UNITED STATES DISTRICT COURT EASTERN DISTRICT OF PENNSYLVANIA

THE	SATA	NIC	TEMP	LE,	INC.

Plaintiff,

Civil No.: 5:23-cv-01244

v.

SAUCON VALLEY SCHOOL DISTRICT,

Defendant.

SETTLEMENT AGREEMENT

Introduction

On March 30, 2023, Plaintiff, The Satanic Temple, Inc., filed a Complaint asserting claims pursuant to 42 U.S.C. §1983 and the U.S. Constitution against Defendant, the Saucon Valley School District ("SVSD" or "the District"). The matter is docketed as Civil Action 5:23-01244 ("the Civil Action"). Plaintiff's Complaint alleged that Defendant violated the Free Speech Clause, the Establishment Clause, and the Free Exercise Clause of the First Amendment by rescinding approval for Plaintiff's use of school district facilities to host meetings of the After School Satan Club ("ASSC"). Plaintiff's Complaint also asserted a claim under Article I, § 7 of the Pennsylvania Constitution. The Complaint sought declaratory relief, injunctive relief, compensatory damages, nominal damages, and attorneys' fees and costs.

On April 1, 2023, Plaintiff filed a Motion for Temporary Restraining Order and/or Preliminary Injunction based on the Complaint's claim under the Free Speech Cause. After the Parties completed briefing, including supplemental briefing requested by the Court, the Court held an evidentiary hearing and oral argument on April 20, 2023. On May 1, 2023, the Court issued its ruling on Plaintiff's Motion, holding that Plaintiff was likely to succeed on the merits of its free-speech claim and was entitled to a preliminary injunction allowing the ASSC to meet at SVSD facilities under the same terms and conditions that other groups, such as the Good News Club, were permitted to meet.

To ensure that the rights of Plaintiff are protected, as well as to avoid further costly and protracted dispute pertaining to Plaintiff's Complaint, the Parties have agreed voluntarily to this Settlement Agreement in settlement of all claims at issue in the Civil Action.

Settlement Terms

A. Reservation, rental, and use of SVSD facilities

The District shall not subject Plaintiff and/or the ASSC to terms or conditions regarding the reservation, rental, or use of facilities that are less favorable and/or different than the terms and conditions applied to the reservation, rental, and use of facilities by comparable groups or organizations. With respect to prospective applications for the reservation, rental, and use of SVSD's facilities, Plaintiff and/or the ASSC shall be subject to the same policies applicable to comparable groups.

B. Dissemination of promotional materials

Defendant's current policy prohibits the District from disseminating (whether in print or digitally) flyers or other promotional materials for events and activities held by non-school organizations. To the extent that any SVSD policies or rules permit such dissemination, the District shall not subject Plaintiff to terms or conditions that are less favorable and/or different than the terms and conditions applied to the District's dissemination of materials for other non-school organizations. With respect to any future policies or rules permitting District dissemination of flyers or other promotional materials for events and activities held by non-school organizations, Plaintiff and/or the ASSC shall be subject to the same policies applicable to comparable groups.

C. Retaliation

The District shall not take retaliatory action against Plaintiff, the ASSC, any ASSC volunteer, any ASSC member or attendee, or any family member of any ASSC attendee, member, or volunteer based on Plaintiff's, the volunteer's, or the member's or attendee's exercise of their First Amendment rights. The prohibited retaliation includes, but is not limited to, discriminating against Plaintiff and those associated with the ASSC on the basis of their viewpoint.

D. Reservation of Rights

Nothing in this Settlement Agreement authorizes the District to amend its current policies and rules for the purpose of adopting new policies and rules that—while viewpoint-neutral on their face—are adopted with the purpose of unconstitutionally targeting or suppressing the Plaintiff's or the ASSC's viewpoint and/or faith.

Nothing in this Settlement Agreement prevents the Plaintiff from instituting a new lawsuit in any court or otherwise seeking to vindicate its rights should Plaintiff believe that future acts by the Defendant violate Plaintiff's constitutional rights.

E. Nominal Damages

The District agrees to pay Plaintiff \$1 in nominal damages. Within ten (10) business days of the District's receipt of a W9 from Plaintiff, Defendant's insurance carrier will issue payment.

This payment is made in recognition of the fact that Plaintiff alleges a constitutional injury resulting from the District's decision to rescind approval for Plaintiff's use of SVSD facilities. The District's payment is not an admission of wrongdoing.

F. Attorneys' Fees, Costs, and Litigation Expenses

The Parties have agreed that Defendant's insurance carrier will issue payment in the amount of Two-Hundred Thousand Dollars and Zero Cents (\$200,000.00) in attorneys' fees and costs to Plaintiff's attorneys. Within ten (10) business days of the District's receipt of a W9 from the ACLU of Pennsylvania, Defendant's insurance carrier will issue payment.

G. Dismissal of Civil Action with Prejudice

The Parties agree that the Civil Action shall be dismissed with prejudice pursuant to Rule 41.1(b) of the Local Rules of Civil Procedure for the United States District Court for the Eastern District of Pennsylvania. Plaintiff agrees to notify the Honorable John M. Gallagher, U.S.D.J. that the issues between the Parties have been settled within three (3) business days from the Effective Date of this Settlement Agreement, as defined in Section L, below.

H. Claims Released

It is expressly understood and mutually agreed that this Settlement Agreement is intended to resolve all claims by Plaintiff, in any forum, including all claims for money damages and attorneys' fees and costs relating to the claims set forth in the Civil Action.

I. Enforcement

- 1. Nothing in this Settlement Agreement will be construed to limit any party's right to enforce this Settlement Agreement according to its terms. If any court of competent jurisdiction determines that any provision contained in this Settlement Agreement, or any part thereof, cannot be enforced, the Parties agree that such determination shall not affect or invalidate the remainder of the Settlement Agreement.
- 2. This Settlement Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective heirs, successors, and assigns.

J. Construction

This Settlement Agreement has been drafted jointly, so there shall be no presumption of construction against any Party. The language of all parts of this Settlement Agreement shall be construed as a whole, according to the fair meaning, and not strictly for or against any Party.

K. *Multiple Counterparts*

This Settlement Agreement may be executed in counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one instrument. The transmission

of a signed copy of this Settlement Agreement by one Party (or its counsel) to another Party (or its counsel) by facsimile transmission, email, or similar electronic means will have the same force and effect as delivery of the original, manually signed counterpart so transmitted.

L. <u>Effective Date</u>

The Effective Date of this Settlement Agreement shall be the date on which the last Party executes the Settlement Agreement.

By their signatures on this and the following pages, the undersigned Parties agree to this Settlement Agreement:

PLAINTIFF THE SATANIC TEMPLE, INC.

By OFFICE OFFICE OFFI

Dated: 11/14/23

DEFENDANT SAUCON VALLEY SCHOOL DISTRICT

By Docusine by Sayton D929124651124E6...

Dated: 11/16/23