RadioShack®
CORPORATION

PURCHASE ORDER TERMS AND CONDITIONS

TERMS AND CONDITIONS OF PURCHASE

1. ORDER AND ACCEPTANCE. Each Purchase Order ("PO") constitutes Buyer's offer to purchase the specified goods (the "Goods"), and acceptance is expressly limited to the terms in this Agreement and in the PO unless specifically otherwise agreed to in writing by Buyer. Each such offer becomes binding on the terms set forth in this Agreement and in the PO, upon acceptance by Seller. Any of the following acts by Seller shall constitute acceptance of an PO: signing and returning a copy of an PO; delivery of any Goods; informing Buyer in any manner of commencement of performance; or returning Seller's own form of acknowledgment. If any document of Seller conflicts with, contradicts or adds to any provisions, terms or condition of this Agreement, it is hereby rejected (unless specifically agreed to in a separate document executed by the Buyer) and the provisions, terms and conditions of this Agreement and the PO by such acceptance shall constitute the whole contract between the parties. Any statement purporting to make Seller's acceptance conditional on Buyer's assent to additional or different terms are hereby rejected and shall be of no effect. Buyer shall have the right to make reasonable changes to any PO from time-to-time as to quantity, packing, testing, destination, specifications, designs, and delivery schedule. To the extent that Buyer and Seller are parties to Buyer's form of Vendor Agreement and any of the terms and conditions of such Vendor Agreement conflicts with the terms of this Agreement, the Vendor Agreement shall govern.

2. INVOICING. Seller shall render separate invoices in duplicate for each shipment under each PO. Each shipment must contain a packing slip showing PO number, number of cartons and quantity in each carton. Buyer assumes no obligation for Goods not ordered or Goods shipped in excess of ordered quantities.

3. PAYMENT. Payment for accepted PO's shall be due from Buyer net sixty (60) days. Buyer shall receive a discount of two percent (2%) for all payments sent net thirty (30) days or earlier. The time period applicable to any payment or discounts shall begin upon the later of the invoice date or the date of receipt by Buyer of the Goods specified in the PO; provided, however, that, in the event of early shipment of Goods and receipt by Buyer prior to four (4) days prior to specified date on the PO, the time period applicable to payment shall be extended by an additional thirty (30) days. Payment from Seller shall be due net sixty (60) days from the date of invoice by Buyer in those situations where credit memos and discounts taken by Buyer exceed the amount of any outstanding invoices from Seller.

4. PACKAGING. Seller's packaging of the Goods shall comply with all applicable laws and the standards of the Uniform Product Code Council, and shall include an accurate and complete UPC including a coupon code designator and a value code designator. All packaging shall have country of origin marking as required by U. S. law. Artwork and designs for packaging shall be submitted to Buyer for approval. Buyer may require RFID or other forms of product identification and shipment tracking technologies and information to be affixed to, or placed in, the Goods.

5. SPARE PARTS. Seller shall maintain the availability of repair and spare parts and units for all Goods shipped under any PO with an invoiced cost of at least $25.00 for a minimum period of five (5) years after the last shipment of Goods under each PO at a customary and reasonable price or on such other terms and for such other periods as the parties may agree.

6. MANUALS. The Goods shall be shipped with owner's manuals and service manuals. Seller shall provide preliminary drafts of all owner's manuals and service manuals to Buyer for approval. An additional 35 pieces each of owner's manuals and service manuals shall be

delivered to Buyer at no cost to Buyer. Any owner's or service manuals not shipped with the Goods shall be air-shipped at Seller's expense.

7. SHIPPING. Buyer's production schedules, sales plans and promotions are based upon the agreement that the Goods will be delivered to Buyer by the date specified on the face of the PO. TIME IS THEREFORE AGREED TO BE OF THE ESSENCE. Seller shall put the Goods ordered under a PO in the possession of a carrier or consolidator designated by Buyer at the FOB point. If a carrier is not designated, Seller shall use its commercially reasonable discretion to select a reputable and qualified carrier. Seller will pay all charges and assume all risks in shipping the Goods to the FOB point, all of which shall be done in a commercially reasonable manner. If any shipment delays arise, Seller shall notify Buyer immediately of the delay and its cause. Notwithstanding such notification if deliveries are not made as specified in the PO, Buyer reserves the right to cancel an accepted PO on a non-cancellation charge basis and purchase replacement merchandise elsewhere, and Buyer may require Seller to pay for air freight if shipment is deemed critical by Buyer. Seller must present all proofs of delivery of Goods to Buyer within 30 days after Buyer notifies Seller of nondelivery or within 30 days after Buyer deducts via debit memo the value of the undelivered Goods from amounts due Seller, whichever is earlier; otherwise Seller shall be deemed to have waived all claims against Buyer with respect to such nondelivered Goods, and Buyer shall have no liability therefor.

8. INSPECTION. All shipments of Goods originating outside of the U.S. are subject to, and must pass, inspection by Buyer's agent prior to shipment. All Goods will be subject to Buyer's inspection at Seller's premises, the consolidation and/or shipping point, and at Buyer's receiving locations. Seller shall remain liable for all Goods until Buyer has inspected and accepted the Goods pursuant to Buyer's "RadioShack Vendor Guide" (the "Guide"), and Seller waives the provisions of UCC 2-602. Goods furnished in lots are subject to rejection on the basis of sample inspection. Goods furnished in lots are subject to rejection on the basis of sample inspection. If the defect rate is found to be 3% or less, unless otherwise specified, the shipment is accepted. If the defect rate is over 3% or otherwise specified percentage, Buyer will make a 100% inspection at Seller's expense. Upon a 100% inspection, if the reject ratio is 3% or less, unless otherwise specified, the shipment is acceptable, or if the reject ratio is over 3%, or otherwise specified percentage, Buyer shall have the right, in its sole discretion, to either: (i) totally or partially reject the shipment due to the presence of defective Goods; or (ii) have the Goods replaced or the defects repaired at Seller's expense. If preliminary inspection or test is made at Seller's premises, Seller shall furnish all reasonable facilities to make full testing and inspection. Notwithstanding any prior payment or acceptance, if Buyer receives Goods not of the quality ordered or not in conformance with specifications, it may cancel an accepted PO and return such Goods, or Buyer may return such Goods without canceling an accepted PO. At Buyer's option, Seller shall either: (i) refund to Buyer the invoice price of all Goods returned hereunder, plus all transportation and handling expenses paid or incurred by Buyer; or (ii) replace such returned Goods, freight prepaid and refund to Buyer the transportation and other expenses incurred for the returned Goods. If an accepted PO covers Goods made to Buyer's specifications, Seller authorizes Buyer, in Buyer's discretion to make a first piece inspection of any operation at Seller's premises. All such Goods shall nevertheless be subject to final inspection and acceptance at Buyer's premises. Notwithstanding the foregoing, neither retention nor resale of any Goods shall be construed to constitute an acceptance of Goods not in compliance with the requirements of a PO.

9. CANCELLATION. In addition to other rights provided in this Agreement or by law, Buyer reserves the right to cancel any PO without charge or penalty and without Seller's authorization: (i) should Seller default in any way in the performance of this Agreement; (ii) to the extent of any unshipped portion of a PO; (iii) should Seller fail to make adequate progress in the performance of

this Agreement as to endanger its timely completion; (iv) should Seller cease to conduct its operations in the normal course of business or become insolvent or make a general assignment for the benefit of creditors; and/or (v) should any proceeding be commenced by or against Seller under bankruptcy, insolvency, dissolution, reorganization or liquidation act, or a trustee receiver, liquidator or conservator for Seller be applied for or appointed. Buyer reserves the right to reject all or part of Goods shipped which are defective in materials or workmanship, differ in any way from specifications or warranties herein contained or implied by law, shipped contrary to instruction, not in standard containers, not shipped on specified shipping dates, not received on specified receipt dates, or that are rejected as otherwise provided by law or in this Agreement, and Seller shall have no right thereafter to cure such defects or failure to conform. At its option, Buyer may return rejected Goods or hold Goods at Seller's risk and expense, and may in any event charge Seller with all costs incurred by Buyer (e.g., costs of transportation, shipping, unpacking, examining, repacking, reshipping, etc.). Seller shall not refuse any return so made and shall be liable to Buyer for all charges, costs, expenses and consequential damages resulting from or arising out of said refusal. In the event Buyer shall have made payments to Seller for Goods so returned, Seller shall promptly refund such payments to Buyer. Notwithstanding the foregoing Buyer shall be under no duty to inspect Goods prior to resale, and neither retention nor resale of such Goods shall be construed to constitute an acceptance of Goods not in compliance with the requirements of a PO. For any cancellation under this paragraph, Buyer reserves the right of cover and to purchase replacement merchandise elsewhere and hold Seller accountable for any damages suffered by Buyer as a result thereof.

10. PRICE PROTECTION. Seller represents and warrants that the prices charged for the Goods covered by a PO will be as low as the lowest prices charged by Seller to any customer purchasing such Goods in similar quantities under like circumstances. Each PO is not to be filled at a price higher than shown on the PO unless authorized in writing by Buyer. Should there be a decline in price between the date of a PO and delivery date specified in a PO or the actual delivery date, whichever is later, Buyer may charge back to Seller's account the amount of decline on any Goods in Buyer’s inventory or in transit at the time of the price decline. No late charges, penalties, interest charges, or other fees, costs or expenses shall be added to the invoiced cost of the Goods.

11. LICENSE. As part of the consideration for the Agreement and without further cost to Buyer, Seller hereby grants to Buyer a nonexclusive, royalty-free, irrevocable, worldwide right and license: (i) to use, and to reproduce for use, Seller’s trademarks, trade names, product names, logos, product documentation, and marketing materials provided by Seller hereunder in connection with Buyer’s advertisement, promotion and sale of the Goods; and (ii) to market, use, sell, lease or otherwise dispose of the Goods purchased hereunder.

12. TAXES. Seller agrees that unless otherwise indicated in a PO: (i) the prices charged for the Goods do not include any federal, state or local tax from which Seller, Buyer, or the procurement of the Goods are exempt; and (ii) the prices herein include all applicable, federal state and local taxes. Seller agrees to accept and use tax exemption certificates when supplied by Buyer if acceptable to the taxing authorities. In case it shall ever be determined that any tax paid by Buyer to Seller was improperly charged, Seller shall promptly notify Buyer and, upon request and at Seller’s expense, make prompt application for the refund thereof, take all proper steps to procure the same and when received shall promptly pay the same to Buyer. Unless otherwise noted, any Goods covered herein are bought for further manufacture or resale, and no retail sales or use tax is applicable.

13. CONFIDENTIAL RELATIONSHIP. Seller agrees to treat as strictly secret and confidential all specifications, drawings, blueprints nomenclature, samples and models and other information supplied by Buyer which shall be used exclusively in the production of the Goods and shall not be used for the design or manufacture of any item for any other person or entity. Seller shall not in any manner, advertise, publish or release for publication, any statement mentioning Buyer or the fact that Seller furnished or contracted to furnish Buyer items hereunder without Buyer's prior written consent. Seller shall not disclose any information relating to this Agreement to any person not entitled to receive it.

14. WARRANTIES OF SELLER.

(A) In addition to any other express representations, warranties or guarantees made by Seller, Seller represents and warrants to Buyer that the Goods shall: (i) be free from any defects in design, materials and workmanship; (ii) be merchantable at the time of delivery to Buyer and at the time of use by Buyer's customers and be fit and safe for sale and any use by Buyer or its customers for which is the Goods are ordinarily intended and any particular use of which Seller or its agents should have knowledge or have knowledge; and (iii) conform to any specifications, drawings, samples or other descriptions previously established by Seller. Seller shall use its best efforts to timely correct errors in any Goods that do not meet these warranties.

(B) Seller represents and warrants that the Goods shipped under this Agreement were designed, manufactured, packaged, labeled, tagged, stored, shipped and invoiced in compliance with all applicable laws, regulations, orders and ordinances, including but not limited to those pertaining to labeling, pricing, advertising, hazardous materials, health and safety specifically including, but not limited to, the Federal Fair Labor Standards Act and the U.S. Consumer Product Safety Act, and that the Goods, and the sale thereof by Buyer, do not and will not violate any applicable laws, regulations, orders or ordinances.

(C) Seller represents and warrants that: (i) no Goods will be labeled with "Made in U.S.A.", "Made in America" or any similar language unless such Goods and every component and part of such Goods are 100% made in the United States of America, as contemplated by applicable laws; (ii) Seller's descriptions of the Goods shall be true, accurate, and not misleading; (iii) Seller has all necessary rights to offer the Goods for sale and to deliver them to Buyer; (iv) the Goods, and the use or maintenance of the Goods, do not and will not, and Seller will not, in connection with its performance under this Agreement, infringe, misappropriate, or violate any patent, trademark. trade name, service mark, trade secret, mask work, copyright, design, publicity, privacy or any other proprietary right of a third person or entity; (v) the Goods contain no defamatory or obscene material; (vi) any coupon issued by Seller or the manufacturer in connection with the retail sale of the Goods shall be complete and shall comply with all applicable laws; and (vii) Seller has the right to sell the Goods to Buyer and has the right to disclose or use, without liability to others, all subject matter, including ideas, inventions, creations, works, processes, designs and methods that Seller will disclose or use in performance of this Agreement. If the use, distribution or sale by Buyer of any Goods is enjoined, or in Buyer's opinion is likely to be enjoined, Seller shall, without prejudice to Buyer's rights and remedies, and at Seller's expense: (i) procure from the person or persons claiming or likely to claim infringement, a license for Buyer and its customers to continue to use such Goods; or (ii) modify the allegedly infringing Goods to avoid the infringement without materially impairing performance or compliance with the applicable specifications.

(D) With respect to Goods returned by Customers to Buyer, Buyer shall refund or credit any applicable amounts to the Customer, as determined by Buyer. Buyer shall have the right to return, freight collect, any such Customer-returned Goods to Seller: (i) during the lifetime of the Goods if the Goods were returned by Customer due to a breach of any of the warranties in this Section; or (ii) for a period of thirty (30) days following the Customer's receipt of the Goods if the

Goods were returned by Customer for any other reason and the returned Goods are not, in Buyers sole determination, suitable for restocking. Goods returned by Buyer to Seller shall generate corresponding credits for Buyer. In addition to such credits for returned Goods, Buyer shall receive a credit in the amount of five percent (5%) of the cost of the returned Goods to reimburse Buyer for its costs in consolidating and administering the return of Goods to Seller.

15. INDEMNITIES. Seller shall indemnify, defend and hold Buyer (and its affiliates, successors and assigns (and its and their respective officers, directors, employees, customers and agents) harmless from and against any and all actions, litigation, claims, suits, losses, liabilities, damages, settlements, expenses and costs (including. without limitation, attorneys' fees and court costs) that may arise out of, relate to or be connected in any way with any of the following: (i) any breach (or claim or threat thereof that, if true, would be a breach) of this Agreement by Seller, including, without limitation, any breach or alleged breach of any representation or warranty of Seller; (ii) any Goods; (iii) any failure by Seller to comply with any applicable law or regulation, including any breach of a warranty by Seller under any applicable law; (iv) any negligence, gross negligence, willful misconduct or dishonesty of Seller, or its agents, employees or contractors; (v) the presence or activities of Seller's agents, employees or contractors on or near any premises of Buyer for any purpose; (vi) Buyer's advertisements based upon Seller's specifications for the Goods; (vii) any inaccuracies in, or omissions from, the Goods' product information; (viii) any use, distribution, sale, or other disposition of the Goods that infringes any patent, trademark, service mark, trade secret, mask work, copyright, design or any other proprietary right of any third person or entity anywhere in the world; and (ix) Buyer's offering for sale, the sale, and./or the distribution of any Goods, including, without limitation, liability based on death or injury to any person (including Buyer's employees) or damage to property resulting or arising or alleged to result or arise from or out of the sale or other distribution by Buyer of the Goods or the use of such Goods. Seller may not settle any claim or liability for which indemnification is sought without the prior written approval of Buyer, which approval shall not be unreasonably withheld or delayed.

16. INSURANCE. Seller shall maintain policies of: (i) comprehensive general public liability insurance ("CGL"), with "Broad Form Vendors Endorsement", to insure against any claims arising from Seller's performance of this Agreement, naming Buyer as an additional insured and additional loss payee, for personal injury and property damage coverage with limits of liability of not less than $3,000,000.00 per person and aggregate; (ii) statutory workers' compensation insurance on its agents, employees and contractors with limits not less than the statutory limits required under the laws applicable to Seller and including Employers' Liability Coverage with limits of not less than $1,000,000 Bodily Injury per Accident/Employee; and (iii) if Seller will be making shipments to Buyer's store(s) or warehouses, motor vehicle liability insurance, including non-owned and hired, with limits of not less than those required, above, for CGL coverage. Upon request Seller shall promptly provide Buyer with certificates evidencing that the insurance required hereunder has been obtained and is in full force and effect and requiring that Buyer be given at least thirty (30) days notice prior to any cancellation.

17. ACTS OF GOD. Buyer reserves the right to cancel all or part of any PO which has not actually been shipped by Seller, in the event Buyer's business is interrupted due to force majeure including, but not limited to strikes, labor disturbances, lockouts, riots, fire or other casualty, Acts of God, acts of war, terrorism or acts of the public enemy, or any other cause, whether like or unlike the foregoing, if beyond the reasonable control of Buyer.

18. SUPPLEMENTARY INFORMATION. Any specifications, drawings, notes, instructions, engineering notices, or technical data referred to in this Agreement shall be deemed to be

incorporated herein by reference as if fully set forth. In case of any discrepancies or questions, Seller shall consult Buyer for decision or instructions or for interpretation.

19. WAIVER. No course of dealing or course of performance between Buyer and Seller nor any delay or omission of Buyer to exercise any right or remedy granted under this Agreement shall operate as a waiver of any rights of Buyer, and every right and remedy of Buyer provided herein shall be cumulative and concurrent and shall be in addition to every other right or remedy now or hereafter existing in law or in equity or otherwise. In the event a party waives any term or condition, such waiver must be in writing and shall not constitute a waiver of the same terms or conditions in prior or subsequent transactions or different terms or conditions in the same, prior or subsequent transactions.

20. ASSIGNMENT. No right or obligation of Seller under the Agreement, including without limitation, any account based upon a PO, shall be assigned or subcontracted without the prior written consent of Buyer, and any attempted assignment or subcontract without such consent shall be void and vest no rights as against Buyer, either at law or in equity, in the purported assignee or subcontractor. Any written consent of Buyer to assignment or subcontract of any such right, including any such account, shall be limited to the particular instance and not regarded as establishing a general consent to any further or other assignment or subcontract to the same or other assignee or subcontractor.

21. GENERAL. This Agreement shall be construed, interpreted, and the rights of the parties determined in accordance with the laws of the State of Texas applicable to contracts to be performed in the State of Texas. The invalidity in whole or in part of any provision of this Agreement shall not affect the validity of any other provisions hereof. No trade custom or practice, course of dealing or course of performance between Buyer and Seller shall operate as a modification or amendment of this Agreement which may only be amended by a writing signed by each of the parties hereto, shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, and is not intended to confer upon any other person any rights or remedies. Buyer and Seller irrevocably consent to the personal jurisdiction of the District Court of Tarrant County, Texas, or the United States District Court for the Northern District of Texas, Fort Worth Division. Buyer and Seller agree that the U.N. Convention for the International Sale of Goods shall not apply to this Agreement or the Goods. The rights and remedies herein expressly provided shall be in addition to any other rights and remedies given by law.

22. VENDOR GUIDE. Seller acknowledges that it has read and completed in its entirety relevant provisions of the Guide (as updated and modified from time to time by Buyer). Seller has provided a Non-RadioShack Branded Product Checklist (the “Checklist”), which is part of the Guide, for each non-Seller branded Goods to be sold to Buyer. Seller represents and warrants that all information provided to Buyer in the Checklist is true and accurate. Buyer may from time to time update and modify the requirements set forth in the Checklist. Seller shall comply with all of the terms and obligations set forth in the Guide and the Checklist (as applicable). In the event of a conflict between the terms of the Guide, the Checklist, and this Agreement, the terms of this Agreement shall govern.