



LATE PAYMENT PROCESSING FEES FOR 3RD PARTY FACTORY COMPLIANCE AUDITS

Kohl's requires vendors to pay factory compliance audit invoices in a timely manner. Invoices are sent directly from our 3rd party monitoring agency immediately following an audit and must be paid directly to the 3rd party monitoring agency within 30 days of the invoice date.

Most invoices are paid on a timely basis; however, many are not, which creates excessive work for Kohl's. As a result, on October 1st, 2015, a Processing Fee of \$150.00 was added onto each factory audit invoice where our 3rd party monitoring agency did not receive payment within 30 days of the invoice date. Processing fees will appear as a chargeback on your Kohl's merchandise payment remittance. Please note that fee escalation will be discussed if ongoing invoice payment issues occur.

Processing fee inquiries should be sent to the Kohl's Factory Compliance team at factory.compliance@kohls.com and must include evidence that the monitor received payment within 30 days of the invoice date in order to be reviewed. Processing fee inquiries received without such evidence will not be considered. Kohl's is requesting your partnership with timely payment of factory audit invoices to the 3rd party monitoring agencies.

Thank you for your partnership,

Kohl's Factory Compliance Department
factory.compliance@kohls.com

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