

LEGAL NOTICE

DELL OPTIONAL MAINTENANCE AGREEMENT
NORTH CAROLINA TAX SETTLEMENT

Zack B. Starritt, et al. v. Dell Inc., et al.
CPR International Institute for Conflict Prevention & Resolution

NOTICE OF CLASS ACTION SETTLEMENT

If you are among the 47,588 persons and business entities previously identified as having purchased and paid North Carolina sales or use tax on one or more Optional Maintenance Agreements, as defined herein, between April 15, 1999 and December 31, 2008, and did not receive from Dell a full refund of such monies, you may be eligible to receive a cash payment from a class action settlement.

IMPORTANT: PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. A CLASS ACTION SETTLEMENT HAS BEEN PROPOSED THAT MAY AFFECT YOUR RIGHTS. THIS IS NOT A SOLICITATION FROM A LAWYER.

THE DEADLINE FOR SUBMITTING CLAIMS UNDER THIS SETTLEMENT IS APRIL 2, 2018.

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QUESTIONS? EMAIL INFO@NCTAXSETTLEMENT.COM
OR VISIT WWW.NCTAXSETTLEMENT.COM.

1. WHY SHOULD I READ THIS NOTICE?

A class action settlement has been proposed that would resolve the claims of 47,588 individuals and business entities which previously were identified as having purchased computer hardware and one or more Optional Maintenance Agreements, as defined below, from Dell Inc. or one of its subsidiaries or business partners. An “Optional Maintenance Agreement” is defined as any optional computer hardware maintenance agreement providing for repair and/or replacement services, including parts and/or labor, and includes contracts marketed as “CompleteCare” agreements and contracts sold by Dell or one of its affiliates as agent for BancTec, Inc., QualxServ, LLC, Wang Laboratories, Inc., or Getronics, Inc. The proposed settlement seeks to resolve claims arising out of the collection of monies as North Carolina sales or use tax on such Optional Maintenance Agreements purchased during the period from April 15, 1999 through December 31, 2008. The proposed settlement offers the opportunity for members of the proposed Settlement Class to receive cash compensation for the amounts paid as tax on such Optional Maintenance Agreements. Members of the Settlement Class have a right to know about the proposed settlement, and about their options, before an arbitration tribunal decides whether to approve the settlement. If the settlement is finally approved, Settlement Class Members who submit a timely and valid Claim will be reimbursed for all monies paid as tax on such purchases of Optional Maintenance Agreements, plus interest calculated on that amount, according to the terms of the proposed Settlement Agreement. This Notice explains the case, the proposed settlement, the legal rights of Settlement Class Members, the benefits available under the proposed settlement, the eligibility requirements for such benefits, and the proposed distribution of such benefits.

2. WHAT IS THIS CASE ABOUT?

In a lawsuit filed in the Superior Court of Wake County, North Carolina (the “Superior Court”), styled *Starritt, et al. v. Dell Computer Corp., et al.*, Civil Action No. 03 CVS 5099, the plaintiff, Zack B. Starritt (“Starritt”), for himself and all similarly situated persons who purchased and paid tax on Optional Maintenance Agreements sold by Dell, sued Dell Inc. (f/k/a Dell Computer Corporation), Dell Marketing Limited Partnership (“DMLP”), Dell Catalog Sales Limited Partnership (“DCSLP”), BancTec, Inc. (“BancTec”), and QualxServ, LLC (“QualxServ”) (collectively, “Respondents”). The Superior Court found that Starritt’s claims were subject to binding arbitration and ordered Starritt to present his claims against Respondents to the CPR International Institute for Conflict Prevention & Resolution, formerly known as the CPR Institute for Dispute Resolution, in Raleigh, North Carolina. Starritt’s claims in arbitration are pending before a tribunal of three arbitrators (the “CPR Tribunal”).

Starritt alleged that Respondents engaged in unfair or deceptive business practices, in violation of the North Carolina Unfair and Deceptive Trade Practices Act, N.C.G.S. §§ 75-1.1, *et seq.* (“UDTPA”) and the North Carolina common law, in connection with the charge and collection of monies as North Carolina sales or use tax on purchases of Optional Maintenance Agreements, for which Starritt claimed no such tax was due. Respondents denied the allegations and claimed that they were adhering to North Carolina tax law. In response to Starritt’s lawsuit, Respondents also filed tax refund claims with DOR for the monies remitted to the State of North Carolina as sales or use tax on those Optional Maintenance Agreement purchases.

On April 30, 2007, after briefing and argument, the CPR Tribunal issued an order certifying a class of claimants in arbitration, and directing that notice of the class certification order be mailed to the last known address of the 47,604 persons and business entities identified from Dell’s business records as being members of the certified class. The CPR Tribunal later determined, after briefing and argument, that the Optional Maintenance Agreements sold by Dell were not subject to North Carolina sales or use tax. The CPR Tribunal has not, however, determined whether Respondents’ business practices violated the UDTPA or the common law.

3. HOW MUCH MONEY CAN I RECEIVE?

Under the terms of the proposed settlement, members of the Settlement Class who file a timely and valid Claim will receive compensation in the amount of the total tax paid on purchases of Optional Maintenance Agreements during the period from April 15, 1999 through December 31, 2008, plus interest calculated on such amount. The tax amount paid on individual purchases varied, depending on the price and number of Optional Maintenance Agreements purchased. For example, the tax collected for any single Optional Maintenance Agreement was between approximately \$2 and \$30; but for business customers who purchased many Optional Maintenance Agreements, the tax collected was much more. For record-keeping purposes, Dell assigned a unique Dell customer number to each individual customer (although some customers who made multiple purchases may have been assigned more than one Dell customer number). For settlement purposes, a Preliminary Settlement Amount has been calculated for each Dell customer number assigned to a member of the Settlement Class. This Preliminary Settlement Amount, which appears

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on the Short Form Notice and Individual Summary mailed to the last known address of the respective members of the Settlement Class, represents the sum of all tax payments on Optional Maintenance Agreements covered by the settlement for that Dell customer number, as maintained in Dell's records. An additional amount representing interest will be added to the Preliminary Settlement Amount to determine the Final Settlement Amount. Dell will pay the respective Final Settlement Amounts to all members of the Settlement Class who file timely and valid Claims.

4. HOW DO I FILE A CLAIM?

To file a Claim, please visit www.NCTaxSettlement.com and follow the instructions provided. You will need the individually assigned Claim Number, password, and other identifying information of the Settlement Class Member. To assist in the filing of Claims, a Short Form Notice and Individual Summary has been mailed to members of the Settlement Class at the last known address for such Settlement Class Members. Each Short-Form Notice and Individual Summary is pre-printed with the Settlement Class Member's name, an individually assigned Claim Number, a password, and the Preliminary Settlement Amount as reflected in Dell's business records for the individual Claim Number. **Please note that some repeat customers may have been assigned more than one Dell customer number. Therefore, some repeat customers will have been assigned more than one Claim Number for purposes of the settlement and will have been mailed more than one Short Form Notice and Individual Summary. To ensure full compensation under this settlement, a Settlement Class Member with more than one individually assigned Claim Number must submit a Claim for each Claim Number assigned.** If you did not receive a Short Form Notice and Individual Summary and believe that you (or your business) may be among the 47,588 individuals and business entities included in the Settlement Class, please email the Claims Assistance Email Inbox at info@NCTaxSettlement.com.

5. WHY IS THIS A CLASS ACTION?

In a class action, one or more people called a Class Representative sue on behalf of a class of others who have similar claims. The CPR Tribunal presides over this class action and resolves the issues for everyone in the Settlement Class, except for those who choose to exclude themselves. On December 5, 2016, the CPR Tribunal entered an Order conditionally certifying the Settlement Class, giving preliminary approval to the settlement, appointing Starritt as the Class Representative, and appointing Starritt's counsel as Class Counsel.

6. HOW DO I KNOW IF I AM IN THE SETTLEMENT CLASS?

IF YOU OR YOUR BUSINESS WAS THE NAMED ADDRESSEE OF A SHORT FORM NOTICE AND INDIVIDUAL SUMMARY, THEN DELL'S RECORDS REFLECT THAT YOU OR YOUR BUSINESS MADE ONE OR MORE OPTIONAL MAINTENANCE AGREEMENT PURCHASES THAT WOULD BE COVERED BY THE TERMS OF THE PROPOSED SETTLEMENT AGREEMENT.

If you or your business did not receive a Short Form Notice and Individual Summary, you may still be a member of the Settlement Class entitled to file a Claim for compensation. The Settlement Class consists of all persons and business entities (a) who purchased from one or more of Respondents at least one Optional Maintenance Agreement, as defined in paragraph 1 above, (b) whose "ship-to" address for such purchase was a location in the State of North Carolina, (c) who, from April 15, 1999 through December 31, 2008, paid any amount of money denominated as a "tax" calculated in whole or in part on the charge for the purchase of such Optional Maintenance Agreement, (d) who have not received a refund of such "tax" money in connection with a return of the Dell-branded hardware and who were not eligible to receive a refund of such "tax" money pursuant to North Carolina General Statutes 105-161.14, and (e) whose purchase was governed by a contract containing a clause calling for arbitration administered by the CPR Institute for Dispute Resolution. If you believe that you (or your business) may be a member of the Settlement Class, you may email the Claims Assistance Email Inbox at info@NCTaxSettlement.com for further information.

7. ARE THERE EXCEPTIONS TO BEING INCLUDED IN THE SETTLEMENT CLASS?

In addition to the 16 individuals and business entities which submitted a timely and valid Request for Exclusion from the class certified by the CPR Tribunal on April 30 2007, the following are specifically excluded from the Settlement Class: all members of the CPR Tribunal and their immediate families; all North Carolina State Court Judges and their immediate families; Respondents; any parent, subsidiary, or affiliate of any of Respondents; any entity in which any of Respondents has a controlling interest; and Respondents' officers, directors, employees, counsel of record in this action, and their immediate families.

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Any individual or business entity which mails a valid Request for Exclusion from the Settlement Class on or before **February 5, 2018**, will then be excluded from the Settlement Class.

8. WHAT DOES THE PROPOSED SETTLEMENT PROVIDE?

Payables Database. Dell has agreed to compile from its records a database identifying all transactions wherein a Settlement Class Member paid monies as “tax” on one or more Optional Maintenance Agreements covered by the settlement.

Notice to Purchasers. Dell has agreed to provide notice of the proposed settlement to Settlement Class Members by a variety of means, including individual postal mailing, newspaper publication, and the establishment of a settlement website, www.NCTaxSettlement.com.

Claims for Refund. Settlement Class Members who wish to obtain compensation under this settlement must submit a Claim. Claims may be filed electronically via the settlement website, www.NCTaxSettlement.com. (Alternatively, members of the Settlement Class may request a paper Claim form to be submitted by mail.) To be eligible for compensation, a Claim must be submitted (or mailed) **on or before April 2, 2018**. Customers who believe that they may be Settlement Class Members, but who have not received a Short Form Notice and Individual Summary, may contact the Claims Assistance Email Inbox at info@NCTaxSettlement.com to determine whether they are among the Settlement Class and, if so, to request a Short Form Notice and Individual Summary. **Settlement Class Members who fail to submit a valid Claim on or before April 2, 2018, shall have waived their rights to payments under this settlement.**

Settlement Checks to Settlement Class Members Who Submit Valid Claims. Each Settlement Class Member who submits one or more timely and valid Claims shall be eligible for compensation in the amount or amounts representing the sum of the Settlement Class Member’s validated Claims as calculated pursuant to the terms of the Settlement Agreement and as described in the answer to Question 3 above. Dell shall be responsible for paying all Settlement Amounts for Claims, including interest. Some Settlement Class Members may have been assigned one or more customer numbers by Dell and, therefore, upon the submission of timely and valid Claim forms, may receive more than one settlement check. Eligible Settlement Class Members will not receive payment unless and until after the CPR Tribunal approves the proposed settlement and the Superior Court confirms the CPR Tribunal’s approval order. If the CPR Tribunal or the Superior Court refuses to approve the settlement, there will be no payments. The CPR Tribunal will hold a Final Hearing on **March 6, 2018**, to decide whether to approve the settlement. If the CPR Tribunal and the Superior Court approve the settlement, there may be appeals that could delay your payment, perhaps for more than a year. Please be patient.

9. WHAT ARE MY OPTIONS FOR PARTICIPATING OR NOT PARTICIPATING IN THE SETTLEMENT?

1. **You may submit a Claim NO LATER THAN April 2, 2018**, by visiting the settlement website, www.NCTaxSettlement.com, and following the instructions. (Alternatively, members of the Settlement Class may request a paper Claim form, which may be filled out in writing and postmarked on or before **April 2, 2018**.) The information at the top of the Short Form Notice and Individual Summary mailed to you (or your business) contains the information you will need to submit a Claim for compensation for the pre-printed Claim Number. **If your Claim is valid and timely filed, you will be compensated the full amount of your tax payment(s) on purchases of Optional Maintenance Agreements during the period from April 15, 1999 through December 31, 2008, plus interest calculated on that amount. You will be considered part of the Settlement Class, you will be bound by the CPR Tribunal’s decisions and award, and you will lose the right to bring an individual lawsuit or arbitration proceeding against Respondents regarding any of the claims that are now or were alleged in this lawsuit and arbitration, including any claims arising out of the payment of monies as North Carolina sales or use tax on purchases of Optional Maintenance Agreements covered by the settlement.**

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2. You may exclude yourself (or your business) from the Settlement Class and keep your right to bring an individual lawsuit or arbitration against Respondents regarding any claims you (or your business) may have that arise out of the payment of monies as North Carolina sales or use tax on purchases of Optional Maintenance Agreements. To exclude yourself (or your business) from the Settlement Class, you must mail a letter saying that you want to be excluded from the Settlement Class. Include your name (and business name, if applicable), address, and signature. Your Request for Exclusion must be **postmarked no later than February 5, 2018 and mailed to this address:**

Dell North Carolina Tax Settlement
Settlement Administrator
P.O. Box 4079
Portland, OR 97208-4079

If you mail a valid Request for Exclusion no later than **February 5, 2018**, the CPR Tribunal will exclude you from the Settlement Class. **Please note: If you mail a timely and valid Request for Exclusion, you will not be a member of the Settlement Class. This means that you should not submit a Claim, you will not receive any settlement compensation, and you may not object to the settlement.**

3. You may do nothing, in which case you will *not* receive any settlement compensation. If you are a member of the Settlement Class and you do nothing, you (or your business) will be bound by the CPR Tribunal's decisions and award, but will receive none of the benefits of the settlement and **will lose the right to bring an individual lawsuit or arbitration proceeding against Respondents regarding any claims arising out of the payment of monies as North Carolina sales or use tax on Optional Maintenance Agreements.**

10. MAY I DISPUTE THE AMOUNT OF MONEY I AM ENTITLED TO RECEIVE UNDER THE SETTLEMENT?

The Settlement Agreement provides that a member of the Settlement Class may invoke a dispute resolution process. The specific details of the process are contained in the Settlement Agreement, a copy of which is available by visiting www.NCTaxSettlement.com. Settlement Class Members in need of assistance with a dispute may contact the Claims Assistance Email Inbox at info@NCTaxSettlement.com.

11. WHAT RIGHTS AM I GIVING UP TO STAY IN THE SETTLEMENT CLASS?

Unless you exclude yourself from the Settlement Class in writing, you will be a Settlement Class Member, whether or not you submit a Claim form. All Settlement Class Members who do not request exclusion will then be bound by any decision or award that is entered in this case. If the CPR Tribunal approves the settlement and the Superior Court confirms that approval, then Settlement Class Members cannot be a part of any other arbitration or lawsuit against Respondents for any claims arising out of the payment of monies as North Carolina sales or use tax on purchases of Optional Maintenance Agreements. Upon approval of the settlement, all of the CPR Tribunal's orders and award will apply to Settlement Class Members.

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT CLASS?

If you (or your business) do not want compensation from this settlement, but you want to keep the right to bring an individual lawsuit or arbitration against Respondents on your own about the tax collected on Optional Maintenance Agreements, then you may ask the CPR Tribunal to exclude you from the Settlement Class. **To exclude yourself, you must mail a letter saying that you want to be excluded from the Settlement Class.** Include your name (and business name, if applicable), address, and signature. You must mail your Request for Exclusion, postmarked no later than **February 5, 2018**, to this address:

Dell North Carolina Tax Settlement
Settlement Administrator
P.O. Box 4079
Portland, OR 97208-4079

If you mail your timely and valid Request for Exclusion no later than February 5, 2018, the CPR Tribunal will exclude you from the Settlement Class.

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If you mail a timely and valid Request for Exclusion, you will not be legally bound by anything that happens in this case. That means that you should not submit a Claim, you will not receive any settlement payment, and you may not object to the settlement.

If you do want to remain eligible to participate in the settlement as a member of the Settlement Class, you should NOT file a Request for Exclusion. Any award entered by the CPR Tribunal will bind all Settlement Class Members who do not request exclusion.

13. DO I HAVE A LAWYER IN THIS CASE?

The CPR Tribunal appointed William W. Plyler PLLC, member of Miller Monroe & Plyler PLLC, in Raleigh, North Carolina, and Ellis & Rapacki LLP, in Boston, Massachusetts, as Class Counsel to represent you and other Settlement Class Members. **You will not be charged for these lawyers.**

You may, if you so desire, enter an appearance through your own lawyer in this case. If you want your own lawyer, you may hire one at your own expense.

14. HOW WILL CLASS COUNSEL BE PAID?

As part of the proposed settlement, Dell has agreed to pay to Class Counsel an award of attorneys' fees and expenses in an amount to be approved by the CPR Tribunal not to exceed \$1,850,000. Pursuant to the Settlement Agreement, Dell will also pay an award of \$3,500 to Starritt as compensation for his service as Class Representative. No less than sixty (60) days prior to the Final Hearing, Class Counsel will file a motion asking the CPR Tribunal to approve awards of no more than these amounts, and Respondents have agreed not to oppose such awards to Class Counsel and to the Class Representative. The award of attorneys' fees and expenses would compensate Class Counsel for their efforts in investigating and prosecuting the lawsuit and arbitration since early 2003, including conducting extensive discovery, litigating numerous substantive motions in the trial court and in arbitration, and negotiating the settlement. Any such awards must be approved by the CPR Tribunal. **You will NOT have to pay any judgment, court costs, or attorneys' fees and expenses for participating in the settlement.**

15. HOW DO I OBJECT TO, OR COMMENT ON, THE SETTLEMENT?

If you do not exclude yourself (or your business) from the Settlement Class, you may object to the settlement if you do not like any part of it, or offer any comments you may have about the settlement. You may give reasons why you think the CPR Tribunal should or should not approve the settlement. You may also object to Class Counsel's application for attorneys' fees and costs (which will be filed with the CPR Tribunal and made available on the settlement website, www.NCTaxSettlement.com, on or before February 5, 2018). The CPR Tribunal will consider your views. To object or comment, you must write a letter to the CPR Tribunal, with copies to the respective parties' lawyers, saying that you object to, or wish to comment on, the settlement in *Starritt, et al. v. Dell Computer Corp., et al.* Include your name (and business name, if applicable), address, telephone number, signature, and the reason(s) for your objection or comment. Your letter and copies to counsel must be postmarked no later than **February 5, 2018**, and addressed to the following:

CPR TRIBUNAL

Rene Stemple Ellis, Esq.
Beason & Ellis Conflict Resolution, LLC
2741 University Drive
P.O. Box 52270
Durham, NC 27717-2270

CLASS COUNSEL

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William W. Plyler, PLLC
Miller Monroe & Plyler PLLC
3321 Trillium Whorl Court
Raleigh, NC 27607

RESPONDENTS' COUNSEL

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155 Seaport Blvd.
Boston, MA 02210

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16. WHEN AND WHERE WILL THE CPR TRIBUNAL DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The CPR Tribunal will hold a Final Hearing to consider whether to approve the settlement. You may attend and ask to speak, but you do not have to do so. The Final Hearing will be conducted on **March 6, 2018**, at 9:30 a.m., at 3201 Glenwood Avenue, Suite 100, Raleigh, North Carolina 27612. At this hearing, the CPR Tribunal will consider whether the proposed settlement is fair and reasonable, and whether it is in the best interests of Settlement Class Members. The CPR Tribunal may also consider Class Counsel's request for an award of attorneys' fees and expenses and an award to the Class Representative. After the hearing, the CPR Tribunal will decide whether to approve the settlement. We do not know how long these decisions will take.

You need not come to the Final Hearing, as Class Counsel will answer any questions that the CPR Tribunal may have concerning the proposed settlement. If you have filed a timely written objection or comment, the CPR Tribunal will consider it. If you wish, you (or your business) may also pay your own lawyer to attend.

The CPR Tribunal may listen to Settlement Class Members who ask to speak at the Final Hearing. To ask for permission to speak at the Final Hearing, you must send a letter giving your Notice of Intention to Appear in *Starritt, et al. v. Dell Computer Corp., et al.* Be sure to include your name (and business name, if applicable), address, telephone number, and your signature. Your Notice of Intention to Appear must be postmarked no later than **February 5, 2018**, and be mailed to the CPR Tribunal, Class Counsel, and Respondents' Counsel at the three addresses listed in the answer to Question 15 above.

17. WHERE CAN I GET ADDITIONAL INFORMATION?

This Notice contains only a summary of the proposed settlement. More details are in the Settlement Agreement, which is available at www.NCTaxSettlement.com. Alternatively, you may contact Class Counsel at the address listed in Question 15 above or contact the Claims Assistance Email Inbox at info@NCTaxSettlement.com.

PLEASE DO NOT CALL THE CPR TRIBUNAL OR DELL FOR INFORMATION. IF YOU NEED FURTHER INFORMATION, PLEASE SEND AN EMAIL TO THE CLAIMS ASSISTANCE EMAIL INBOX AT INFO@NCTAXSETTLEMENT.COM.

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