

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Dunning, age 47, is and has been a non-practicing Qualified Chartered Accountant in the United Kingdom. He served as Dell Inc.’s Vice President of Finance in the Europe, Middle East, and Africa segment (“EMEA”) from 2001 to early 2004, Vice President of Marketing for EMEA’s Home & Small Business (“HSB”) business unit in 2004, and HSB’s Vice President and General Manager from 2004 until leaving the company in February 2007.

2. Dell was, at all relevant times, a Delaware corporation with its principal place of business in Round Rock, Texas. Dell is engaged in the business of providing electronic products, including mobility products, desktop PCs, software, peripherals, servers, networking equipment, and storage. Dell also offers services, including infrastructure technology, consulting and applications, and business process services. At all relevant times, Dell’s common stock was registered with the Commission pursuant to Section 12(g) of the Securities Exchange Act of 1934 (“Exchange Act”), and was quoted on the NASDAQ National Market System.

3. On October 13, 2010, a final judgment was entered against Dunning, permanently enjoining him, by consent, from future violations of Section 13(b)(5) of the Exchange Act and Rule 13b2-1 thereunder, and aiding and abetting violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder, in the civil action entitled Securities and Exchange Commission v. Dell Inc., et al., Civil Action Number 1:10-cv-01245-RJL, in the United States District Court for the District of Columbia. Dunning was also ordered to pay \$1 in disgorgement and a \$50,000 civil money penalty.

4. The Commission’s complaint alleged, among other things, that Dunning engaged in improper accounting which resulted in Dell filing materially false and misleading financial statements in the company’s Annual Report on Form 10-K for the fiscal years ended January 31, 2003 and January 30, 2004, and in the company’s quarterly reports on Form 10-Q for the third quarter of fiscal year 2003 and the first two quarters of fiscal year 2004. The Complaint alleged that Dunning circumvented Dell’s system of internal accounting controls and falsified books, records, or accounts. The Complaint alleged further that Dunning aided and

abetted improper accounting practices that materially misstated Dell's consolidated, and the EMEA segment's, annual and quarterly operating income in departure from Generally Accepted Accounting Principles. These practices included, among other things, creating, maintaining, and releasing restructuring reserves, general reserves and other improper accruals, circumventing Dell's system of internal controls, and falsifying books, records, and accounts. Dunning consented to entry of the judgment without admitting or denying the allegations of the complaint.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Dunning's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Dunning is suspended from appearing or practicing before the Commission as an accountant.

B. After 3 years from the date of this Order, Respondent may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as:

1. a preparer or reviewer, or a person responsible for the preparation or review, of any public company's financial statements that are filed with the Commission. Such an application must satisfy the Commission that Respondent's work in his practice before the Commission will be reviewed either by the independent audit committee of the public company for which he works or in some other acceptable manner, as long as he practices before the Commission in this capacity; and/or

2. an independent accountant. Such an application must satisfy the Commission that:

(a) Respondent, or the public accounting firm with which he is associated, is registered with the Public Company Accounting Oversight Board ("Board") in accordance with the Sarbanes-Oxley Act of 2002, and such registration continues to be effective;

(b) Respondent, or the registered public accounting firm with which he is associated, has been inspected by the Board and that inspection did not identify any criticisms of or potential defects in the Respondent's or the firm's quality control system that would indicate that the Respondent will not receive appropriate supervision;

(c) Respondent has resolved all disciplinary issues with the Board, and has complied with all terms and conditions of any sanctions imposed by the Board (other than reinstatement by the Commission); and

(d) Respondent acknowledges his responsibility, as long as Respondent appears or practices before the Commission as an independent accountant, to comply with all requirements of the Commission and the Board, including, but not limited to, all requirements relating to registration, inspections, concurring partner reviews and quality control standards.

C. The Commission will consider an application by Respondent to resume appearing or practicing before the Commission provided that his status as an accountant is current and he has resolved all other disciplinary issues with the applicable board of accountancy. However, if resolution of any disciplinary action by a board of accountancy is dependent on reinstatement by the Commission, the Commission will consider an application on its other merits. The Commission's review may include consideration of, in addition to the matters referenced above, any other matters relating to Respondent's character, integrity, professional conduct, or qualifications to appear or practice before the Commission.

By the Commission.

Elizabeth M. Murphy
Secretary

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions ("Order"), on the Respondent and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray
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