

UNITED STATES DISTRICT COURT  
DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE COMMISSION,  
100 F Street, N.E. Washington, D.C. 20549

Plaintiff,

vs.

DELL INC., MICHAEL S. DELL, KEVIN B.  
ROLLINS, JAMES M. SCHNEIDER, LESLIE L.  
JACKSON, NICHOLAS A.R. DUNNING

Defendants.

Civil Action No. 1:10-cv-01245  
(RJL)

**ORDER**

**ORDER FOR ESTABLISHMENT OF A FAIR FUND AND  
APPOINTMENT OF DISTRIBUTION AGENT**

This cause is before the Court on a Motion filed by the Plaintiff, the United States Securities and Exchange Commission (“SEC” or the “Commission”), for the establishment of a Fair Fund under Section 308(a) of the Sarbanes-Oxley Act of 2002 and appointment of a Distribution Agent.

The Court has reviewed the Commission’s Motion, and being duly advised in the premises,

**IT IS HEREBY ORDERED:**

1. A fair fund is hereby established (“Dell Fair Fund”), the body of which shall consist of funds in the CRIS account under the case name designation *SEC v. Dell Inc., Michael S. Dell, Kevin B. Rollins, James M. Schneider, Leslie L. Jackson, Nicholas A.R. Dunning*, Case No. 1:10-cv-01245 (the “Dell CRIS Account”), together with any funds added to that account prior to any distribution of the Dell Fair Fund and any interest and income thereon.

2. The Garden City Group, Inc., 1985 Marcus Ave., Lake Success, New York, (“GCG”) is hereby appointed as Distribution Agent with respect to the funds which have been and will be paid by Defendants and are to be distributed (the “Distribution Fund”) in this matter.

3. As Distribution Agent, GCG is hereby ordered to develop a proposed Distribution Plan acceptable to the Commission which must be approved by the Court; implement the Court-approved Distribution Plan; oversee the administration of the Distribution Fund; prepare accountings; cooperate with the Court-appointed Tax Administrator in providing the information necessary to accomplish tax compliance; and maintain accurate records concerning the Distribution Fund.

4. The Distribution Agent will act as Escrow Agent for the Distribution Fund. Upon Commission motion and order of this Court, the Distribution Fund, including any future funds received, will be transferred from the CRIS Account to an escrow bank account for investment and to facilitate the future distribution. GCG will ensure the integrity and protection of the Distribution Fund so that, (i) upon transfer from the Court’s Registry, funds will be held in an escrow account pursuant to an escrow agreement acceptable to the Commission, separate from bank assets and invested in SEC approved Treasury-backed instruments, until presented checks or electronic transfers are approved for payment, at which time funds will be transferred to a distribution checking account for disbursement; (ii) presented checks or electronic transfers will be subject to controls set forth in the escrow agreement before being honored by the bank; and (iii) both the bank and the Distribution Agent will maintain sufficient insurance that covers errors and omissions, misfeasance, and fraud.

5. Within 20 days after the end of each calendar quarter, the Distribution Agent will submit a report to SEC staff showing an accounting of all assets in the fund, in a format to be provided by the Commission staff. The accounting shall inform the SEC of the activities and status of the fund during the reporting period, and shall specify, at a minimum, the location of the account(s) comprising the fund, the value of those account(s), all monies earned or received into the account(s), monies distributed to claimants under the Distribution Plan, and any monies expended to satisfy fees, costs, taxes and other expenses incurred. At the conclusion of the distribution, the Distribution Agent will coordinate with the Tax Administrator to provide a final accounting for the Distribution Fund, in a format to be provided by the Commission staff.

6. The fees and expenses of the Distribution Agent and all costs of administering the Distribution Plan, including all taxes and Tax Administrator fees, shall be paid by Dell Inc.

7. The Distribution Agent is entitled to rely on all outstanding rules of law and Court Orders.

8. The Court will retain exclusive jurisdiction over the distribution, including, but not limited to, claims against the Distribution Agent asserting liability for violation of any duty imposed by the Distribution Plan or other Court Order.

9. The Distribution Agent may be removed at any time by the Court, and replaced with a successor. If the Distribution Agent decides to resign, it must first give written notice to the staff of the SEC and the Court of its intention, and resignation will not be effective until the Court has appointed a successor. The Distribution Agent will then follow instructions from the Court or a successor for turning over management of

the Distribution Fund, including records maintained by the Distribution Agent in connection with its duties and information relating to Distribution Fund monies and property. Unless otherwise ordered, the Distribution Agent will within 30 days of the notice of resignation or removal, file with the Court a distribution status report and provide a full accounting in accordance with Paragraph 5.

**IT IS SO ORDERED.**

Dated: 11/14/11



United States District Judge