

Dell Inc. Shareholders: Withhold Your Vote From Michael Dell

**American Federation of Labor and Congress of Industrial Organizations
815 16th Street NW, Washington D.C. 20006**

**American Federation of State, County and Municipal Employees, AFL-CIO
1625 L Street NW, Washington D.C. 20036**

**Important Proxy Voting Materials
Dell Inc. (NASDAQ: DELL)
Annual Meeting Date: August 12, 2010**

Dear Dell Inc. Shareholder:

We are writing to urge you to withhold your vote from Michael Dell, the Chairman and Chief Executive Officer of Dell Inc. (the “Company”), and to vote for the stockholder proposals amending the Company’s bylaws to provide for the reimbursement of proxy expenses and recommending that the Board establish an annual advisory vote on executive compensation.

On July 16, 2010, the Company postponed its annual shareholders meeting to August 12, 2010 to give shareholders time to consider the Company’s and Michael Dell’s July 22, 2010 proposed settlement of a complaint filed by the Securities and Exchange Commission (the “SEC”) in federal district court in Washington, D.C. A summary of the SEC’s complaint follows below:

Alleged Improper Disclosure of Exclusivity Payments from Intel

The SEC’s complaint alleged that the Company, Michael Dell, and other Company executives did not properly disclose the Company’s receipt of payments from the Intel Corporation to exclusively purchase CPUs from Intel rather than from Intel’s competitor AMD. According to the SEC’s complaint, the Intel payments grew from 10 percent of the Company’s operating income in FY 2003 to 76 percent in the first quarter of FY 2007.

The SEC alleged that in the absence of these payments, the Company would have missed its consensus earnings estimates between FY 2002 through FY 2006 and that the Company sought additional payments from Intel to meet its consensus earnings estimates. The SEC complaint cites an internal 2004 email from Kevin Rollins, the Company’s CEO at that time, to Michael Dell stating that “for 3 qtrs now, Intel money has made the qtr. A bad way to run the railroad.”

Alleged Improper Use of “Cookie Jar” Reserves to Cover Shortfalls

The SEC’s complaint further alleged that the Company and its former accounting personnel manipulated “cookie jar” reserve accounts to cover shortfalls in operating results from FY 2002 to FY 2005. When the Company restated its financial results from FY 2003 through the first quarter of FY 2007 in its 2007 Form 10-K, management stated that its lack of effective internal controls “resulted in an environment in which accounting adjustments were viewed at times as an

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acceptable device to compensate for operational shortfalls...and, in some instances, involved management override of controls.”

Terms of the SEC’s Proposed Settlement with the Company and Michael Dell

On July 22, 2010, the Company and Michael Dell agreed to settle the SEC’s complaint without admitting or denying the SEC’s allegations. Under the proposed settlement terms, the Company agreed to pay a \$100 million penalty and Michael Dell agreed to pay a \$4 million penalty. The Company and Michael Dell also consented to a permanent injunction against future violations of certain federal securities laws that had been alleged in the SEC’s complaint.

Michael Dell’s Compensation Was Excessive during This Period

In our view, Michael Dell received excessive levels of compensation during the period that the SEC’s alleged disclosure and accounting problems occurred. According to a July 27, 2010 article by *The Wall Street Journal*, Michael Dell was the 12th highest-paid CEO in the United States over the past decade. As reported by *The Wall Street Journal*, Michael Dell realized \$453.8 million in total compensation including stock option exercises between 2000 and 2009; meanwhile shareholders lost 66 percent of the value of their stock during the decade.

We Urge You to “WITHHOLD” Your Vote from Michael Dell

In our opinion, shareholders should withhold their vote from Michael Dell’s election as a director of our Company. Based on the allegations in the SEC’s complaint against our Company and Michael Dell, we believe that shareholders would be better served by the removal of Michael Dell as the Chairman of our Company’s Board of Directors. By voting to “WITHHOLD” from Michael Dell, you can encourage the Board of Directors to appoint a new Chairman.

We Urge You to Vote “FOR” Stockholder Proposals #1 and #2

We also urge you to vote for stockholder proposal #1 to amend the Company’s bylaws to provide for the reimbursement of proxy expenses. Stockholder proposal #1 was submitted by the AFSCME Employees Pension Plan. We also urge your support for stockholder proposal #2 that recommends that the Board establish an annual advisory vote on executive compensation. Stockholder proposal #2 was filed by the AFL-CIO Reserve Fund. In our opinion, these two proposals will improve our Company’s corporate governance at this critical period.

WHO WE ARE: The American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) is a federation of 56 U.S. labor unions. The American Federation of State, County and Municipal Employees (AFSCME) is a member union of the AFL-CIO. Pension funds consisting of union-represented workers are significant shareholders of Dell Inc. common stock. For more information, please contact the AFL-CIO Office of Investment at (202) 637-3900.

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