and including May 10, 2024 and May 30, 2025, received a child's insurance benefit under Section 402(d) of the Social Security Act (the "Act") that was reduced under Section 403(a)(1) of the Act because the Social Security Administration (the "SSA") used the PIA of the Early Retiree instead of the RIB in determining whether the Family Maximum was exceeded, and therefore such children may be entitled to past due benefits." Excluded from the class are: "(i) Eligible Children who are deceased, (ii) Eligible

Children who are not United States citizens, and (iii) Eligible Children of an Early Retiree who ever had excess earnings under Section 403(b)."

WHO REPRESENTS THE CLASS MEMBERS?

The Court has appointed the law firm of Kelley Drye & Warren LLP as Class Counsel to represent members of the class and appointed Plaintiff L.N.P., an Early Retiree, who is pursuing this action on behalf of his Eligible Children, as the Class Representative. You may instead choose to hire your own lawyer at your own expense to represent you and your children in this case at any time and to appear in court. You may also appear in person yourself without a lawyer.

As permitted by federal law, Class Counsel intends to seek a reasonable fee up to 25% of any past-due benefits paid to class members, with such fee to be paid out of such past-due benefits. The Court will decide what percentage, if any, to award Class Counsel. Class members will not have to pay anything to Class Counsel if they do not obtain a recovery of past-due benefits from SSA. Class members will have the right to submit written comments or objections to the Court regarding the fee application and to appear at any hearing. The deadline for submitting objections and the date, time, and location of any fee hearing will be posted at **www.kelleydrye.com/LNPclassaction** shortly after the information becomes available.

WHAT ARE YOUR OPTIONS?

If you do nothing, your child will remain a member of the class and will be legally bound by all orders and judgments of the Court. Neither you nor your child will be able to sue, or continue to sue, SSA for any potentially past-due benefits that the Lawsuit seeks. If past-due money benefits are awarded to your child, you will be notified, if necessary, about what to do, if anything, to obtain any money benefits owed to your child.

You may also ask for your child to be excluded from the class. If your child is excluded from the class, they will not receive any potentially past-due benefits from this Lawsuit and will not be bound by any orders or judgments of the Court. Your child will retain any rights they may have to separately sue SSA for such benefits or to challenge a determination of benefits through SSA's administrative process. To be excluded from the class, you must send a letter or postcard which states in words or substance: "I and my child(ren) want to be excluded from the class in *LNP v. Bisignano*, Case No. 1:24-cv-01196 (E.D. Va.)." You must also provide your full name, the name of your child(ren), your mailing address, telephone number, and email address. Any request for exclusion must be **postmarked by April 6, 2026,** and should be mailed to Class Counsel at the address below.

HOW CAN YOU GET MORE INFORMATION?

If you have any questions or want to review court documents about this Lawsuit, visit **www.kelleydrye.com/LNPclassaction**, write to: **LNP Class Action, Attn: Ira T. Kasdan & Damon W. Suden, Kelley Drye & Warren LLP, 3 World Trade Center, 175 Greenwich Street, New York, New York 10007**, email **LNPclassaction@kelleydrye.com**, or call +1 (202) 719-6045.

Defined Terms

"**Eligible Children**" means, as set forth in Section 402(d) (1) of the Act, any child of an Early Retiree (i) who filed, or for whom was filed, an application for child's insurance benefits, (ii) who at the time such application was filed was unmarried and either had not attained the age of 18 or was a full-time elementary or secondary school student and had not attained the age of 19, and (iii) who was dependent on such Early Retiree at the time of the application. As necessary, Eligible Children shall also include the child's legal representative and/or representative payee.

"**Early Retiree**" means any individual entitled to receive old-age insurance benefits (but not disability benefits) under Section 402(a) of the Act who applied for and received such benefits prior to reaching full retirement age and therefore received a reduced old-age benefit lower than that of his/her PIA.

"**PIA**" is the primary insurance amount as defined by the Act.

"**RIB**" is the retirement insurance benefit that is actually paid to the Early Retiree.

"**Family Maximum,**" as defined in Section 403(a)(1) of the Act, is the maximum amount of total monthly benefits to which beneficiaries may be entitled under Section 402 of the Act on the basis of the wages and self-employment income of the Early Retiree.