

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
v.) Civil Action
)
TANDY CORPORATION and ALLIED) No. 71 C 1167
RADIO CORPORATION,)
)
 Defendants.)

AMENDMENT TO THE FINAL JUDGMENT

The Final Judgment of this Court in the above entitled action having been made and entered on the 28th day of January, 1972 (hereafter the "Decree") and the Defendants by their attorneys having moved, by notice of motion dated and served January 4, 1974 with affidavit of Herschel C. Winn, Esq., sworn to January 3, 1974 and exhibits attached, pursuant to Article VIII of said Decree, for the modification and amendment thereof and the Plaintiff, United States of America, by its attorneys having consented to the entry of this Amendment to the Final Judgment without trial or adjudication of any issue of fact or law herein, and without this Amendment to the Final Judgment constituting any evidence against or admission by any party hereto with respect to any such issue,

NOW, THEREFORE, without the taking of any testimony, without trial or adjudication of any issue of fact or law herein, and upon consent of the parties hereto, it is hereby

ORDERED, ADJUDGED AND DECREED as follows:

I.

This Court has retained jurisdiction of the subject matter of this action and of the parties hereto pursuant to Article VIII of the Decree.

II.

The Decree is modified and amended by deleting Article IV thereof and substituting the following:

A. Pursuant to the terms of a certain contract of sale between Tandy and Allied Radio Stores, Inc. (Tandy), as sellers, and Schaak Electronics, Inc., (Schaak) as buyer, dated the 4th day of December, 1973 (hereafter the contract), a copy of which is attached to the Defendants' moving affidavit on file herein and marked Exhibit "F", Tandy shall divest to Schaak on or before June 10, 1974 not less than 25 electronic specialty stores as going concerns, said stores being either Allied Radio stores acquired by Tandy from Allied Radio Corporation (Delaware) or Tandy Radio Schack stores, substituted therefor pursuant to the terms of said Contract.

B. Tandy in good faith shall carry out and perform the terms and conditions of the Contract and such performance shall constitute full and complete compliance by Tandy with the Decree as hereby modified and amended, subject to the following terms and conditions:

1. Tandy will use its best efforts to divest to Schaak a total of 27 electronic specialty stores, the maximum as provided in the Contract.

2. With respect to those of the original 37 electronic stores acquired by Tandy from Allied Radio Corporation (Delaware) and operated by Tandy on January 28, 1972 and hereafter referred to herein as "Allied Radio" stores, of which 36 were required to be divested to a single purchaser pursuant to the Decree of that date, Tandy:

(a) Shall furnish to the Assistant Attorney General in charge of the Antitrust Division, within 20 days after the entry of this Amendment to the Final Judgment, a list of those former "Allied Radio" stores which are not divested to Schaak pursuant to the Contract, such list initially to include the 10 former "Allied Radio" stores [designated and described by Tandy store number, location and dates of lease termination, in chronological order] excluded from the Contract, together with those former "Allied Radio" stores, if any, for which Tandy "Radio Shack" stores are substituted as of the date of the first closing pursuant to the Contract (presently scheduled to take place January 10, 1974), and such list shall thereafter be

supplemented by the addition thereto of all such former "Allied Radio" stores, if any, for which "Radio Shack" stores may be substituted as of the dates of the second and third closings pursuant to the Contract, presently scheduled to take place March 10 and June 10, 1974 respectively (all "Allied Radio" stores so listed are hereafter referred to as "Listed Stores");

(b) Shall thereafter divest itself of such number of "Listed Stores" as taken together with the number of such former "Allied Radio" stores and "Radio Shack" stores divested by sale and assignment of their leases to Schaak pursuant to the Contract, as will aggregate a total of 36 stores. Such divestiture shall be accomplished in as expeditious a manner as possible;

(c) Shall have the right to choose the particular "Listed Stores" to be divested and, in divesting itself of them, shall be free to divest by any of the following methods:

(i) by sale and assignment of lease to any third party not controlled by Tandy, either as an electronic specialty store, or otherwise; (ii) by termination of lease; (iii) by

sub-lease, (iv) by ceasing to operate the store as an electronic specialty store, (v) by closing the store, (vi) by lease expiration, or (vii) by other means;

provided only that Tandy shall not renew the lease of any "Listed Store" until it shall have divested the total number of "Listed Stores" required by (b), above.

(d) Shall report each divestiture made pursuant to (b) and (c) above to the Assistant Attorney General in charge of the Antitrust Division within 30 days after it occurs.

III.

The decree is modified and amended by deleting Article V thereof and substituting the following:

A. With respect to any "Allied Radio" or substituted "Radio Shack" store the lease of which is assigned to Schaak pursuant to the Contract, as to which Tandy shall hereafter be required to perform any lease guarantee it makes to any landlord thereof prior to January 28, 1977, Tandy:

1. Shall promptly offer the landlord the right within not less than 10 days to terminate the lease forthwith without further obligation by Tandy, and if such offer be accepted shall terminate such lease;

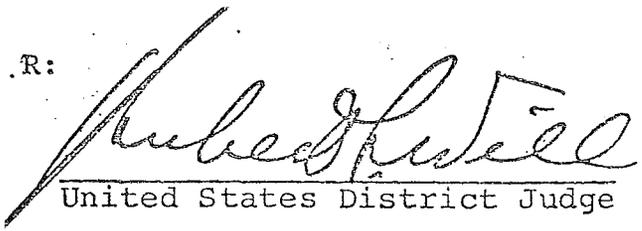
2. With respect to any such store, the lease of which is not so terminated and which has a remaining term of less than 1 year, Tandy shall not operate the same as an electronic specialty store;

3. With respect to any such store, the lease of which is not so terminated and which has a remaining term of more than 1 year, Tandy shall list the same with an independent broker for not less than 30 days for assignment, without recourse, on the same terms and conditions and, with the consent of the landlord, if required, shall assign said lease to the first party agreeing to accept the lease on such terms and conditions and failing to secure such assignee, Tandy shall be free to use or otherwise dispose of such store premises in such manner as it may deem advisable.

IV.

Except as herein modified and amended all the terms and conditions of the Decree entered January 28, 1972 shall remain in full force and effect.

E. N. T. E. R.:


United States District Judge

Dated: January 9, 1974