

RADIOSHACK CORPORATION
AUDIT AND COMPLIANCE COMMITTEE CHARTER

August 22, 2006

I. PURPOSE

The Audit and Compliance Committee (the "Committee") will represent and assist the Board in fulfilling its oversight responsibility to the shareholders and others relating to the integrity of the Company's financial statements and the overall financial reporting and disclosure control process, the systems of internal accounting and financial controls, the internal audit function (including responsibilities, budget and staffing), the annual independent audit of the Company's financial statements and the Company's compliance with legal and regulatory requirements. The Committee will also oversee and evaluate the performance of the Company's independent registered public accounting firm (the "independent auditors"), including a review and evaluation of the independent auditors' qualifications and independence, the engagement partner and the coordinating partner. In so doing, it is the responsibility of the Committee to maintain free and open communication among the Committee, independent auditors, the internal auditors and management of the Company. The Committee is also responsible for preparing an audit committee report as required by the Securities and Exchange Commission for inclusion in the Company's annual proxy statement.

II. COMMITTEE AUTHORITY AND RESPONSIBILITIES

- A. Primary Responsibilities. The primary responsibility of the Committee is to oversee the Company's financial controls (including appropriate disclosure and internal controls) and reporting processes on behalf of the Board and report the results of its activities to the Board. Management is responsible for preparing the Company's financial statements, and the independent auditors are responsible for auditing those financial statements. The Committee in carrying out its responsibilities believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The Committee should take the appropriate actions to set the overall corporate "tone" for quality financial reporting, sound business risk practices, and ethical behavior.
- B. Principal Processes. The following shall be the principal recurring processes of the Committee in carrying out its oversight responsibilities. The Committee may perform such other duties and responsibilities as are consistent with its purpose and as the Board or the Committee deems appropriate.
1. Independent Auditors. The Committee shall have a clear understanding with management and the independent auditors that the independent auditors are ultimately accountable and will report directly to the Committee and the Board, as representatives of the Company's shareholders. The Committee shall have the sole authority and responsibility to hire, evaluate and, where appropriate, replace the independent auditors and, in its capacity as a committee of the Board, shall be directly responsible for the appointment, compensation, retention and general oversight of the work of the independent auditors (including resolution of disagreements between management and the independent auditors). The Committee shall discuss the auditors' qualifications and independence from management and the

Company, including whether the auditors' performance of permissible non-audit services is compatible with their independence. This process will include, at least annually, the Committee's obtaining and reviewing a report by the independent auditors describing the independent auditors' internal quality-control procedures, any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditors, and any steps taken to deal with any such issues; and (to assess the auditors' independence) all relationships between the independent auditors and the Company. Annually, the Committee will review the qualifications, performance and independence of the Company's current independent auditors, and select the Company's independent auditors for the next fiscal year.

2. Audit Services. The Committee shall discuss with the internal auditors and the independent auditors the overall scope and plans for their respective audits including their respective responsibilities and the adequacy of staffing and compensation. The Committee shall approve in advance all audit engagement fees and the terms of all audit services to be provided by the independent auditors.
3. Permissible Non-Audit Services. The Committee shall establish policies and procedures for the engagement of the independent auditors to provide permissible non-audit services, which shall include pre-approval of any permissible non-audit services to be provided by the independent auditors. No non-audit services shall be provided by the independent auditors, except as approved in advance by the Committee.
4. Oversight of Internal Auditor. The Committee shall review the annual plan activities and organizational structure of the internal audit functions and review the results of the audits performed by the internal audit group. The Committee will evaluate the performance of the Vice President – Internal Audit and Controls and establish the compensation and responsibilities of the person holding this position. Additionally, the Committee shall review and approve the staffing and budget of the internal audit function and its effectiveness.
5. Review of Interim Financial Statements and Earnings Releases. The Committee shall meet to review and discuss the interim financial statements, and the Company's disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations, with management and the independent auditors prior to the filing of each of the Company's Quarterly Reports on Form 10-Q. The Committee will discuss the Company's policies and procedures with respect to earnings releases and review earnings releases and financial information included in releases and earnings guidance provided to analysts and rating agencies. The Committee will discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.
6. Review of Annual Audited Financial Statements. The Committee shall meet to review and discuss, with management and with the independent auditors, the financial statements to be included in the Company's Annual Report on Form 10-K (or the annual report to shareholders if distributed prior to the filing of the Form 10-

K), including (a) their judgment about the quality, not just the acceptability, of the Company's accounting principles, including significant financial reporting issues, critical accounting policies and judgments made in connection with the preparation of the financial statements; (b) the clarity of the disclosures in the financial statements; and (c) the Company's disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations.

The Committee will also review with management and the independent auditors (a) major issues regarding accounting principles and financial statement presentations, including significant changes in the selection or application of accounting principles; (b) major issues regarding the adequacy of disclosure controls and of internal controls and remedial steps taken in light of detected material deficiencies; and (c) the effects of regulatory and accounting initiatives on the financial statements.

The Committee will discuss the results of the annual audit and any audit problems or difficulties the independent auditors encountered in the course of their audit work, including any restrictions on the scope of the auditors' activities or on access to requested information, and any significant disagreements with management and management's response. The Committee will also discuss any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards, and the annual report on internal controls by the Chief Executive Officer and Chief Financial Officer, as reviewed by the independent auditors.

Based on these reviews, the Committee will make a recommendation to the Board as to whether the audited financial statements should be included in the Company's Annual Report on Form 10-K.

7. Risk Assessment and Risk Management. The Committee will review and discuss with management, the internal auditors, and the independent auditors the Company's policies and procedures with respect to risk assessment and risk management.
8. Internal Controls, Disclosure Controls and Procedures. The Committee will discuss with management, the internal auditors, and the independent auditors the Company's internal controls (with particular emphasis on the scope and performance of the internal audit function), and review and discuss with the internal auditors the results of the internal audit program. The Committee will also monitor the Company's efforts to comply with Section 404 of the Sarbanes-Oxley Act of 2002. The Committee will review and discuss the Company's disclosure controls and procedures, and the quarterly assessments of such controls and procedures by the Chief Executive Officer and Chief Financial Officer.
9. Complaint Procedures. The Committee shall establish procedures for receiving, retaining and handling complaints regarding accounting, internal accounting controls, and auditing matters, including procedures for the confidential, anonymous submission of concerns by employees regarding accounting and auditing matters.
10. Compliance Programs. The Committee shall periodically review and discuss with management, the internal auditors, and the independent auditors the overall adequacy and effectiveness of the Company's legal, regulatory and ethical compliance programs, including the Company's Code of Ethics and Financial Code of Ethics.

11. Report for Inclusion in Proxy Statement. The Committee shall prepare the report that Securities and Exchange Commission rules require to be included in the Company's annual proxy statement.
12. Hiring of Auditor Personnel. The Committee shall establish and periodically review hiring policies with regard to employees and former employees of the independent auditors.
13. Funding. The Committee shall have the authority to obtain from the Company appropriate funding, as determined by the Committee, for payment of (i) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, (ii) compensation to any advisors employed by the Committee pursuant to Article III below, and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

III. AUTHORITY TO ENGAGE ADVISORS AND INVESTIGATIVE AUTHORITY

The Committee will have the sole authority to retain, at the Company's expense, outside counsel, accountants, experts or other advisors, as the Committee deems necessary to fulfill its responsibilities, 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', accountants' 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, upon the recommendation of the Corporate Governance Committee, 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, and such person shall be an "audit committee financial expert," as described in section IV.B. below.
- B. Member Qualifications. Each Committee member shall meet the requirements of the New York Stock Exchange listing standards, and federal laws and regulations, with respect to audit committees, as they may become applicable from time to time, as well as the requirements of the Company's Corporate Governance Framework. All Committee members will be financially literate, and at least one member of the Committee will have accounting or related financial management expertise and will meet the qualifications of an "audit committee financial expert", as determined by the Board in accordance with NYSE listing standards and SEC rules. No member may serve on the audit committees of more than two other public companies. Committee members may receive no compensation from the Company other than director's fees.

- 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, but 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 will meet separately, at least quarterly, with the internal auditors, the independent auditors, the Chief Financial Officer and other senior management 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.