

**AGREEMENT DATED AS OF NOVEMBER 9, 2016 BY AND BETWEEN KOHL'S DEPARTMENT STORES, INC., KOHL'S CORPORATION AND WESLEY S. MCDONALD**

THIS LETTER AGREEMENT (the "Letter Agreement") shall serve to memorialize our agreements with respect to the terms of your retirement and as an amendment of certain specific terms of the June 10, 2015 Amended and Restated Employment Agreement (the "Employment Agreement") between you and Kohl's Department Stores, Inc. and Kohl's Corporation (collectively referred to as "Company"). In the event of any conflict between this Letter Agreement and the Employment Agreement, this Letter Agreement shall control.

**1. Retirement on Transition Date.**

Pursuant to your request, we have agreed that you will retire from full-time day to day service as Company's Chief Financial Officer ("CFO") on a future date which shall be mutually agreed upon, but no later than July 1, 2017 (such date as agreed upon is referred to in this Letter Agreement as the "Transition Date"). Except as expressly set forth in this Letter Agreement, you formally resign from all offices, positions, titles and capacities you now hold or have held with Company and its affiliates, effective on the Transition Date. Company hereby accepts this resignation. You acknowledge and agree that, provided you do not voluntarily terminate your employment with Company or Company does not terminate your employment for Cause (as defined in the Employment Agreement) prior to the Transition Date, (1) your retirement shall be considered a "Termination by Resignation" pursuant to Section 3.1(e) of the Employment Agreement and (2) for purposes of Company's nonqualified deferred compensation plans, the Transition Date shall be the date of your "separation from service" as determined under Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A"). From the date of this Letter Agreement until the Transition Date, you will continue in your current capacity as Chief Financial Officer and an Executive Officer, managing the business and your team in a "business as usual" manner. As of the date of this Letter Agreement, you agree and acknowledge that the terms of this Letter Agreement supersede and replace any rights you may have upon a termination of employment under Section 3.2 of your Employment Agreement and as of the Transition Date, the term of your employment as CFO under the Employment Agreement shall expire.

**2. Transition Period.**

Notwithstanding the expiration of your term of employment as CFO under the Employment Agreement on the Transition Date, for a period of one (1) year beyond the Transition Date (the "Transition Period") you will continue to be an employee of Company as a non-executive Senior Advisor. During the Transition Period, you agree to be available for reasonable periods of time to provide transitional assistance or to work on special projects, all at the discretion of the Chief Executive Officer of Company. For as long as you provide such assistance and work on special projects as requested during the Transition Period, you will continue to earn and receive your current level of salary and benefits during the Transition Period, except as otherwise provided in this Letter Agreement. To the extent you provide the services requested during the Transition Period, you will be eligible for full, non-prorated participation in the Fiscal 2016 and 2017 Annual Incentive Plans. You will not be eligible to participate in the Annual Incentive Plan for Fiscal 2018 or for any year thereafter. Except as otherwise provided in this Letter Agreement, you will continue to be treated as an employee for purposes of all of Company's benefit plans during the Transition Period except for Company's nonqualified deferred compensation plans. At the end of the Transition Period your employment with Company will end and you will be entitled to no further compensation or benefits but for those provided by this Letter Agreement. At the end of the Transition Period or, if earlier, upon request by Company, you agree to immediately return to Company all documents, records, and materials belonging and/or relating to Company, and all copies of all such materials. At the end of the Transition Period, or if earlier, upon request Company, you further agree to destroy such records maintained by you on your own computer equipment.

**3. Equity Awards.**

From the date of this Letter Agreement, you will no longer be eligible for any equity awards such as stock options, performance share units or restricted shares under Company's Long-Term Compensation Plans. Provided you remain employed until the Transition Date in accordance with Paragraph 1 above and that you provide the services requested during the Transition Period in accordance with Paragraph 2 above, Company will treat your retirement as an "early retirement" for purposes of all of your outstanding stock options and as an "retirement" for