

**User Fee for Exempt Organization
 Determination Letter Request**

▶ Attach this form to determination letter application.
 (Form 8718 is NOT a determination letter application.)

For IRS Use Only
COPY
 Control number _____
 Amount paid _____
 User fee screener _____

1 Name of organization The Michael and Susan Dell Foundation	2 Employer Identification Number 36 4336415
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Caution: Do not attach Form 8718 to an application for a pension plan determination letter. Use Form 8717 instead.

3 Type of request **Fee**

a Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging not more than \$10,000 during the preceding 4 years, or
- A new organization that anticipates gross receipts averaging not more than \$10,000 during its first 4 years ▶ \$150

Note: If you checked box 3a, you must complete the Certification below.

Certification

I certify that the annual gross receipts of _____ name of organization
 have averaged (or are expected to average) not more than \$10,000 during the preceding 4 (or the first 4) years of operation.
 Signature ▶ _____ Title ▶ _____

b Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging more than \$10,000 during the preceding 4 years, or
- A new organization that anticipates gross receipts averaging more than \$10,000 during its first 4 years .. ▶ \$500

c Group exemption letters ▶ \$500

Instructions

The law requires payment of a user fee with each application for a determination letter. The user fees are listed on line 3 above. For more information, see Rev. Proc. 98-8, 1998-1, I.R.B. 225.

Check the box on line 3 for the type of application you are submitting. If you check box 3a, you must complete and sign the certification statement that appears under line 3a.

Attach to Form 8718 a check or money order payable to the Internal Revenue Service for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Send the determination letter application and Form 8718 to:
 Internal Revenue Service
 P.O. Box 192
 Covington, KY 41012-0192

If you are using express mail or a delivery service, send the application and Form 8718 to:

Internal Revenue Service
 201 West Rivercenter Blvd.
 Attn: Extracting Stop 312
 Covington, KY 41011

POSTMARK

RECEIVED

AUG 30 '00

AUG 31 '00

CINCINNATI
 SERVICE CENTER

Attach Check or Money Order Here



Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code

Read the instructions for each Part carefully.
A User Fee must be attached to this application.
 If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.
Complete the Procedural Checklist on page 8 of the instructions.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) The Michael and Susan Dell Foundation	2 Employer identification number (EIN) (If none, see page 3 of the Specific Instructions). 36 ; 4336415
1b c/o Name (if applicable) c/o Tricia T. Dopieralski	3 Name and telephone number of person to be contacted if additional information is needed Neil T. Kawashima (312) 701-7088
1c Address (number and street) P.O. Box 163867	Room/Suite
1d City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 3. Austin, Texas 78716-3867	4 Month the annual accounting period ends December 5 Date incorporated or formed December 20, 1999
1e Web site address None	6 Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k) d <input type="checkbox"/> 501(n)
7 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.	
8 Is the organization required to file Form 990 (or Form 990-EZ)? <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach an explanation (see page 3 of the Specific Instructions).	
9 Has the organization filed Federal income tax returns or exempt organization information returns? . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed. Form 990-PF; 1999; Ogden, Utah	

10 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See **Specific Instructions** for Part I, Line 10, on page 3.) See also Pub. 557 for examples of organizational documents.)

a Corporation—Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws. **SEE ATTACHMENT A**

b Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.

c Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of the bylaws.

If the organization is a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here	_____ (Signature)	Tricia T. Dopieralski Treasurer & Assistant Secretary _____ (Type or print name and title or authority of signer)	8/29/00 _____ (Date)
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Power of Attorney and Declaration of Representative

OMB No. 1545-0150
 For IRS Use Only
 Received by: _____
 Name _____
 Telephone _____
 Function _____
 Date ____/____/____

▶ See the separate instructions.

Part I Power of Attorney (Please type or print.)

1 Taxpayer information (Taxpayer(s) must sign and date this form on page 2, line 9.)

Taxpayer name(s) and address The Michael and Susan Dell Foundation c/o Mr. Marc Lisker, MSD Capital, L.P. 780 Third Avenue, 43rd Floor New York, New York 10017	Social security number(s) _____ _____ _____	Employer identification number _____ _____
	Daytime telephone number 212-303-1650	Plan number (if applicable) _____

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) (Representative(s) must sign and date this form on page 2, Part II.)

Name and address Daniel W. Luther Mayer, Brown & Platt 190 South LaSalle Street Chicago, IL 60603	CAF No. 4005-26532R Telephone No. 312/701-7138 Fax No. 312/706-9216 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>
Name and address Donald C. Morris Mayer, Brown & Platt 190 South LaSalle Street Chicago, IL 60603	CAF No. 4005-48690R Telephone No. 312/701-7126 Fax No. 312/706-9220 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>
Name and address Neil T. Kawashima Mayer, Brown & Platt 190 South LaSalle Street Chicago, IL 60603	CAF No. 4005-85849R Telephone No. 312/701-7088 Fax No. 312/706-9262 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax matters

Type of Tax (Income, Employment, Excise, etc.)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s)
Employer Identification Number	SS-4	1999-2003
Tax-Exemption	1023	1999-2003
Excise	990-PF	1999-2003

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. (See instruction for Line 4—Specific uses not recorded on CAF.)

5 Acts authorized. The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative unless specifically added below, or the power to sign certain returns (see instruction for Line 5—Acts authorized).

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: _____

Note: In general, an unenrolled preparer of tax returns cannot sign any document for a taxpayer. See Revenue Procedure 81-38, printed as Pub. 470, for more information.

Note: The tax matters partner of a partnership is not permitted to authorize representatives to perform certain acts. See the instructions for more information.

6 Receipt of refund checks. If you want to authorize a representative named on line 2 to receive, BUT NOT TO ENDORSE OR CASH, refund checks, initial here _____ and list the name of that representative below.

Name of representative to receive refund check(s) ▶ _____

7 Notices and communications. Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2 unless you check one or more of the boxes below.

- a If you want the first representative listed on line 2 to receive the original, and yourself a copy, of such notices or communications, check this box
- b If you also want the second representative listed to receive a copy of such notices and communications, check this box
- c If you do not want any notices or communications sent to your representative(s), check this box

8 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here.
YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

9 Signature of taxpayer(s). If a tax matter concerns a joint return, both husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ **IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.**

Michael S. Dell
 Signature

12/23/99
 Date

Director/Member
 Title (if applicable)

Michael S. Dell
 Print Name

Print Name

Signature

Date

Title (if applicable)

Print Name

Part II Declaration of Representative

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
 - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c Enrolled Agent—enrolled as an agent under the requirements of Treasury Department Circular No. 230.
 - d Officer—a bona fide officer of the taxpayer's organization.
 - e Full-Time Employee—a full-time employee of the taxpayer.
 - f Family Member—a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
 - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d)(1) of Treasury Department Circular No. 230).
 - h Unenrolled Return Preparer—an unenrolled return preparer under section 10.7(c)(viii) of Treasury Department Circular No. 230.

▶ **IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.**

Designation—Insert above letter (a-h)	Jurisdiction (state) or Enrollment Card No.	Signature	Date
a	IL	<i>Daniel W. Luther</i> Daniel W. Luther	12/29/99
a	IL	<i>Donald C. Morris</i> Donald C. Morris	12/29/99
a	IL	<i>Neil T. Kawashima</i> Neil T. Kawashima	12/29/99

The Michael and Susan Dell Foundation
c/o Tricia T. Dopieralski
P.O. Box 163867
Austin, Texas 78716-3867
FEIN: 36-4336415
Attachment to Internal Revenue Service Form 1023

ATTACHMENT A: Part I, Line 10, Organizing Documents

1. Articles of Incorporation for The Michael and Susan Dell Foundation (the "Foundation")
2. Bylaws for the Foundation



The State of Texas

Secretary of State

DEC. 21, 1999

NEIL T KAWASHIMA---MAYER BROWN & PLATT
190 SOUTH LA SALLE ST
CHICAGO ,IL 60603

RE:
THE MICHAEL AND SUSAN DELL FOUNDATION

CHARTER NUMBER C1561719-01

IT HAS BEEN OUR PLEASURE TO APPROVE AND PLACE ON RECORD THE ARTICLES OF INCORPORATION THAT CREATED YOUR CORPORATION. WE EXTEND OUR BEST WISHES FOR SUCCESS IN YOUR NEW VENTURE.

AS A CORPORATION, YOU ARE SUBJECT TO STATE TAX LAWS. SOME NON-PROFIT CORPORATIONS ARE EXEMPT FROM THE PAYMENT OF FRANCHISE TAXES AND MAY ALSO BE EXEMPT FROM THE PAYMENT OF SALES AND USE TAX ON THE PURCHASE OF TAXABLE ITEMS. IF YOU FEEL THAT UNDER THE LAW YOUR CORPORATION IS ENTITLED TO BE EXEMPT YOU MUST APPLY TO THE COMPTROLLER OF PUBLIC ACCOUNTS FOR THE EXEMPTION. THE SECRETARY OF STATE CANNOT MAKE SUCH DETERMINATION FOR YOUR CORPORATION.

IF WE CAN BE OF FURTHER SERVICE AT ANY TIME, PLEASE LET US KNOW.



VERY TRULY YOURS,

Elton Bomer, Secretary of State



The State of Texas
Secretary of State

CERTIFICATE OF INCORPORATION
OF

THE MICHAEL AND SUSAN DELL FOUNDATION
CHARTER NUMBER 01561719

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS, HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS CERTIFICATE OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW, THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED DEC. 20, 1999

EFFECTIVE DEC. 20, 1999



A handwritten signature in black ink, appearing to read "Elton Bomer".

Elton Bomer, Secretary of State

DEC 20 1999

Corporations Section

ARTICLES OF INCORPORATION
FOR
THE MICHAEL AND SUSAN DELL FOUNDATION

Article One

The name of the Corporation is "The Michael and Susan Dell Foundation."

Article Two

The Corporation is a non-profit corporation, organized under the Texas Non-Profit Corporation Act.

Article Three

The period of duration is perpetual.

Article Four

The Corporation is organized and operated exclusively for religious, charitable, scientific and educational purposes, including the making of distributions for such purposes to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

Article Five

The street address of the Corporation's initial registered office is 350 North St. Paul Street; Dallas, Texas, 75201, and the name of its initial registered agent at such address is CT Corporation System.

Article Six

The number of directors constituting the Corporation's initial board of directors is three (3), and the names and addresses of the persons who are to serve as directors are:

1. Michael S. Dell, of Austin, Texas;
2. Susan L. Dell, of Austin, Texas; and
3. Dr. Alexander Dell, of Houston, Texas.

The authority of the board of directors shall be limited as provided in the bylaws.

Article Seven

The name and address of the Incorporator is Marc R. Lisker; MSD Capital, L.P.; 780 Third Avenue, 43rd Floor; New York, New York 10017.

Article Eight

The Corporation shall have one class of members. The management of the Corporation shall be vested in the Corporation's members, to the extent provided for in the bylaws. The Corporation's members shall have the exclusive power to amend the Corporation's bylaws and these Articles of Incorporation; provided, however, that the exercise of such power is consistent with applicable state and federal law, including, without limitation, Code Section 501(c)(3) and related Treasury Regulations, and the Texas Non-Profit Corporation Act.

Article Nine

All corporate property is irrevocably dedicated to the purposes set forth herein. No part of the net earnings or assets of the Corporation shall inure to the benefit of, or be distributable to, its members, directors, officers or other persons, except that the Corporation shall be authorized to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. No substantial part of the activities of the Corporation shall be the carrying on of

propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from taxation under Code Section 501(c)(3), or by a corporation contributions to which are deductible under Code Section 170(c)(2).

Article Ten


The Corporation shall distribute its income for each tax year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Code Section 4942. Further, the Corporation shall not engage in any act of self-dealing as defined in Code Section 4941(d), nor retain any excess business holdings as defined in Code Section 4943(c), nor make any investments in such manner as to subject the Corporation to tax under Code Section 4944, nor make any taxable expenditures as defined in Code Section 4945(d).

Article Eleven

Upon dissolution of the Corporation, the members, after paying or making provision for the payment of all debts, obligations and liabilities of the Corporation, shall distribute the Corporation's assets to an organization or organizations organized and operated exclusively for charitable, religious or educational purposes, as described in Code Section 501(c)(3), and which shall qualify as an organization exempt from taxation under Code Section 501(a).

The undersigned Incorporator hereby declares, under penalties of perjury, that the statements made in the foregoing Articles of Incorporation are true.

Dated: December 16, 1999



Marc R. Lisker,
Incorporator

BYLAWS
OF
THE MICHAEL AND SUSAN DELL FOUNDATION

ARTICLE I
Offices

The Michael and Susan Dell Foundation (the "corporation") shall continuously maintain in the State of Texas a registered office and a registered agent whose business office is identical with such registered office and may have other offices within or without the state.

ARTICLE II
Members

SECTION 1. CLASSES OF MEMBERS. The corporation shall have one class of members.

SECTION 2. NUMBER AND DESIGNATION OF MEMBERS. The corporation shall have two (2) members. The members of the corporation are:

Michael S. Dell; and

Susan L. Dell.

SECTION 3. ELECTION OF NEW MEMBERS. New members shall be elected by current members of the corporation. An affirmative vote of two-thirds of all members shall be required for election.

SECTION 4. AUTHORITY OF MEMBERS. The members shall have exclusive authority to amend the articles of incorporation. Management of the corporation shall be vested in the members unless otherwise expressly stated in these bylaws.

SECTION 5. TERMINATION OF MEMBERSHIP. Members by affirmative vote of two-thirds of all members may suspend or expel a member, with or without cause.

SECTION 6. RESIGNATION. Any member may resign by filing a written resignation with the Secretary.

SECTION 7. TRANSFER OF MEMBERSHIP. Membership in this corporation is not transferable or assignable.

SECTION 8. NO MEMBERSHIP CERTIFICATES. There shall be no membership certificates of the corporation.

ARTICLE III Meeting of Members

SECTION 1. ANNUAL MEETING. An annual meeting of the members shall be held on a day of each year as determined by the members for the purpose of electing directors and officers and for the transaction of such other business as may come before the meeting.

SECTION 2. SPECIAL MEETING. Special meetings of the members may be called either by the president or a majority of the members, for the purpose or purposes stated in the call of the meeting. Written notice of special meetings shall be provided as required by statute.

SECTION 3. PLACE OF MEETING. The president may designate any place as the place of meeting for any annual meeting or for any special meeting of the members. If no designation is made or if a special meeting is otherwise called, the place of meeting shall be the principal office of the corporation in the State of Texas.

SECTION 4. NOTICE OF MEETINGS. No notice of annual or regular meetings shall be required, except as required by statute.

SECTION 5. INFORMAL ACTION BY MEMBERS. Any action required to be taken at a meeting of the members of the corporation, or any other action that may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed either (a) by all the members entitled to vote with respect to the subject matter thereof, or (b) by the members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members entitled to vote thereon were present and voting. If such consent is signed by less than all of the members entitled to vote, then such consent shall become effective only (a) if, at least five days prior to the effective date of such consent, a notice in writing of the

proposed action is delivered to all of the members entitled to vote with respect to the subject matter thereof, and (b) if, after the effective date of such consent, prompt notice in writing of the taking of the corporate action without a meeting is delivered to those members entitled to vote who have not consented in writing.

SECTION 6. FIXING OF RECORD DATE. For the purpose of determining the members entitled to notice of or to vote at any meeting of members, or in order to make a determination of members for any other proper purpose, the president of the corporation may fix in advance a date as the record date for any such determination of members, unless otherwise required by statute.

SECTION 7. QUORUM. The majority of the members, represented in person or by proxy, shall constitute a quorum for consideration of such matter at any meeting of members; provided that, if less than a majority is represented at said meeting, a majority of members so represented may adjourn the meeting at any time without further notice. If a quorum is present, the affirmative vote of a majority of the votes represented at the meeting shall be the act of the members, unless the vote of a greater number or voting by classes is required by statute, the articles of incorporation, or these bylaws. At any adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. Withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 8. PROXIES. Each member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing without a meeting, may authorize another person or persons to act for him or her by proxy, but no such proxy shall be voted or acted on after 11 months from its date, unless the proxy provides for a longer period.

SECTION 9. VOTING. Each member shall be entitled to one vote in each matter submitted to vote at a meeting of members or by informal action of members. Each member may vote either in person or by proxy as provided in SECTION 8 hereof.

ARTICLE IV Board of Directors

SECTION 1. GENERAL POWERS. The affairs of the corporation shall be managed by or under the direction of its board of directors, to the extent determined by resolution of the members or these bylaws.

SECTION 2. NUMBER, TENURE, AND QUALIFICATIONS. The number of directors shall be three (3), or as determined by the members; provided, however, in no event shall the number of directors be fewer than three (3). Each director shall hold office until the next annual meeting of members and until his or her successors shall have been elected and qualified. Directors need not be residents of Texas or members of the corporation. The number of directors may be decreased to not fewer than three or increased to any number from time to time by resolution of the members. No decrease shall have the effect of shortening the term of an incumbent director.

SECTION 3. REGULAR MEETINGS. A regular annual meeting of the board of directors shall be held without other notice than these bylaws, immediately after, and at the same place as, the annual meeting of members. The members may provide, by resolution, the time and place for the holding of additional regular meetings of the board without other notice than such resolution.

SECTION 4. SPECIAL MEETINGS. Special meetings of the board of directors may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the board may fix any place as the place for holding any special meeting of the board called by them.

SECTION 5. NOTICE. Notice of any special meeting of the board of directors shall be given at least 2 days previous thereto by written notice to each director at his or her address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegram company. Notice of any special meeting of the board of directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

SECTION 6. QUORUM. A majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board of directors, provided that if less than a majority of the directors are present at said meeting, a

majority of the directors present may adjourn the meeting to another time without further notice.

SECTION 7. MANNER OF ACTING. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by statute, these bylaws, or the articles of incorporation. No director may act by proxy on any matter.

SECTION 8. VACANCIES. Any vacancy occurring in the board of directors or any directorship to be filled by reason of an increase in the number of directors shall be filled by the members unless the articles of incorporation, a statute, of these bylaws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A director elected or appointed, as the case may be, to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

SECTION 9. RESIGNATION AND REMOVAL OF DIRECTORS. A director may resign at any time upon written notice to the board of directors. A director may be removed with or without cause, by the members.

SECTION 10. INFORMAL ACTION BY DIRECTORS. The authority of the board of directors may be exercised without a meeting if a consent in writing, setting forth the action taken, is signed by all of the directors entitled to vote.

SECTION 11. COMPENSATION. The board of directors, by the affirmative vote of a majority of members, and irrespective of any personal interest, shall have authority to establish reasonable compensation of all directors for services to the corporation as directors, officers, or otherwise notwithstanding any director's conflict of interest. By resolution of the members, the directors may be paid their expenses, if any, of attendance at each meeting of the board. No such payment previously mentioned in this section shall preclude any director from serving the corporation in any other capacity and receiving reasonable compensation therefor.

SECTION 12. PRESUMPTION OF ASSENT. A director of the corporation who is present at a meeting of the board of directors at which action on any corporation matter is taken shall be conclusively presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the secretary of the corporation

immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

ARTICLE V Officers

SECTION 1. OFFICERS. The officers of the corporation shall be a president, vice presidents (the number thereof to be determined by the members), treasurer, secretary, and such other officers as may be elected by the members. Officers whose authority and duties are not prescribed in these bylaws shall have the authority and perform the duties prescribed, from time to time, by the members. Any two or more offices may be held by the same person, except that the office of president and secretary shall not be held by the same person.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the corporation shall be elected annually by the members at the regular annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the members. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided. Election of an officer shall not of itself create contract rights.

SECTION 3. REMOVAL. Any officer may be removed by the members whenever in their judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. PRESIDENT. The president shall be the principal executive officer of the corporation. Subject to the direction and control of the members, he or she shall be in charge of the business and affairs of the corporation; he or she shall see that the resolutions and directives of the members are carried into effect except in those instances in which that responsibility is assigned to some other person by the members; and, in general, he or she shall discharge all duties incident to the office of president and such other duties as may be prescribed by the members. He or she shall preside at all meetings of the members and of the board of directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the members or these bylaws, he or she may execute for the corporation any

contracts, deeds, mortgages, bonds, or other instruments that the members have authorized to be executed, and he or she may accomplish such execution either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the members, according to the requirements of the form of the instrument. He or she may vote all securities that the corporation is entitled to vote except as and to the extent such authority shall be vested in a different officer or agent of the corporation by the members.

SECTION 5. VICE PRESIDENT. The vice president (or in the event there be more than one vice president, each of the vice presidents) shall assist the president in the discharge of his or her duties as the president may direct and shall perform such other duties as from time to time may be assigned to him or her by the president or the members. In the absence of the president or in the event of his or her inability or refusal to act, the vice president (or in the event there be more than one vice president, the vice presidents, in the order designated by the members, or by the president if the members have not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure) shall perform the duties of the president and, when so acting, shall have all the powers of and be subject to all the restrictions on the president. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the members or these bylaws, the vice president (or any of them if there is more than one) may execute for the corporation any contracts, deeds, mortgages, bonds, or other instruments that the members have authorized to be executed, and he or she may accomplish such execution either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the members, according to the requirements of the form of the instrument.

SECTION 6. TREASURER. The treasurer shall be the principal accounting and financial officer of the corporation. He or she shall (a) have charge of and be responsible for the maintenance of adequate books of account for the corporation; (b) have charge and custody of all funds and securities of the corporation, and be responsible therefor, and for the receipt and disbursement thereof; and (c) perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him or her by the president or by the members. If required by the members, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the members shall determine.

SECTION 7. SECRETARY. The secretary shall (a) record the minutes of the meetings of the members and of the board of directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the

provisions of these bylaws or as required by law; (c) be a custodian of the corporate records of the corporation; (d) keep a register of the post office address of each member which shall be furnished to the secretary by such member; and (e) perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the members.

SECTION 8. ASSISTANT TREASURERS AND ASSISTANT SECRETARIES. The assistant treasurers and assistant secretaries shall perform such duties as shall be assigned to them by the treasurer or the secretary, respectively, or by the president or the members. If required by the members, the assistant treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the members shall determine.

SECTION 9. SALARIES. The salaries of the officers shall be fixed from time to time by the members and no officer shall be prevented from receiving such salary by reason of the fact that he or she is also a member or director of the corporation.

ARTICLE VI

Contracts, Checks, Deposits, and Funds

SECTION 1. CONTRACTS. The members may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the members. In the absence of such determination by the members, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the corporation.

SECTION 3. DEPOSITS. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the members may select.

SECTION 4. GIFTS. The members may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purpose or for any special purpose of the corporation.

ARTICLE VII
Books and Records

The corporation shall keep correct and complete books and records of account. It shall also keep minutes of the proceedings of its members and the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members and directors entitled to vote. All books and records of the corporation may be inspected by any member, or his or her agent or attorney, for any proper purpose at any reasonable time.

ARTICLE VIII
Fiscal Year

The fiscal year of the corporation shall be fixed by resolution of the members.

ARTICLE IX
Dues

Members shall not be required to pay dues.

ARTICLE X
Seal

The corporation shall not have a seal.

ARTICLE XI
Waiver of Notice

Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the articles of incorporation or the bylaws of the corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be

deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

ARTICLE XII Indemnification

SECTION 1. INDEMNIFICATION IN ACTIONS OTHER THAN BY OR IN THE RIGHT OF THE CORPORATION. The corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation) by reason of the fact that he or she is or was a member, director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit, or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation or, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his or her conduct was unlawful.

SECTION 2. INDEMNIFICATION IN ACTIONS BY OR IN THE RIGHT OF THE CORPORATION. The corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person is or was a member, director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, provided that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable

for negligence or misconduct in the performance of his or her duty to the corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

SECTION 3. RIGHT TO PAYMENT OF EXPENSES. To the extent that a member, director, officer, employee, or agent of the corporation has been successful, on the merits or otherwise, in the defense of any action, suit, or proceeding referred to in Sections 1 and 2 of this Article, or in defense of any claim, issue, or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

SECTION 4. DETERMINATION OF CONDUCT. Any indemnification under Sections 1 and 2 of this Article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case, upon a determination that indemnification of the member, director, officer, employee, or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article. Such determination shall be made by the members.

SECTION 5. PAYMENT OF EXPENSES IN ADVANCE. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding, as authorized by the members in the specific case, upon receipt of an undertaking by or on behalf of the member, director, officer, employee, or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation as authorized in this Article.

SECTION 6. INDEMNIFICATION NOT EXCLUSIVE. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of members, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a member, director, officer, employee, or agent, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

SECTION 7. INSURANCE. The corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee, or agent of the corporation, or who is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted

against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article.

SECTION 8. NOTICE TO MEMBERS. If the corporation has paid indemnity or has advanced expenses under this Article to a member, director, officer, employee, or agent, the corporation shall report the indemnification or advance in writing to any members entitled to vote with or before the notice of the next meeting of the members entitled to vote.

SECTION 9. REFERENCES TO CORPORATION. For purposes of this Article, references to "the corporation" shall include, in addition to the surviving corporation, any merging corporation (including any corporation having merged with a merging corporation) absorbed in a merger that, if its separate existence had continued, would have had the power and authority to indemnify its members, directors, officers, employees, or agents, so that any person who was a member, director, officer, employee, or agent of such merging corporation, or was serving at the request of such merging corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, shall stand in the same position under the provisions of this Article with respect to the surviving corporation as such person would have with respect to such merging corporation if its separate existence had continued.

SECTION 10. OTHER REFERENCES. For purposes of this Article, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a member, director, officer, employee, or agent of the corporation that imposes duties on or involves services by such member, director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries. A person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Article.

ARTICLE XIII Amendments

The power to alter, amend, or repeal the bylaws or adopt new bylaws shall be vested in the members. Such action may be taken at a regular or special meeting for

which written notice of the purpose shall be given, or by unanimous written consent. The bylaws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation.

* * *

Part II Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. **Do not merely refer to or repeat the language in the organizational document.** List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

SEE ATTACHMENT B

-
- 2 What are or will be the organization's sources of financial support? List in order of size.

SEE ATTACHMENT C

-
- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.

SEE ATTACHMENT D

The Michael and Susan Dell Foundation
c/o Tricia T. Dopieralski
P.O. Box 163867
Austin, Texas 78716-3867
FEIN: 36-4336415
Attachment to Internal Revenue Service Form 1023

ATTACHMENT B: Part II, Line 1, Activities

The Foundation is organized and operated exclusively for religious, charitable, scientific and educational purposes, as described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). It is expected that the Foundation's sole activity will consist of making grants for exclusively charitable purposes to tax-exempt organizations that qualify as public charities under the Code and related Treasury Regulations.

- a. The Foundation will award grants to tax-exempt public charities, as determined by the Foundation's board of directors. There are no specific criteria for awarding grants, however, all grant recipients must be public charities, and all grants must constitute qualifying distributions as described in section 4942 of the Code and related Treasury Regulations. By awarding grants to tax-exempt public charities for their use in religious, charitable, scientific, literary and educational activities, the Foundation is furthering its own tax-exempt purposes. Revenue Ruling 64-182, 1964-1 C.B. 186 (copy attached hereto).
- b. The Foundation began making grants in April, 2000.
- c. The Foundation's grant-making activities are conducted in Austin, Texas. The Foundation does not anticipate conducting its activities elsewhere. The Foundation's grant-making activities are conducted solely by the Foundation's directors and officers.

Organizational Test

The Foundation is organized exclusively for tax-exempt purposes. The Articles of Incorporation of the Foundation (the "Articles") expressly limit the purposes of the Foundation to religious, charitable, scientific and educational purposes and do not permit the Foundation to conduct any activities that are not permitted to be carried on by an organization exempt from tax under section 501(c)(3) of the Code. Treas. Reg. § 1.501(c)(3)-1(b)(1).

The Articles of the Foundation expressly prohibit the Foundation from: (1) attempting to influence legislation, by propaganda or otherwise; or (2) participating or intervening in any political campaign (including the publishing or distribution of statements). The Foundation is not authorized to conduct any activities that would cause it to be classified as an "action" organization. Treas. Reg. § 1.501(c)(3)-1(b)(3). Upon dissolution of the Foundation, its assets are required to be distributed to an organization or organizations organized and operated exclusively for charitable, religious or educational purposes, as described in section 501(c)(3) of the Code, and which qualify for exemption from tax under section 501(c)(3) of the Code. Treas. Reg. § 1.501(c)(3)-1(b)(4).

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ATTACHMENT B: Part II, Line 1, Activities (Continued)

Operational Test

The Foundation is operated exclusively for tax-exempt purposes. All of the Foundation's assets are irrevocably dedicated to tax-exempt purposes and no part of the net earnings of the Foundation may inure to the benefit of any private shareholder or individual. Treas. Reg. § 1.501(c)(3)-1(c)(1) and (2).

The Foundation does not conduct, and is not permitted under its Articles, to engage in any direct or indirect activities of a nature that would cause it to be classified as an "action" organization under Treas. Reg. § 1.501(c)(3)-1(c)(3).

Rev. Rul. 64-182

SECTION 501. - EXEMPTION FROM TAX ON CORPORATIONS, CERTAIN TRUSTS, ETC.

1964-1 C.B. 186; 1964 IRB LEXIS 227; REV. RUL. 64-182

January, 1964

[*1]

A corporation organized exclusively for charitable purposes derives its income principally from the rental of space in a large commercial office building which it owns, maintains and operates. The charitable purposes of the corporation are carried out by aiding other charitable 187 organizations, selected in the discretion of its governing body, through contributions and grants to such organizations for charitable purposes. Held, the corporation is deemed to meet the primary purpose test of (3)-1 section 1.501(c) (3)-1(e) (1) of the *Income Tax Regulations*, and to be entitled to exemption from Federal income tax as a corporation organized and operated exclusively for charitable purposes within the meaning of section 501(c) (3) of the *Internal Revenue Code* of 1954, where it is shown to be carrying on through such contributions and grants a charitable program commensurate in scope with its financial resources.

An organization may not consider itself exempt from tax merely because it falls within the scope of this Revenue Ruling. In order to establish its status, an organization claiming exemption under section 501(c) (3) of the Code should file its application on Form 1023, Exemption [*2] Application, with the District Director of Internal Revenue for the internal revenue district in which is located the principal office of the organization. See section 1.501(a)-1 of the *Income Tax Regulations*.

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ATTACHMENT C: Part II, Line 2, Sources of Financial Support

The Foundation may accept gifts and bequests from individuals, corporations, firms, trusts and other entities, which, along with passive investment income, will constitute the Foundation's only sources of financial support. The Foundation has accepted a contribution of shares of common stock in a publicly-traded corporation from Michael S. Dell, a director, member and officer of the Foundation. To date, this gift is the only contribution that has been received by the Foundation.

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ATTACHMENT D: Part II, Line 3, Fundraising Program

The Foundation neither has, nor anticipates commencing, a fundraising program. Accordingly, the Foundation does not use selective mailings, fundraising committees or professional fundraisers. The Foundation may, however, accept gifts from individuals, corporations, firms, trusts and other entities.

Part II Activities and Operational Information (Continued)

4 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.
SEE ATTACHMENT E

b Annual compensation
SEE ATTACHMENT E

c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? Yes No
If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See **Specific Instructions** for Part II, Line 4d, on page 3.) Yes No
If "Yes," explain.
SEE ATTACHMENT F

5 Does the organization control or is it controlled by any other organization? Yes No
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? Yes No
If either of these questions is answered "Yes," explain.

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? Yes No
If "Yes," explain fully and identify the other organizations involved.

7 Is the organization financially accountable to any other organization? Yes No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

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ATTACHMENT E: Part II, Line 4(a)-(b), Directors and Officers

a.	<u>Name</u>	<u>Address</u>	<u>Title</u>
	Michael S. Dell	P.O. Box 163867; Austin, Texas 78716-3867	President Director Member
	Susan L. Dell	P.O. Box 163867; Austin, Texas 78716-3867	1st Vice President Assistant Secretary Assistant Treasurer Director Member
	Alexander Dell	P.O. Box 163867; Austin, Texas 78716-3867	2nd Vice President Assistant Secretary Assistant Treasurer Director
	Tricia T. Dopieralski	P.O. Box 163867; Austin, Texas 78716-3867	Treasurer Assistant Secretary
	Marc R. Lisker	MSD Capital, L.P.; 780 Third Avenue; New York, New York 10017	Secretary Assistant Treasurer

b. The officers and directors of the Foundation do not receive compensation.

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ATTACHMENT F: Part II, Line 4(d), Disqualified Persons

Michael S. Dell, a director, member and officer of the Foundation is a disqualified person of the Foundation because of his status as a “substantial contributor” to the Foundation.

Susan L. Dell and Alexander Dell are disqualified persons of the Foundation because of their family relationship to Michael S. Dell. Susan L. Dell is Michael S. Dell’s wife. Alexander Dell is Michael S. Dell’s father.

Tricia T. Dopieralski and Marc R. Lisker are disqualified persons by reason of being foundation managers.

Part II Activities and Operational Information (Continued)

8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If none, indicate "N/A."
N/A

9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? Yes No

10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? Yes No

b Is the organization a party to any leases? Yes No

If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

11 Is the organization a membership organization? Yes No
If "Yes," complete the following:

a Describe the organization's membership requirements and attach a schedule of membership fees and dues.

SEE ATTACHMENT G

b Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.

SEE ATTACHMENT G

c What benefits do (or will) the members receive in exchange for their payment of dues?

SEE ATTACHMENT G

12a If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them? N/A Yes No
If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.

b Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals? N/A Yes No

If "Yes," explain how the recipients or beneficiaries are or will be selected.

13 Does or will the organization attempt to influence legislation? Yes No
If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.

14 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? Yes No
If "Yes," explain fully.

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ATTACHMENT G: Part II, Line 11(a)-(c), Membership Organization

- a. The Foundation is a “membership organization” solely for purposes of corporate governance. The Foundation has two members, Michael and Susan Dell, in whom is vested a large measure of authority to control the Foundation’s activities in conjunction with the Foundation’s board of directors. There are no requirements for membership in the Foundation, other than the approval of the two current members. Members of the Foundation are not required to pay dues or fees.
- b. The Foundation has no present or proposed activities aimed at attracting members. Indeed, it is unlikely that new members of the Foundation will ever be elected, unless either of the two existing members are unable to continue his or her membership duties. Accordingly, the Foundation does not have any descriptive or promotional material used for attracting new members.
- c. Members of the Foundation do not, and will not, receive any benefits from the Foundation as a result of membership.

Part III Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? Yes No
If you answer "Yes," do not answer questions on lines 2 through 6 below.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions—You are not required to file an exemption application within 15 months if the organization:

- a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See **Specific Instructions**, Line 2a, on page 4;
- b Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or
- c Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? Yes No

If "Yes," your organization qualifies under Regulation section 301.9100-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

4 If you answer "No" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? Yes No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See **Specific Instructions**, Part III, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

5 If you answer "No" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed? Yes No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status), check here and attach a completed page 1 of Form 1024 to this application.

Part III Technical Requirements (Continued)

- 7 Is the organization a private foundation?
 Yes (Answer question 8.)
 No (Answer question 9 and proceed as instructed.)

- 8 If you answer "Yes" to question 7, does the organization claim to be a private operating foundation?
 Yes (Complete Schedule E.)
 No

After answering question 8 on this line, go to line 14 on page 7.

- 9 If you answer "No" to question 7, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

- | | | |
|---|--|--|
| a | <input type="checkbox"/> As a church or a convention or association of churches (CHURCHES MUST COMPLETE SCHEDULE A.) | Sections 509(a)(1) and 170(b)(1)(A)(i) |
| b | <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B.) | Sections 509(a)(1) and 170(b)(1)(A)(ii) |
| c | <input type="checkbox"/> As a hospital or a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital (These organizations, except for hospital service organizations, MUST COMPLETE SCHEDULE C.) | Sections 509(a)(1) and 170(b)(1)(A)(iii) |
| d | <input type="checkbox"/> As a governmental unit described in section 170(c)(1). | Sections 509(a)(1) and 170(b)(1)(A)(v) |
| e | <input type="checkbox"/> As being operated solely for the benefit of, or in connection with, one or more of the organizations described in a through d, g, h, or i (MUST COMPLETE SCHEDULE D.) | Section 509(a)(3) |
| f | <input type="checkbox"/> As being organized and operated exclusively for testing for public safety. | Section 509(a)(4) |
| g | <input type="checkbox"/> As being operated for the benefit of a college or university that is owned or operated by a governmental unit. | Sections 509(a)(1) and 170(b)(1)(A)(iv) |
| h | <input type="checkbox"/> As receiving a substantial part of its support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. | Sections 509(a)(1) and 170(b)(1)(A)(vi) |
| i | <input type="checkbox"/> As normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). | Section 509(a)(2) |
| j | <input type="checkbox"/> The organization is a publicly supported organization but is not sure whether it meets the public support test of h or i. The organization would like the IRS to decide the proper classification. | Sections 509(a)(1) and 170(b)(1)(A)(vi) or Section 509(a)(2) |

If you checked one of the boxes a through f in question 9, go to question 14. If you checked box g in question 9, go to questions 11 and 12. If you checked box h, i, or j, in question 9, go to question 10.

Part III Technical Requirements (Continued)

- 10 If you checked box h, i, or j in question 9, has the organization completed a tax year of at least 8 months?
- Yes**—Indicate whether you are requesting:
 - A definitive ruling. (Answer questions 11 through 14.)
 - An advance ruling. (Answer questions 11 and 14 and attach two Forms 872-C completed and signed.)
 - No**—You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the Form 1023.

11 If the organization received any unusual grants during any of the tax years shown in Part IV-A, **Statement of Revenue and Expenses**, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant.

12 If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here and:

- a Enter 2% of line 8, column (e), Total, of Part IV-A _____
- b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line 12a above.

13 If you are requesting a definitive ruling under section 509(a)(2), check here and:

- a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see **Specific Instructions**, Part II, Line 4d, on page 3.)
- b For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

14 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. Do not submit blank schedules.)	Yes	No	If "Yes," complete Schedule:
Is the organization a church?		✓	A
Is the organization, or any part of it, a school?		✓	B
Is the organization, or any part of it, a hospital or medical research organization?		✓	C
Is the organization a section 509(a)(3) supporting organization?		✓	D
Is the organization a private operating foundation?		✓	E
Is the organization, or any part of it, a home for the aged or handicapped?		✓	F
Is the organization, or any part of it, a child care organization?		✓	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?		✓	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution? . . .		✓	I

Part IV Financial Data

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

		Current tax year	3 prior tax years or proposed budget for 2 years			
		(a) From 1/1/2000 to 12/31/2000	(b) 2001	(c) 2002	(d) 12/20/99 to 12/31/99	(e) TOTAL
Revenue	1 Gifts, grants, and contributions received (not including unusual grants—see page 6 of the instructions).				282,234,375	282,234,375
	2 Membership fees received					
	3 Gross investment income (see instructions for definition)	14,110,702	20,735,225	21,320,107		56,166,034
	4 Net income from organization's unrelated business activities not included on line 3					
	5 Tax revenues levied for and either paid to or spent on behalf of the organization					
	6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)					
	7 Other income (not including gain or loss from sale of capital assets) (attach schedule)					
	8 Total (add lines 1 through 7)	14,110,702	20,735,225	21,320,107	282,234,375	338,400,409
	9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22					
	10 Total (add lines 8 and 9)	14,110,702	20,735,225	21,320,107	282,234,375	338,400,409
	11 Gain or loss from sale of capital assets (attach schedule)					
	12 Unusual grants					
	13 Total revenue (add lines 10 through 12)	14,110,702	20,735,225	21,320,107	282,234,375	338,400,409
Expenses	14 Fundraising expenses	-0-	-0-	-0-	-0-	
	15 Contributions, gifts, grants, and similar amounts paid (attach schedule)	6,291,234	16,800,000	16,700,000	-0-	
	16 Disbursements to or for benefit of members (attach schedule)	-0-	-0-	-0-	-0-	
	17 Compensation of officers, directors, and trustees (attach schedule)	-0-	-0-	-0-	-0-	
	18 Other salaries and wages	62,100	468,099	1,001,732	-0-	
	19 Interest	-0-	-0-	-0-	-0-	
	20 Occupancy (rent, utilities, etc.)	-0-	-0-	-0-	-0-	
	21 Depreciation and depletion	-0-	-0-	-0-	-0-	
	22 Other (attach schedule)	7,387,180	3,736,244	3,895,274	-0-	
	23 Total expenses (add lines 14 through 22)	13,740,514	21,004,343	21,597,006	-0-	
	24 Excess of revenue over expenses (line 13 minus line 23)	370,188	(269,118)	(276,899)	282,234,375	

The Michael and Susan Dell Foundation
c/o Tricia T. Dopieralski
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SCHEDULE: Part IV, Line 3, Gross Investment Income

Amounts shown include projected realized capital gains from the sale of the Foundation's investment assets. The Foundation anticipates that all projected capital gains will be realized from the sale of publicly-traded securities through a broker, and accordingly, the name of the purchaser is not required to be listed.

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SCHEDULE: Part IV, Line 15, Contributions, Gifts, Grants and Similar Amounts Paid

Year 2000 Grants

<u>Recipient</u>	<u>Purpose</u>	<u>Amount</u>
The Center for Excellence in Education	computer equipment for education program	\$56,443
Austin Community Foundation	“Shoes for Austin” charitable program	\$15,000
March of Dimes	general charitable purposes	\$10,000
The Bold Initiative	computer equipment for diversity program	\$75,000
Texas Healthy Kids Corporation	charitable program to fund health care insurance premiums for underprivileged children	\$1,503,593
The Seton Fund	general charitable and educational purposes	\$831,198
Austin Library Foundation	fund computer centers for children	\$450,000
Arts Center Stage	building fund	\$2,000,000
Austin Museum of Art	building fund	\$1,000,000
To Be Determined	general charitable and educational purposes	\$350,000
	TOTAL	\$6,291,234

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SCHEDULE: Part IV, Line 15, Contributions, Gifts, Grants and Similar Amounts Paid (Cont.)

Year 2001 Anticipated Grants to be Paid (all grants subject to change)

<u>Recipient</u>	<u>Purpose</u>	<u>Amount</u>
The Seton Fund	general charitable and educational purposes	\$1,000,000
Arts Center Stage	building fund	\$3,000,000
Austin Museum of Art	building fund	\$2,600,000
To Be Determined	general charitable and educational purposes	\$10,200,000
	TOTAL	\$16,800,000

Year 2002 Anticipated Grants to be Paid (all grants subject to change)

<u>Recipient</u>	<u>Purpose</u>	<u>Amount</u>
Arts Center Stage	building fund	\$3,000,000
Austin Museum of Art	building fund	\$2,500,000
To Be Determined	general charitable and educational purposes	\$11,200,000
	TOTAL	\$16,700,000

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SCHEDULE: Part IV, Line 22, Other Expenses

Year 2000

<u>Type of Expense</u>	<u>Amount</u>
Office supplies, shipping, postage	\$831
Excise taxes	\$4,435,000
Professional services	\$150,430
Printing and publications	\$700
Maintenance and repairs	\$100
Investment related expenses	\$2,697,477
Miscellaneous expenses	\$2,642
Computers, office equipment and furniture	\$100,000
TOTAL	\$7,387,180

Year 2001

<u>Type of Expense</u>	<u>Amount</u>
Office supplies, shipping, postage	\$3,000
Excise taxes	\$600,000
Professional services	\$180,000
Printing and publications	\$3,000
Conferences, travel and entertainment	\$30,000
Maintenance and repairs	\$1,800
Investment related expenses	\$2,858,444
Miscellaneous expenses	\$60,000
TOTAL	\$3,736,244

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SCHEDULE: Part IV, Line 22, Other Expenses (Continued)

Year 2001

<u>Type of Expense</u>	<u>Amount</u>
Office supplies, shipping, postage	\$3,600
Excise taxes	\$600,000
Professional services	\$240,000
Printing and publications	\$6,000
Investment related expenses	\$2,925,674
Miscellaneous expenses	\$120,000
TOTAL	\$3,895,274

Part IV Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year Date 6-30-2000
Assets		
1	Cash	1 114,523,611.54
2	Accounts receivable, net	2
3	Inventories	3
4	Bonds and notes receivable (attach schedule)	4
5	Corporate stocks (attach schedule)	5 59,175,000.00
6	Mortgage loans (attach schedule)	6
7	Other investments (attach schedule)	7 97,374,798.39
8	Depreciable and depletable assets (attach schedule)	8
9	Land	9
10	Other assets (attach schedule)	10 4,500.00
11	Total assets (add lines 1 through 10)	11 271,077,909.93
Liabilities		
12	Accounts payable	12
13	Contributions, gifts, grants, etc., payable	13 925,000.00
14	Mortgages and notes payable (attach schedule)	14
15	Other liabilities (attach schedule)	15
16	Total liabilities (add lines 12 through 15)	16 925,000.00
Fund Balances or Net Assets		
17	Total fund balances or net assets	17 271,077,909.93
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	18 270,152,909.93

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation

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SCHEDULE: Part IV, Line 5, Corporate Stock

1,200,000 shares of Dell Computer Corporation common stock

fair market value as of June 30, 2000 – \$59,175,000

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SCHEDULE: Part IV, Line 7, Other Investments

<u>Investment</u>	<u>Shares</u>	<u>Fair Market Value</u>
Goldman Sachs Overlay	N/A	\$5,576,649.00
Goldman Sachs International Equity Fund	\$24,100,000.00	\$24,178,041.00
Goldman Sachs GEMS Small Cap Fund	\$7,300,000.00	\$7,098,549.00
State Street Russell 1000 Equity Fund	\$2,519,317.17	\$39,709,477.23
State Street REIT	252,774.53	\$2,779,003.18
PIMCO Funds	N/A	\$18,033,078.98
	TOTAL	\$97,374,798.39

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SCHEDULE: Part IV, Line 10, Other Assets

<u>Asset</u>	<u>Purchase Price</u>
Computer and related equipment	\$4,500.00