

**AMENDMENT NUMBER 1
TO
CONTRACT NO. DIR-SDD-2510
BETWEEN
THE STATE OF TEXAS, DEPARTMENT OF INFORMATION RESOURCES
AND
KPMG LLP**

This Amendment Number 1 to Contract Number DIR-SDD-2510 (“Contract”) is between the Department of Information Resources (“DIR”) and KPMG LLP (“Vendor”). DIR and Vendor agree to modify the terms and conditions of the Contract as follows:

1. **Section 8, Vendor Responsibilities, C. Vendor Certifications, Section (vii)** is hereby replaced in its entirety with the following:

Vendor and its principals are not suspended or debarred from doing business with the federal government as listed in the *System for Award Management (SAM)* maintained by the General Services Administration;

2. **Section 9, Contract Enforcement, B. Termination, 2) Absolute Right**, is hereby replaced in its entirety with the following:

DIR shall have the absolute right to terminate the Contract without recourse in the event that: i) Vendor becomes listed on the prohibited vendors list authorized by Executive Order #13224, *"Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism"*, published by the United States Department of the Treasury, Office of Foreign Assets Control; ii) Vendor becomes suspended or debarred from doing business with the federal government as listed in the *System for Award Management (SAM)* maintained by the General Services Administration; or (iii) Vendor is found by DIR to be ineligible to hold this Contract under Subsection (b) of Section 2155.006, Texas Government Code. Vendor shall be provided written notice in accordance with Section 10.A, Notices, of intent to terminate.

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 1, and then Contract DIR-SDD-2510.

IN WITNESS WHEREOF, the parties hereby execute this Amendment Number 1 to be effective as of the date of last signature.

KPMG LLP

Authorized By: /Signature on File/ _____

Name: Charles Collier _____

Title: Managing Director _____

Date: 06/27/14 _____

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: 07/16/14 _____

Office of General Counsel: /Signature on File/ 07/16/14