

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re	:	Chapter 11
RADIOSHACK CORPORATION, <i>et al.</i> , ¹	:	Case No. 15-10197 (KJC)
Debtors.	:	(Jointly Administered)
	:	Related to Docket No. 33

ORDER (I) AUTHORIZING THE DEBTORS TO IMPLEMENT PROCEDURES FOR THE REJECTION OF CERTAIN LEASES, (II) GRANTING AUTHORITY TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT THE REJECTION PROCEDURES, INCLUDING THE REJECTION OF THE LEASES AND THE ABANDONMENT OF PERSONAL PROPERTY AND (III) GRANTING CERTAIN RELATED RELIEF

This matter coming before the Court on the Motion for the Entry of an Order

(I) Authorizing the Debtors to Implement Procedures for the Rejection of Certain Leases,

(II) Granting Authority to Take All Actions Necessary to Implement the Rejection Procedures, Including the Rejection of the Leases and the Abandonment of Personal Property and

(III) Granting Certain Related Relief (the "Motion"), filed by the above-captioned debtors and debtors in possession (the "Debtors")²; the Court having reviewed the Motion and the First Day Declaration and having considered the statements of counsel and the evidence adduced with

respect to the Motion at a hearing before the Court (the "Hearing"); the Court having found that

(i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) venue is

¹ The Debtors are the following eighteen entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): RadioShack Corporation (7710); Atlantic Retail Ventures, Inc. (6816); Ignition L.P. (3231); ITC Services, Inc. (1930); Merchandising Support Services, Inc. (4887); RadioShack Customer Service LLC (8866); RadioShack Global Sourcing Corporation (0233); RadioShack Global Sourcing Limited Partnership (8723); RadioShack Global Sourcing, Inc. (3960); RS Ig Holdings Incorporated (8924); RSignite, LLC (0543); SCK, Inc. (9220); Tandy Finance Corporation (5470); Tandy Holdings, Inc. (1789); Tandy International Corporation (9940); TE Electronics LP (9965); Trade and Save LLC (3850); and TRS Quality, Inc. (5417). The address of each of the Debtors is 300 RadioShack Circle, Fort Worth, Texas 76102.

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

proper in this district pursuant to 28 U.S.C. § 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b) and (iv) notice of the Motion and the Hearing was sufficient under the circumstances; after due deliberation the Court having determined that the relief requested in the Motion is necessary and essential for the administration of the Debtors' estates and such relief is in the best interests of the Debtors, their estates and their creditors; and good and sufficient cause having been shown;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The following procedures (the "Rejection Procedures") for the Debtors' rejection of unexpired leases (the "Leases") are hereby authorized in the Debtors' chapter 11 cases:

- (a) Rejection Notice. The Debtors will file a notice (the "Rejection Notice") setting forth the proposed rejection of one or more Leases and will serve such a notice on: (i) the non-Debtor counterparty under the respective Lease at the last known address available to the Debtors, and their counsel, if known; (ii) counsel to the statutory committee of unsecured creditors in these chapter 11 cases (the "Committee"); (iii) counsel to Cantor Fitzgerald Securities LLC, in its capacity as prepetition and postpetition administrative agent for certain senior secured lenders; (iv) counsel to Salus Capital Partners, LLC, in its capacity as administrative and collateral agent for certain senior secured lenders; (v) counsel to Wilmington Trust, N.A., in its capacity as the trustee under the indenture governing the unsecured notes; (vi) the Office of the United States Trustee for the District of Delaware; (vii) counsel to Verizon Wireless, and (viii) any known third party having an interest in any personal property remaining at the Premises, at the last known address available to the Debtors.
- (b) Content of Rejection Notice. The Rejection Notice will be substantially in the form attached to the Motion as Exhibit A. For each Lease listed in a Rejection Notice, the Rejection Notice will set forth the following, based on the best of the Debtors' information: (i) the name and address of the affected landlord; (ii) the date on or by which the Debtors have vacated or will vacate the Premises; (iii) the street address of the real property; and (iv) the proposed effective date of rejection of the Lease (the "Rejection Date"), if different from the filing date of the Rejection Notice. For the avoidance of doubt, the proposed Rejection Date for any Dark Store may be nunc pro tunc to a date as early as the Petition Date, subject to the right of any affected landlord to file an Objection thereto. All

Rejection Notices will be accompanied by a copy of the order granting this motion. Further, pursuant to Rule 6006(f), each Rejection Notice will be limited to no more than 100 Leases. For any given Lease, the Rejection Notice may not be withdrawn by the Debtors after the Rejection Date.

- (c) Objections. Should a party in interest object to the Debtors' proposed rejection of a Lease, such party must file and serve a written objection ("Objection") so that such Objection is filed with this Court and actually received by the following parties no later than 14 calendar days after the date the Rejection Notice is filed: (i) Jones Day, 717 Texas Suite 3300, Houston, TX 77002 (Attn: Paul M. Green, Esq.); (ii) Pepper Hamilton LLP, Hercules Plaza, Suite 5100, 1313 Market Street, Wilmington, Delaware 19801 (Attn: John Henry Schanne, II, Esq.); (iii) counsel to the Committee: Cooley LLP, The Grace Building, 47th Floor, 1114 Avenue of the Americas, New York, NY 10036-7798 (Attn: Cathy Hershcopf, Esq.); (iv) counsel to Cantor Fitzgerald Securities LLC, in its capacity as prepetition and postpetition administrative agent for certain senior secured lenders: Kaye Scholer LLP, 250 West 55th Street, New York, NY 10019-9710 (Attn: Scott D. Talmadge, Esq.); (v) counsel to Salus Capital Partners, LLC, in its capacity as administrative and collateral agent for certain senior secured lenders: Choate Hall & Stewart LLP, Two International Place, Boston, MA 02110 (Attn: John F. Ventola, Esq.); (vi) counsel to Wilmington Trust, N.A, in its capacity as the trustee under the indenture governing the unsecured notes: Ropes & Gray LLP, 1211 Avenue of the Americas, New York, NY 10036-8704 (Attn: Mark R. Somerstein, Esq.); (vii) the Office of the United States Trustee for the District of Delaware: Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Richard L. Schepacarter, Esq.); and (viii) the non-Debtor counterparty under the respective Lease (collectively, the "Objection Notice Parties").
- (d) Effects of Failing to File an Objection to a Rejection Notice. If a party fails to timely file and serve an Objection to a Rejection Notice, the applicable Lease shall be deemed rejected on the effective date set forth in the Rejection Notice, or if no such date is set forth, the date the Rejection Notice is filed with this Court; *provided, however*, that (A) except with respect to Dark Stores or as otherwise may be ordered by the Court, the Rejection Date shall not occur until the later of (i) the date on which the Debtors file a Rejection Notice with this Court, or (ii) the date the Debtors relinquish control of the premises by notifying the affected landlord in writing of the Debtors' surrender of the Premises in "broom clean" condition (subject to the Debtors' abandonment rights as granted by this order) and turn over keys and, if applicable, key codes and security codes, to the affected landlord or its property manager, and (B) the Rejection Date may be such other date as may be agreed in writing between the affected landlord and the Debtors.
- (e) Effects of Filing an Objection to a Rejection Notice. If a timely objection to a Rejection Notice is filed and received in accordance with the Rejection Procedures, the Debtors shall schedule a hearing on such objection and shall provide at least seven days' notice of such hearing to the objecting party and the

Objection Notice Parties. If the Court upholds the Debtors' determination to reject the applicable Lease, then the applicable Lease shall be deemed rejected: (i) as of the Rejection Date; or (ii) as otherwise determined by the Court as set forth in any order overruling such objection.

- (f) Consent Orders. Any objection may be resolved without a hearing by an order of the Court submitted on a consensual basis by the Debtors and the objecting party.
- (g) Deadlines for Filing an Objection to a Rejection Notice. Claims arising out of the rejection of Leases must be filed on or before the later of: (i) the deadline for filing proofs of claim established by the Court in the Debtors' cases, (ii) 30 days after the filing of the Rejection Notice, or (iii) 30 days after the Rejection Date. If no proof of claim is timely filed, such claimant shall be forever barred from asserting a claim for rejection damages and from participating in any distributions that may be made in connection with these chapter 11 cases.
- (h) If the Debtors have deposited funds with a Lease counterparty as a security deposit, such Lease counterparty may not setoff or otherwise use such deposit without the prior authority of the Court or agreement of the Debtors.

3. In connection with the Rejection Procedures, the Debtors are authorized to: (i) execute and deliver all relevant instruments and documents; (ii) prior to the Rejection Date, remove, in their sole discretion, personal property that the Debtors have installed in or about any premises that are the subject of a rejected Lease, consistent with the Debtors' ownership rights and other property interests therein; and (iii) take such other actions as may be necessary or appropriate to implement and effectuate the Rejection Procedures.

4. The Debtors may abandon, and are deemed to have abandoned, any property remaining in the Premises as of the Rejection Date. Landlords may, in their sole discretion and without further notice or order of this Court, utilize and/or dispose of such property without liability to the Debtors or third parties and, to the extent applicable, the automatic stay is modified to allow such disposition. Landlords reserve any and all rights to assert claims for any cost of disposing of such abandoned property and the Debtors, the Committee and other parties in interest reserve any and all rights to object to any such claims;

provided, however that any such claims must be made in accordance with any procedures established by the court for the filing of proofs of claim.

5. Entry of this order is without prejudice to the rights of the Debtors, including, but not limited to, the right to seek further or different relief regarding the Leases pursuant to, among other things, section 365 of the Bankruptcy Code.

6. Notwithstanding the relief granted herein and any actions taken hereunder, nothing in the Motion or this order shall constitute, nor is it intended to constitute: (i) an admission as to the validity or priority of any claim against the Debtors, (ii) a waiver of the Debtors' rights to dispute any claim on any grounds; (iii) an assumption or adoption of any Lease pursuant to section 365 of the Bankruptcy Code; or (iv) a promise to allow or pay any claim.

7. Bankruptcy Rule 6003 has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors.

8. Notwithstanding Bankruptcy Rules 4001(a), 6004(h) or otherwise, the terms and conditions of this order shall be immediately effective and enforceable upon its entry.

9. The Rejection Procedures comply with the requirements of Bankruptcy Rule 6006(f).

10. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this order.

Dated: Feb 20, 2015
Wilmington, Delaware


UNITED STATES BANKRUPTCY JUDGE