

**RADIOSHACK CORPORATION  
MANAGEMENT DEVELOPMENT AND  
COMPENSATION COMMITTEE CHARTER**

**September 29, 2005**

**I. PURPOSE**

The Management Development and Compensation Committee (the "Committee") has the overall responsibility to assist the Board of Directors with its responsibility relating to executive compensation; produce an annual report on executive compensation for inclusion in the Company's proxy statement; administer and review the Company's incentive-based and equity-based compensation plans; and provide oversight regarding management development and succession planning.

**II. COMMITTEE AUTHORITY AND RESPONSIBILITIES**

- A. Chief Executive Officer. The Committee shall provide oversight of the development and evaluation of potential candidates for executive positions, including the Chief Executive Officer. Additionally, the Committee shall review and approve, on an annual basis, corporate goals and objectives related to compensation of the Chief Executive Officer and evaluate the Chief Executive Officer's performance at least annually in light of these goals and objectives. Also, the Committee shall set the Chief Executive Officer's annual compensation, including salary, bonus, incentive and equity compensation levels based on this evaluation. The Committee shall likewise oversee the development of executive succession plans.
- B. Officer Appointments. Executive Officers and Senior Vice Presidents of the Company shall be appointed by the Board of Directors. The Committee or the Chief Executive Officer of the Company may appoint other corporate and division officers of the Company. The Chief Executive Officer shall report to the Committee, and the Committee shall report to the Board, on actions taken with respect to officer appointments made by the Chief Executive Officer. The Committee shall provide oversight of management's decisions concerning the performance of Company officers.
- C. Officer Compensation. The Committee shall at least annually (and may on any interim basis) approve the overall compensation methodology (the "Compensation Methodology") for Executive Officers, Senior Vice Presidents and all other officers of the Company (including, as appropriate, the Company's affiliates). The Compensation Methodology shall consist of various Compensation Components (herein so called), such as base salary, annual bonus, incentive payments and equity-based awards, that the Committee deems appropriate. In accordance with the Compensation Methodology, the Committee shall approve (whether annually or on an interim basis) any changes to the Compensation Components or the individual level of compensation (the "Compensation Amount") of any currently serving, or newly-appointed, Executive Officer or Senior Vice President. The Committee shall report to the full Board of Directors on actions taken regarding any of the foregoing matters.

In addition to the authority described in Section II.B. above, the Company's Chief Executive Officer shall have the delegated authority to approve the following in

accordance with the Committee's then-approved Compensation Methodology: the individual Compensation Amount to be paid to any officer duly appointed by the Chief Executive Officer; and, when warranted to serve the Company's best interest, interim changes to the Compensation Amounts of currently serving officers, other than Executive Officers and Senior Vice Presidents. The Chief Executive Officer shall report to the Committee at its next scheduled meeting, and the Committee shall thereafter report to the full Board of Directors, on the actions taken by the Chief Executive Officer regarding any of the foregoing matters.

The Committee shall approve any agreements between the Company and any Executive Officer or Senior Vice President (other than the Chief Executive Officer), including employment, separation, severance or similar agreements. The Company's full Board of Directors shall approve any agreements between the Company and the Chief Executive Officer, including employment, separation, severance or similar agreements.

- D. Compensation and Benefit Plans. The Committee shall review the Company's existing incentive-compensation and equity-based compensation plans and other benefit plans and make recommendations to the Board with respect to new or amended compensation or benefit plans. The Committee shall also exercise the authority of the Board of Directors with respect to the administration of incentive-compensation and equity-based compensation plans and other benefit plans as applicable.
- E. Report for Inclusion in Proxy Statement. The Committee shall prepare an annual report on executive compensation as required by the rules and regulations of the Securities and Exchange Commission and submit it to the Board for inclusion in the Company's proxy statement prepared in connection with its annual meeting of stockholders.
- F. Delegation. As appropriate under applicable law, regulations and the listing standards of the New York Stock Exchange, the Committee may delegate certain of its authority and responsibilities to the Chief Executive Officer.

### **III. AUTHORITY TO ENGAGE ADVISORS AND INVESTIGATIVE AUTHORITY**

The Committee will have the sole authority to retain, at the Company's expense, outside counsel, independent compensation consultants, experts or other advisors, as the Committee deems necessary to fulfill its responsibilities (including evaluation of CEO and executive compensation), without obtaining the approval of the Board or any officer of the Company in advance. The Committee will have sole authority to approve any such counsels', consultants' or other advisors' fees and other terms of retention.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company.

### **IV. COMMITTEE MEMBERSHIP AND ORGANIZATION OF COMMITTEE**

- A. Appointment. The Committee shall be appointed by the Board, and shall be comprised of at least three directors. Members of the Committee may be

removed, with or without cause, by the Board at any time, in its discretion. The Board shall designate a Chair for the Committee.

- B. Member Qualifications. Each member of the Committee shall meet the independence requirements of the New York Stock Exchange, the Securities and Exchange Commission, the Internal Revenue Code, and the Company's Corporate Governance Framework.
- C. Charter. The Committee shall annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
- D. Annual Performance Evaluation. The Committee shall annually review its own performance. The Committee shall report the results of such self-evaluation to the Corporate Governance Committee.
- E. Subcommittees. The Committee may form and delegate authority to subcommittees when appropriate.

## V. MEETINGS

- A. Frequency of Meetings; Quorum. The Committee will meet as often as may be deemed necessary or appropriate in its judgment, at least quarterly each year, and at such times and places as the Committee shall determine. A majority of the members shall constitute a quorum.
- B. Attendees. The Committee may meet separately with such persons as the Committee deems appropriate in its judgment to discuss any matters that such persons may wish to bring to the Committee's attention or that the Committee wishes to bring to such persons' attention.
- C. Report. The Chair of the Committee shall report on the actions taken by the Committee at the Board meeting following the Committee meeting.