

**Amendment Number 1**  
**to**  
**Contract Number DIR-SDD-1850**  
**between**  
**State of Texas, acting by and through the Department of Information Resources**  
**and**  
**DENIM GROUP, LTD.**

This Amendment Number 1 to Contract Number DIR-SDD-1850 (“Contract”) is between the Department of Information Resources (“DIR”) and Denim Group, Ltd. (“Vendor”). DIR and Vendor agree to modify the terms and conditions of the Contract as follows:

1. **Contract, Section 2. Term of Contract** is hereby amended as follows:

DIR and Vendor hereby agree to extend the term of the Contract for one (1) year through June 6, 2015, or until terminated pursuant to the termination clauses contained in the Contract. Prior to expiration of the term, DIR and Vendor may extend the Contract, upon mutual agreement, for up to one (1) additional one-year renewal term.

2. **Contract, Section 4. Pricing**, is hereby restated in its entirety as follows:

**4. Pricing**

Pricing to the DIR Customer shall be as set forth in Appendix A, Section 8, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index, and shall include the DIR Administrative Fee.

3. **Contract, Section 4. Pricing A - G** is deleted and is hereby restated in its entirety in Appendix A, Standard Terms and Conditions For Services Contracts dated 05/02/14 as attached hereto.

4. **Contract, Section 5. DIR Administrative Fee**, is hereby restated in its entirety as follows:

**A)** The administrative fee to be paid by the Vendor to DIR based on the dollar value of all sales to Customers pursuant to this Contract is three quarters of one percent (.75%). Payment will be calculated for all sales, net of returns and credits. For example, the administrative fee for sales totaling \$100,000 shall be \$750.00. The effective date of this change will be July 1, 2014.

**B)** All prices quoted to Customers shall include the administrative fee. DIR reserves the right to change this fee upwards or downwards during the term of this Contract, upon written notice to Vendor without further requirement for a formal contract amendment. Any change in the administrative fee shall be incorporated in the price to the customer.

5. **Contract, Section 6. Notification** is hereby restated in its entirety as follows:

## 6. Notification

All notices under this Contract shall be sent to a party at the respective address indicated below.

### If sent to the State:

Dana L. Collins, CTPM, CTCM  
Manager, Contract and Vendor Management  
Department of Information Resources  
300 W. 15<sup>th</sup> St., Suite 1300  
Austin, Texas 78701  
Phone: (512) 936-2233  
Facsimile: (512) 475-4759  
Email: [dana.collins@dir.texas.gov](mailto:dana.collins@dir.texas.gov)

### If sent to the Vendor:

Sheridan Chambers  
Denim Group, Ltd.  
3463 Magic Drive, Suite 315  
San Antonio, Texas 78229  
Phone: (210) 572-4400  
Facsimile: (210) 572-4401  
Email: [sheridan@denimgroup.com](mailto:sheridan@denimgroup.com)

6. **Contract, Section 7. Software License and Service Agreements** is hereby amended by adding Conflicting or Additional Terms in its entirety as follows:

### **Conflicting or Additional Terms**

In the event that conflicting or additional terms in Vendor Software License Agreements, Shrink/Click Wrap License Agreements, Service Agreements or linked or supplemental documents amend or diminish the rights of DIR Customers or the State, such conflicting or additional terms shall not take precedence over the terms of this Contract.

7. **Contract, Section 8. Intellectual Property Matters, A - L** is deleted and is hereby restated in its entirety in Appendix A, Standard Terms and Conditions For Product and Related Services Contracts dated 05/02/14 as attached hereto.
8. **Appendix A. Standard Terms and Conditions For Product and Related Services Contracts**, is hereby restated in its entirety and replaced with the attached **Appendix A. Standard Terms and Conditions For Product and Related Services Contracts** dated 05/02/2014.

All other terms and conditions of the Contract not specifically modified herein shall remain in full force and effect. In the event of a conflict among provisions, the order of precedence shall be this Amendment Number 1 and then the Contract.

**IN WITNESS WHEREOF**, the parties hereby execute this amendment to be effective as of the date of the last signature, but in all events, no later than June 6, 2014.

**DENIM GROUP, LTD.**

**Authorized By:** Signature On File

**Name:** Sheridan Chambers

**Title:** Manager of the General Partner

**Date:** 5/27/14

**The State of Texas, acting by and through the Department of Information Resources**

**Authorized By:** Signature On File

**Name:** Karen Robinson

**Title:** Executive Director

**Date:** 6-13-14

**General Counsel:** 6-12-14