

December 6th, 2024

Ms. Lisa Winkle, Treasurer
City of Kingsport
415 Broad St.
Kingsport, TN 37660

Dear Lisa,

First Horizon is honored to have served the banking needs of the City of Kingsport now for over 46 years. We are grateful for the confidence you have placed in us, and for the solid foundation we have built together to serve the citizens of Kingsport.

As the needs of the City of Kingsport have evolved, First Horizon has risen to meet those needs, providing additional tools and resources necessary to modernize the City's treasury services. Chief among those include the recent installation and launch of the City's Remote Cash Deposit service at Bays Mountain, the Aquatic Center, and City Hall. This service, solely through our partnership with Loomis, allows for the provisional credit of deposits made via the City's leased or purchased safes/recyclers located on your premise. Not only does the quicker provisional credit allow the City to take advantage of float opportunities, but the removal of the need to take funds to the Banking Center transfers the risk of transporting currency from City Employees to the Courier service. This in turn frees up Police staff from having to escort the employees making the daily banking deposits, freeing Police resources for their primary responsibilities.

In addition, First Horizon continues to offer robust services designed to improve the City's cash cycle and leverage technology investments we have made at the Bank for the City's benefit – services such as Wholesale and Retail Lockbox, Electronic Bill Payment services, Remote Deposit Scanners for checks, Positive Pay with Name Verification, and many other Cash Management Solutions. Kingsport also takes advantage of First Horizon's Purchasing Card Program for the City's Operations, Procurement Operations, and Fuel expenditures. By moving expenditures to this card program, Kingsport leverages best-in-class technology to reduce unnecessary expenses, mitigate card fraud, and provide spend management capabilities, while also providing administrative tools to city employees to run these programs efficiently.

First Horizon is committed to offering local, dedicated and experienced experts to oversee the City's relationship. We believe the key to any successful relationship hinges on providing a

differentiated customer experience, and First Horizon has continued to prove that over many decades of dedicated service to Kingsport. Given the exclusive local nature of certain First

Horizon tools and resources the City now uses, in addition to our existing strong ties, we believe that it is in both parties' best interest to continue our relationship. We value our partnership with the City of Kingsport, and this letter serves as our formal request to continue providing that service to the City for an additional three-year renewal period through 12/31/27.

First Horizon commits to annual products and services reviews to make sure that Kingsport is taking full advantage of the latest technology developments available to them. Per your request we are also pricing the money market account at Fed Funds Upper minus 125 basis points (currently equal to 3.50%) so the City can earn additional interest on shorter-term funds not invested in the LGIP, subject to certain limits we can discuss at your convenience.

Should you need anything further, please reach out at your earliest convenience. It is our earnest hope that we can continue our relationship for years to come.

Sincerely,



Greg Perdue
Tri-Cities Market President

JGP/mo