

If you purchased one or more Optional Service Contracts covering computer hardware sold by Dell and paid California sales or use tax on such service contract(s), proposed settlements of a class action lawsuit may affect your rights.

Two settlements have been proposed in a class action lawsuit concerning California sales or use tax paid on purchases of Optional Service Contracts covering computer hardware sold by Dell between April 8, 1999, and June 30, 2008. The lawsuit is Mohan et al. v. Dell, Inc. et al., Case No. CGC 03-419192, Judicial Coordination Council No. CJC-05-004442, and is pending in the San Francisco Superior Court (the "Court"). The defendants in the class action lawsuit are Dell Inc., Dell Marketing Limited Partnership, Dell Catalog Sales Limited Partnership, BancTec, Inc., and QualxServ LLC, n/k/a Worldwide TechServices, LLC (collectively, "Defendants"). Defendants filed a cross-complaint against the California State Board of Equalization ("SBE").

The settlements will make available compensation to reimburse purchasers for amounts paid as "tax" on these Optional Service Contracts. If you purchased an Optional Service Contract from one or more of Defendants between April 8, 1999, and June 30, 2008, and paid monies as "tax" for such service contract, you may be eligible for a payment or payments under the terms of the settlements, or you may object to the settlements or exclude yourself from the settlements. **This notice summarizes your rights and options, but it is only a summary. More detailed notices and copies of the respective settlement agreements are available at the settlement website, www.sctaxsett.com, and may also be obtained by calling the Claims Assistance Line at 1-877-502-2008, or by visiting the Office of the Clerk, San Francisco County Superior Court, 400 McAllister Street, San Francisco, California.**

The San Francisco Superior Court authorized this notice. Before the settlements are given final approval, the Court will hold a hearing.

ARE YOU AFFECTED?

You are a Class Member and could get compensation if you are among the persons or entities (a) who or that purchased from one or more of Defendants at least one Optional Service Contract covering computer hardware sold by Dell, (b) whose "ship-to" address for such purchase was a location in the State of California, (c) who, from April 8, 1999, through June 30, 2008, paid any amount of money denominated as "tax", calculated in whole or in part, on the charge for the purchase of such Optional Service Contract and (d) who have not received a refund or credit of such "tax" money from either Dell or the SBE. Certain persons and business entities, including Defendants' subsidiaries, Defendants' counsel of record, and their immediate families are NOT included.

WHAT IS THIS LAWSUIT ABOUT?

The lawsuit claimed that, from April 8, 1999, through June 30, 2008, Defendants improperly charged and collected California sales or use tax on sales of Optional Service Contracts, for which no such tax had been imposed by law, and that the Defendants violated, among other laws, the Consumer Legal Remedies Act and the Unfair Competition Law. Defendants argued that they acted reasonably in collecting taxes on the Optional Service Contracts, as they believed was required by law, and that they did not violate the Consumer Legal Remedies Act or the Unfair Competition Law. Defendants also sued the SBE for a refund of monies remitted to the State as tax on these service contract purchases. After a trial on the taxability issue, the California Court of Appeal concluded in 2008 that the Superior Court "correctly found that the sales of [optional service contracts] were not taxable." Dell, Inc. v. Superior Court, (2008) 159 Cal. App. 4th 911, 197. The Court did not decide if Defendants violated California law in collecting the taxes. The Plaintiffs, the Defendants and the SBE agreed to the settlements to resolve the case and get compensation to the affected purchasers. One settlement is between the Plaintiffs and the Defendants (the "Dell Settlement") and one settlement is between the Plaintiffs and the SBE (the "SBE Settlement"). The parties disagree on how much money, if any, would have been won if there had been another trial.

WHAT DO THE SETTLEMENTS PROVIDE?

Defendants have agreed to compile from Dell's records lists identifying all transactions in which a customer paid monies as tax on one or more Optional Service Contracts, which tax was not subsequently refunded by Defendants. Defendants have agreed to provide notice to the class of the proposed settlement by a variety of means, including individually mailed detailed notices, this publication, and the establishment of a settlement website. For purchases covered by the Dell Settlement, Dell will pay compensation to the Dell Settlement Class Members who submit valid claims. For purchases covered by the SBE Settlement, the SBE will refund the overpaid taxes, with interest, to the SBE Settlement Class Members who submit valid claims. You may be entitled to compensation pursuant to one or both of these settlements and may need to submit several claims. **To receive compensation under these settlements, class members must submit valid claims electronically on or before May 29, 2013. Individuals and entities who believe they are class members, but who have not received an individually mailed Short Form Notice and Individual Summary, may request one by contacting the Claims Assistance Line toll-free at 1-877-502-2008.** Class members who fail to submit a valid claim on or before May 29, 2013, shall not be eligible for compensation under the settlements. Class members who submit a valid claim or claims may be compensated in the full amount of their tax overpayments, as verified in Dell's records. Refunds paid by SBE to SBE Settlement Class Members will also include statutory credit interest. The Settlement Agreements and Detailed Notices posted at the settlement website describe in more detail the proposed settlements, including the procedure for submitting a claim.

WHO REPRESENTS YOU?

The Court appointed Louderback Law Group, located at 650 California Street, 5th Floor, San Francisco, CA 94108, and Ellis & Rapacki LLP, located at 85 Merrimac Street, Suite 500, Boston, MA 02114, to represent Class Members as "Class Counsel." You don't have to pay Class Counsel, or anyone else, to participate in the settlement.

WHAT ARE YOUR OPTIONS?

If you don't want to be legally bound by one or both of the settlements, the Court will exclude you from one or both of the settlements if you request exclusion from one or both settlements by **March 19, 2013**. You may also comment on or object to one or both of the settlements by **March 19, 2013**. The Detailed Notices explain how to validly exclude yourself from each settlement class or object to each settlement and further describe the settlements and your options. If you remain in the settlement class(es) you must submit your electronic claim(s) by **May 29, 2013**, in order to receive compensation. Failure to submit a timely claim shall constitute a waiver of such claim. The Court will hold a hearing on this case on **April 18, 2013 at 9:30 a.m.** to consider whether to approve the settlements and a request by Class Counsel for \$11,000,000.00 in attorneys' fees and expenses, for investigating and litigating the case since early 2003 and negotiating and implementing the two settlements. Please check the settlement website to confirm the time and place of the hearing. Defendants, and not Class Members, will pay any such award of attorneys' fees and expenses. Any class member who does not request exclusion may enter an appearance through counsel, but this is not required. The judgment finally entered by the Court will bind all class members who do not request exclusion. For more information on how to appear or for further information concerning the settlement, you may visit the settlement website, www.sctaxsett.com, call the Claims Assistance Line toll free at 1-877-502-2008, or contact Class Counsel at the addresses listed above.

PLEASE DO NOT CALL THE COURT, DELL, OR SBE FOR INFORMATION.

www.sctaxsett.com

1-877-502-2008

The Undersigned hereby warrants the accuracy of the content of the attached legal notice and agrees to assume full and sole responsibility for its content.

Signed: X _____

Date: _____