UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

AMERICAN ALLIANCE FOR EQUAL RIGHTS,

PLAINTIFF,

Case No: 1:25-cv-4207-LLA

v.

HISPANIC SCHOLARSHIP FUND,

DEFENDANT.

JOINT STIPULATED DISMISSAL WITH PREJUDICE

Per Federal Rule of Civil Procedure 41(a)(1)(A)(ii), the parties stipulate to the following:

1. Plaintiff, American Alliance for Equal Rights ("AAER"), filed this lawsuit on December 3, 2025, against Defendant, Hispanic Scholarship Fund ("HSF").

2. AAER amended its complaint on January 9, 2026.

3. The Amended Complaint, ECF No. 15, alleged that the HSF Scholar Program violates 42 U.S.C. § 1981 (Count I), Title VI of the Civil Rights Act (Count II), the D.C. Human Rights Act (Count III), and the California Unruh Act (Count IV) by discriminating based on race and ethnicity. HSF denies those allegations.

4. On January 20, 2026, HSF moved to dismiss the Amended Complaint, ECF No. 19.

5. On September 30, 2026, the District Court dismissed Counts II – IV of the Amended Complaint but not Count I, ECF No. 45.

6. HSF does not interpret the District Court's Opinion on its Motion to Dismiss to bar HSF from providing scholarships exclusively to Hispanic students. AAER maintains that, at the time of the District Court's Opinion, the challenged scholarship violated 42 U.S.C. §1981.

7. The Parties' interpretations of that decision notwithstanding and to avoid the time, expense, inconvenience and uncertainties of litigation, AAER and HSF have settled their dispute. Nothing in this Joint Stipulation of Dismissal is intended to be or should be construed to be an admission by either party regarding the strength or weakness of any allegation, claim, or defense.

8. Beginning with the January 2027 cycle of the HSF Scholar Program, the HSF Scholar Program will be open to students regardless of ethnicity. The Program will not consider race or ethnicity as a factor when selecting scholars. Furthermore, to the extent HSF requests information about students' race or ethnicity, the Program will ensure that any such race or ethnicity information is not visible to reviewers when they are evaluating applicants for the Program.

9. HSF will continue to meet the commitments of Paragraph 8 for the HSF Scholar Program unless applicable law develops beyond the District Court's Opinion on HSF's Motion to Dismiss in this case.

10. HSF will not provide AAER any nominal damages, relief, or other damages, and no AAER member will receive HSF Scholar Program funds.

11. The case is hereby dismissed with prejudice, with the parties having resolved any issues regarding fees and costs in a separate confidential settlement.

Respectfully submitted,

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