



**Part II** Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attachment](#)

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18 Can any resulting loss be recognized? ▶ [See attachment](#)

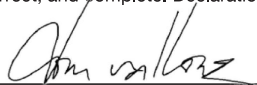
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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attachment](#)


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**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶  Date ▶ 12/14/2021

Print your name ▶ Tom Vallone Title ▶ Senior Vice President, Taxes

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Daniel W. Sirken		12/13/2021		P00851129
	Firm's name ▶ Deloitte Tax LLP	Firm's EIN ▶ 86-1065772		Phone no. 312.486.1000	
	Firm's address ▶ 111 S Wacker, Dr., Chicago, IL 60606				

**Dell Technologies Inc.**  
**EIN: 80-0890963**  
**Attachment to Form 8937**

**Lines 9, 12**

<b>Classification and Description</b>	<b>Ticker Symbol</b>
Dell Technologies Class A common stock	-
Dell Technologies Class B common stock	-
Dell Technologies Class C common stock	DELL

**Line 14 Describe the organizational action and, if applicable, the date of the action or the date against which the shareholders' ownership is measured from the action.**

On November 1, 2021, at 5:01 p.m. EDT (the “**Distribution Date**”), pursuant to the terms and conditions of the Separation and Distribution Agreement dated April 14, 2021, between Dell Technologies Inc. (“**Dell Technologies**”) and VMware, Inc. (“**VMware**”), Dell Technologies distributed its entire interest in VMware (the “**Distribution**”), consisting of VMware Class A common stock (“**VMware Class A Stock**”) and VMware Class B common stock (“**VMware Class B Stock**”) and together with the VMware Class A Stock, the (“**VMware Common Stock**”), on a pro rata basis to shareholders of record as of 5:00 p.m. EDT on October 29, 2021 (the “**Distribution Record Date**”) of Dell Technologies (i) Class A common stock, (ii) Class B common stock, and (iii) Class C common stock (“**Dell Technologies Common Stock**”).

Immediately following the Distribution, and prior to the receipt by shareholders of Dell Technologies Common Stock, each share of VMware Class B Stock automatically converted into one fully paid and non-assessable share of VMware Class A Stock (the “**Conversion**”). As a result, shareholders of Dell Technologies Common Stock received 0.440626 of a share of VMware Class A common stock for each share of Dell Technologies Common Stock held as of the Distribution Record Date (the “**Distribution Ratio**”).

All fractional shares resulting from the Distribution were aggregated and sold by the transfer agent in the open market, on behalf of shareholders of Dell Technologies Common Stock, and the proceeds, less any taxes, commissions or other fees, were distributed to such holders in accordance with their fractional interest in the aggregate number of shares sold.

**Line 15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.**

The Distribution qualified as a tax-free distribution under section 355(a) of the Internal Revenue Code of 1986, as amended (the “**Code**”). For U.S. federal income tax purposes, each shareholder of Dell Technologies Common Stock is treated as having received 0.040005 of a share of VMware Class A Stock and 0.400621 of a share of VMware Class B Stock (such sum

comprising the Distribution Ratio) for each share of Dell Technologies Common Stock. Accordingly, under section 358(a) of the Code, Dell Technologies shareholders must allocate their aggregate tax basis in their Dell Technologies Common Stock held immediately before the Distribution among (i) the VMware Class A Stock (including any fractional share interest for which cash was received), (ii) the VMware Class B Stock (including any fractional share interest deemed received), and (iii) the Dell Technologies Common Stock in respect of which such VMware Common Stock was received in proportion to the relative fair market value of each after the Distribution.

U.S. federal tax law does not specifically prescribe how shareholders should determine the fair market values of the Dell Technologies Common Stock and the VMware Common Stock for purposes of allocating their tax basis. One reasonable approach is to use the average of the highest and lowest quoted trading prices of Dell Technologies Class C common stock and VMware Class A Stock on November 2, 2021, the first trading day on the NYSE after the Distribution (*see Line 16 for additional data*).<sup>1</sup> Under this approach, the pre-Distribution aggregate tax basis in the Dell Technologies Common Stock would be allocated (i) 4.6371% to VMware Class A Stock, (ii) 46.4371% to VMware Class B Stock, and (iii) 48.9258% to Dell Technologies Common Stock. Other valuation methodologies may exist, and shareholders should consult their own tax advisors regarding basis allocation calculations. Shareholders of Dell Technologies Class A and Class B common stock may, in consultation with their own tax advisors, use another approach in determining the fair market value of such non-publicly traded stock.

Further, Dell Technologies shareholders that purchased or acquired Dell Technologies Common Stock at different times or at different prices should allocate the aggregate tax basis to the VMware Common Stock in a manner that replicates, to the greatest extent possible, the bases and holding periods of the Dell Technologies Common Stock with respect to which the VMware Common Stock was received. This allocation may result in some shares of VMware Common Stock having split basis and holding periods.

Please refer to Form 8937 filed by VMware regarding the Conversion for further information regarding certain basis implications with respect to the receipt of VMware Class A Stock in exchange for VMware Class B Stock.

**Line 16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.**

The relative fair market value of Dell Technologies Common Stock and VMware Common Stock on November 2, 2021 (the first trading day after the Distribution and the Special Dividend (defined below) paid by VMware to certain shareholders of record)<sup>2</sup> was calculated using the

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<sup>1</sup> Because the VMware Class B Stock converted into VMware Class A Stock on a 1-for-1 basis, it is reasonable to allocate basis to the VMware Common Stock using the fair market value of VMware Class A Stock.

<sup>2</sup> On November 1, 2021, VMware paid a special dividend of \$11.5 billion (the “**Special Dividend**”) pro-rata to all VMware shareholders who held shares of VMware Common Stock as of October 29, 2021. Prior to the start of trading on November 2, 2021, the NYSE adjusted the VMware Class A Stock price down by the per share Special Dividend amount paid by VMware on November 1, 2021 (\$27.40 per share).

mean of the highest and lowest quoted prices of Dell Technologies Class C common stock (\$57.34 high; \$53.01 low; \$55.18 mean) and VMware Class A Stock (\$136.06 high; \$125.40 low; \$130.73 mean).

Applying the Distribution Ratio, 0.040005 of a share of VMware Class A Stock (proportionate mean value of \$5.23) and 0.400621 of a shares of VMware Class B Stock (proportionate mean value of \$52.37) was received with respect to each share of Dell Technologies Common Stock (mean value of \$55.18), which corresponds to a relative fair market value allocation of **(i)** 4.6371% to VMware Class A Stock ( $\$5.23/\$112.78$ ), **(ii)** 46.4371% to VMware Class B Stock ( $\$52.37/\$112.78$ ), **(iii)** and 48.9258% to Dell Technologies Common Stock ( $\$55.18/\$112.78$ ).

**Line 17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

Sections 355(a), 358(a), 358(b); and section 1001 (to the extent cash is received in lieu of fractional shares of VMware Class A Stock).

**Line 18 Can any resulting loss be recognized?**

Dell Technologies shareholders will not recognize gain or loss for U.S. federal income tax purposes upon the receipt of VMware Common Stock in the Distribution. Dell Technologies shareholders may recognize gain or loss with respect to cash received in lieu of a fractional share of VMware Class A Stock equal to the difference between the cash received and the shareholder's allocated basis in such fractional share.

**Line 19 Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The Distribution was effective on November 1, 2021. For a shareholder with a calendar tax year, the reportable tax year is 2021.

**You are urged to consult your own tax advisors regarding the particular tax consequences of the Distribution to you, including the applicability and effect of all U.S. federal, state, and local and foreign taxes.**

**Additional information is located in the Information Statement, dated October 15, 2021, distributed to Dell Technologies stockholders and filed with the Securities and Exchange Commission on October 15, 2021, particularly the discussion beginning on page 11 under the heading "Material U.S. Federal Income Tax Consequences." You may access the form at [www.sec.gov](http://www.sec.gov).**