

SETTLEMENT AGREEMENT

1. INTRODUCTION

1.1 Parties. This Settlement Agreement is entered into by and between Anthony E. Held, Ph.D., P.E. (“Held”) and Bath & Body Works, LLC (“BBW”), with Held and BBW each individually referred to as a “Party” and collectively as the “Parties.” Held is an individual residing in California who seeks to promote awareness of exposures to toxic chemicals and to improve human health by reducing or eliminating hazardous substances contained in consumer products. BBW employs ten or more persons and is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code section 25249.6 *et seq.* (“Proposition 65”).

1.2 General Allegations. Held alleges that BBW manufactures, imports, sells, or distributes for sale in the state of California, a cosmetic product that contains a sunscreen that, in turn, contains benzophenone without first providing the clear and reasonable health hazard warning required by Proposition 65.

1.3 Product Description. The product covered by this Settlement Agreement is limited to *Patricia Wexler Intensive 3-in-1 Day Cream with Sunscreen, Broad Spectrum SPF 28, #0667532835052* (the “Product”).

1.4 Notice of Violation. On October 24, 2014, Held served BBW, others and the requisite public enforcement agencies with a 60-Day Notice of Violation (“Notice”), alleging that BBW violated Proposition 65 when it failed to warn its customers and consumers in California that the Product exposes users to benzophenone. To the best of the Parties’ knowledge, no public enforcer has commenced and is diligently prosecuting the allegations set forth in the Notice.

1.5 No Admission. BBW denies the material, factual, and legal allegations contained in the Notices and maintains that all of the products it has manufactured, sold, or distributed for sale in California, including the Product, have been, and are, in compliance with all laws. Nothing in this Settlement Agreement shall be construed as an admission by BBW of any fact,

finding, conclusion of law, issue of law, or violation of law; nor shall compliance with this Settlement Agreement constitute or be construed as an admission by BBW of any fact, finding, conclusion of law, issue of law, or violation of law, the same being specifically denied by BBW. This section shall not, however, diminish or otherwise affect BBW's obligations, responsibilities, and duties under this Settlement Agreement.

1.6 Effective Date. For purposes of this Settlement Agreement, the term "Effective Date" shall mean the date this Settlement Agreement is executed by the Parties.

2. INJUNCTIVE RELIEF

2.1 Cessation of Sales. BBW represents that they ceased selling the Product in California as of June 30, 2015, and shall cease doing so continuing into the future.

2.2 Sell-Through Period. BBW's Products manufactured and distributed for retail sale prior to June 30, 2015 shall be subject to the release of liability pursuant to Section 4 of this Settlement Agreement, without regard to when such Products were, or are in the future, sold to consumers, whether by internet sales or any other means.

3. MONETARY SETTLEMENT TERMS

3.1 Payment into California Safe Drinking Water and Toxic Enforcement Fund Pursuant to Health & Safety Code §25249.12(c). In settlement of all the claims referred to in this Settlement Agreement, BBW shall pay \$5,500, of which 75% (\$4,125) shall be remitted to the State of California's Office of Environmental Health Hazard Assessment ("OEHHA") for deposit into the Safe Drinking Water and Toxic Enforcement Fund pursuant to California Health & Safety Code Section 25249.12(c), and of which the remaining 25% (\$1,375) shall be paid to Held. BBW shall issue a check to: "The Chanler Group in Trust for Anthony E. Held, Ph.D., P.E." in the amount of \$5,500. Of this amount, the Chanler Group shall remit \$4,125 to OEHHA, per the terms above. All penalty payments shall be delivered to the address listed in Section 3.3 below.

3.2 Attorney Fees and Costs. The Parties reached an accord on the compensation due to Held and his counsel under general contract principles and the private attorney general

doctrine codified at Code of Civil Procedure section 1021.5 for all work performed in this matter. Under these legal principles, BBW shall pay \$23,500 for all fees and costs through execution of this Settlement Agreement, including fees and costs incurred investigating, bringing this matter to the attention of BBW's management, and negotiation of this settlement.

3.3 Payment Procedures.

All payments under this Settlement Agreement are due within ten (10) days of the Effective Date, and shall be delivered to the following address:

The Chanler Group
Attn: Proposition 65 Controller
2560 Ninth Street
Parker Plaza, Suite 214
Berkeley, CA 94710

4. CLAIMS COVERED AND RELEASED

4.1 Held's Release of BBW. This Settlement Agreement is a full, final, and binding resolution between Held and BBW of any violation of Proposition 65 that was or could have been asserted by Held, on behalf of himself, or on behalf of his past and current agents, representatives, attorneys, successors, and assignees, against BBW, L Brands (of which BBW is a Division), subsidiaries, affiliated entities under common ownership, directors, officers, employees, attorneys, and each entity to whom BBW directly or indirectly distributes or sells the Product, including, without limitation, its downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members, and licensees ("Releasees"), based on unwarned exposures to benzophenone from Product manufactured, sold or distributed for sale in California by BBW prior to June 30, 2015. The Parties acknowledge that this release shall not extend to entities upstream of BBW.

In further consideration of the promises and agreements herein contained, Held, on his own behalf and on behalf of his past and current agents, representatives, attorneys, successors, and/or assignees, hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action, and releases all claims that he may have against BBW and Releasees,

including, without limitation, all actions and causes of action in law and in equity, all suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses, including, without limitation, investigation fees, expert fees, and attorneys' fees arising under Proposition 65 for unwarned exposures to benzophenone from the Product manufactured, sold, or distributed for sale in California by BBW prior to June 30, 2015. The Parties acknowledge that this release shall not extend to entities upstream of BBW. The releases in Section 4.1 are provided in Held's individual capacity and are not releases on behalf of the public.

4.2 BBW's Release of Held. BBW, on its own behalf and on behalf of its past and current agents, representatives, attorneys, successors, and assignees, hereby waives any and all claims that it may have against Held and his attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Held and his attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Product.

4.3 Mutual California Civil Code section 1542 Waiver

Held in his individual capacity only and not in any representative capacity, and BBW, each on his/its own behalf, and on behalf of his/its agents, attorneys, representatives, successors and assigns, also provides a general release which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Held or BBW of any nature, character or kind, whether known or unknown, suspected or unsuspected, arising out of any alleged violations of Proposition 65 with respect to the Product sold by BBW, as set forth in the Notice, or as to Held or Held's counsel in connection with investigating the claims and the Product that are the subject of this Settlement Agreement. Held and BBW each acknowledge and represent that he/it is familiar with Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Held and BBW each expressly acknowledge and hereby waive the provisions of Section 1542 of the California Civil Code.

5. SEVERABILITY

If, subsequent to the execution of this Settlement Agreement, any provision of this Settlement Agreement is held by a court to be unenforceable, the validity of the remaining provisions shall not be adversely affected.

6. GOVERNING LAW

The terms of this Settlement Agreement shall be governed by the laws of the state of California and apply within the state of California. Benzophenone is listed pursuant to Proposition 65 as a chemical that is known to the State of California to cause cancer. In the event that Proposition 65 is repealed or is otherwise rendered inapplicable by reason of law generally, or as to the Product, including the delisting of benzophenone, then BBW may provide written notice to Held of any asserted change in the law, and with the exception of sections 3.1.1 and 3.2 above, have no further obligations pursuant to this Settlement Agreement, with respect to, and to the extent that, the Product is so affected.

7. NOTICE

Unless specified herein, all correspondence and notices required to be provided pursuant to this Settlement Agreement shall be in writing and sent by: (i) personal delivery; (ii) first-class, registered or certified mail, return receipt requested; or (iii) a recognized overnight courier on any Party by the other at the following addresses:

For BBW:

Debra J. Albin-Riley, Esq.
Arent Fox LLP
Gas Company Tower
555 West Fifth Street, 48th Floor
Los Angeles, CA 90013

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For Held:

The Chanler Group
Attn: Proposition 65 Coordinator
2560 Ninth Street
Parker Plaza, Suite 214
Berkeley, CA 94710-2565

Any Party may, from time to time, specify in writing to the other Party a change of address to which all notices and other communications shall be sent.

8. COUNTERPARTS; FACSIMILE SIGNATURES

This Settlement Agreement may be executed in counterparts, and by facsimile or portable document format (PDF) signature, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

9. POST-EXECUTION ACTIVITIES

Held agrees to comply with the reporting form requirements referenced in Health and Safety Code section 25249.7(f).

10. DISPUTE RESOLUTION

If Held determines at a future date that a violation of this agreement has occurred, Held shall provide notice to BBW. Prior to bringing any action to enforce any requirement of this Settlement Agreement, the party alleging a violation of this settlement agreement shall provide the other party with written notice of the grounds for such allegation together with all supporting information as well as a complete demand for the relief sought. The Parties shall then meet and confer regarding the basis for the allegation in an attempt to resolve the matter informally, including providing the party alleged to be in violation with a reasonable opportunity of at least thirty (30) days to cure any alleged violation. Should such attempts at informal resolution fail, the party alleging a violation may file its lawsuit seeking the proposed relief.

11. AUTHORIZATION

The undersigned are authorized to execute this Settlement Agreement on behalf of their respective Parties and have read, understood and agree to all of the terms and conditions of this Settlement Agreement.

AGREED TO:

AGREED TO:

Date: October 5, 2015

Date: Oct. 2, 2015

By: Anthony E. Held
Anthony E. Held, Ph.D., P.E.

By: Shelley B. Milano
Bath & Body Works, LLC
Shelley Milano
Senior Vice President and
General Counsel
L Brands, Parent Company of Bath &
Body Works, LLC